

2. The Parties further recognise that it will be opportune and necessary to develop co-operation in this sector when the outcome of the Uruguay Round of Multilateral Trade Negotiations in the GATT is known. To this end, the Parties will negotiate amendments or further elaboration of this Agreement to take account of and to take advantage of the outcome of these negotiations.

Article 14: TRANSPORTATION

1. The Parties recognise the importance of improving transportation services as a means of facilitating trade between the Member States of CARICOM and Venezuela.

2. The Joint Council shall keep the provisions of this Article under review and identify measures including the negotiation of agreements on air and maritime transportation between the Member States of CARICOM and Venezuela, whereby transportation services may be improved.

3. The Parties further undertake to explore the possibility of creating joint enterprises in the area of transport and promote the establishment of centres for the consolidation of freight.

Article 15: SAFEGUARD CLAUSES

1. Venezuela should apply temporary safeguard measures when:

(a) importation of products originating in any of the Member States of CARICOM in quantities such that they cause serious damage to national production of similar or directly competing goods;

(b) it might be necessary to correct dis-equilibrium in the Balance of Payments or protect the external financial position of Venezuela.

2. With reference to sub-paragraph (a) of paragraph 1, the corrective measures should consist of the total or partial suspension of the obligations contracted with respect to the said products.

3. When Venezuela applies restrictions in accordance with sub-paragraph (b) of paragraph 1, the corrective measures may consist of the reduction of volumes or of the value of the merchandise imported, without exceeding the limits necessary for avoiding a serious reduction of monetary reserves, for halting the reduction or increasing the international monetary reserves, as the case may be.

4. When Venezuela proposes to adopt the above-mentioned measures, it shall provide prior notification to:

(a) the Joint Council, so that the Joint Council within a period no longer than 15 calendar days dating from the date of receipt of such notification shall decide whether safeguard action is appropriate in the particular case;

(b) the Parties which may have a substantial interest as exporters of the product in question, by means of the Joint Council, to give them the opportunity for the examination of the measures which are proposed for adoption.

5. The decision taken by the Joint Council shall be on the basis of the evidence provided by the Parties. In the case that the decision is in the affirmative, the Joint Council shall authorise the application of the restrictive measures.

6. The safeguard measures shall be applied only during the period necessary for repairing the grave damage. For that purpose they shall have no more than one year s duration.

Article 16: UNFAIR TRADE PRACTICES

In the case that there should arise in the trade between the Parties, situations of dumping as well as distortions arising from the application of subsidies to exports or of domestic subsidies equivalent in nature, the affected Party is empowered to apply the appropriate measures in conformity with its domestic legislation where it exists, which shall in any case be in conformity with the provisions of the GATT.

Article 17: SETTLEMENT OF DISPUTES

1. The Joint Council is the body responsible for the resolution of disputes which may arise with regard to the interpretation, application, execution or failure to comply with the provisions of this Agreement.

2. In the implementation of its powers under this Article, the Joint Council shall define guidelines and mechanism for the settlement of disputes not later than six months after the entry into force of this Agreement. Such mechanisms may include negotiations, enquiry, mediation, conciliation and arbitration.

Article 18: EVALUATION OF THE AGREEMENT

The Joint Council shall carry out a comprehensive evaluation of the implementation of this Agreement and of the accomplishment of its objective, not later than four years after its entry into force. On the basis of this evaluation, the Joint Council shall recommend measures which it considers necessary to improve trade relations between the Parties on a mutual basis.

Article 19: ACCESSION TO THE AGREEMENT BY OTHER ALADI MEMBER STATES

1. This Agreement remains open to adherence of other ALADI Member Countries, subject to prior negotiations among the Parties and those countries which demonstrate their intention to become members, in accordance with the provision in paragraph (a) of Article 9 of the Treaty of Montevideo of 1980.

2. The negotiations shall take into account that this Agreement establishes preferential treatment granted by Venezuela to the Member States of the Caribbean Community by reason of their lesser degree of relative development.

Article 20: TRANSITIONAL PROVISIONS