

development laws, mainly with respect to the importation of capital goods, intermediate goods, and raw materials necessary for their development.

Such exceptions shall not be applied in any case more than two years before the Common External Tariff is fully implemented.

Section E. On Financial Cooperation and Technical Assistance

Article 136. The Member Countries commit themselves to act jointly before the Andean Development Corporation and any other subregional, national, or international organizations to secure technical assistance and financing for Bolivia and Ecuador ¹⁰ development needs and specially for projects related to the process of integration.

The allocation of the resources for those projects should be made in accordance with the basic objective of reducing the existing differences in development among the countries while making an attempt to favor Bolivia and Ecuador markedly.

The Member Countries, moreover, shall act jointly before the Andean Development Corporation so that it allocates its regular and special resources in such a way that Bolivia and Ecuador receive a substantially larger share than would result if the distribution were to be made proportional to the countries' ¹¹ contribution to the Corporation ¹² capital.

Section F. General Provisions

Article 137. In its periodic evaluations and annual reports, the General Secretariat shall give separate and special consideration to Bolivia and Ecuador ¹³ situation in the subregional integration effort and shall propose to the Commission the measures which it deems appropriate to substantially improve their possibilities for development and increasingly expedite their participation in the area ¹⁴ industrialization.

Article 138. The Commission may establish in favor of any of the least developed countries more favorable condition ¹⁵ and procedures than those considered in this Chapter, bearing in mind the degree of development achieved and the conditions for taking advantage of the benefits of integration.

Chapter XIV: Economic and Social Cooperation

Article 139. Member Countries may begin programs and policies in the area of economic and social cooperation, which must be agreed upon within the Commission and shall be limited to the responsibilities established by this Agreement.

Article 140. Member Countries shall begin policies with an external scope, in matters of common interest, with the purpose of improving their participation in the international economy.

Article 141. With respect to the provisions of the previous Article, the Commission shall adopt programs to direct the joint external actions of the Member Countries, particularly as regards to the negotiations with third countries and group of countries, as well as for the participation in fora and organizations specialized in matters related to the international economy.

Article 142. Member Countries shall promote a joint scientific and technological development process to attain the following objectives:

- a. The creation of the ability to respond subregionally to the challenges of the scientific-technological revolution in course;
- b. The contribution of science and technology to the conception and execution of Andean development strategies and programs; and
- c. Taking advantage of the mechanisms of economic integration in order to induce technological innovation and productive modernization.

Article 143. With respect to the previous Article, the Member Countries shall adopt in the fields where there is a common interest:

- a. Programs of cooperation and joint efforts in science and technology in which the subregional level is more effective to train human resources and to obtain the results of the investigation;

- b. Technological development programs that contribute to the attainment of solutions to the common problems of the productive sectors; and
- c. Programs for taking advantage of the enlarged market and of joint physical, human, and financial abilities, in order to induce technological development in sectors of common interest.

Article 144. Member Countries shall undertake policies that promote the integral development of border regions and their effective incorporation to the domestic and Andean subregional economies.

Article 145. In the area of tourism, the Member Countries shall develop joint programs seeking a better understanding of the Subregion and to stimulate economic activities related to this sector.

Article 146. Member Countries shall undertake joint policies that enable a better use of their renewable and nonrenewable natural resources and the preservation and improvement of the environment.

Article 147. Member countries shall undertake cooperation actions in the services sector. For that purpose the Commission shall adopt programs and projects in selected areas of the services sector, defining for each case the mechanisms and instruments to be applied.

Article 148. Member Countries shall undertake joint cooperation actions destined to contribute to the attainment of the following objectives of social development of the Andean population:

- a. The elimination of poverty among the excluded classes, in order to achieve social justice;
- b. To strengthen the cultural identity of the Andean area;
- c. Full participation of the inhabitants of the Subregion in the integration process; and
- d. To meet the needs of the depressed areas, that are predominantly rural.

For the attainment of such objectives, programs and projects shall be developed in the areas of health, social security, social interest housing, education, and culture.

The fulfillment of the actions to be developed within the framework of this Article shall be coordinated with the different organizations of the Andean system.

Article 149. Member Countries shall undertake policies in the area of social communication and policies oriented to promote a better understanding of the cultural, historical, and geographic heritage of the Subregion, its economic and social reality, and that of the Andean integration process.

Article 150. The projects, policies, and programs to which this Chapter refers to shall be developed, in parallel and in coordination, with the improvement of the other mechanisms of the subregional integration process.

Chapter XV: Accession, Effective Date and Denouncement

Article 151. This Agreement may not be signed with reservations and shall remain open to the accession of the rest of the Latin American countries. Least developed countries which accede to the Agreement shall be entitled to a treatment similar to that agreed upon in Chapter XIII for Bolivia and Ecuador.

The terms of the accession shall be defined by the Commission, which shall bear in mind that the incorporation of new members shall comply with the objectives of the Agreement.

Article 152. This Agreement shall be submitted to the Permanent Executive Committee of the LAFTA for its considerations and once the Committee has declared its compatibility with the principals and objectives of the Treaty of Montevideo and with Resolution 203 (CM-II/VI-E), each of the Member Countries shall approve it in keeping with its respective national legal procedures and shall inform the Executive Secretariat of LAFTA of the corresponding act of approval. The Agreement shall become effective when three countries have communicated their approval to the Executive Secretariat of LAFTA.