

subregional integration process that may be of interest to their respective sectors. They can also be called to meetings of working groups and of government experts, participate in the preparation of draft Decisions, and they shall be able to participate with a right to be heard in the meetings of the Commission.

## **Section H. On the Financial Institutions**

**Article 45.** The Andean Development Corporation and the Latin American Reserve Fund are the financial institutions of the System whose purpose is to promote the process of Andean subregional integration.

**Article 46.** The General Secretariat and the executive bodies of the Andean Development Corporation and the Latin American Reserve Fund, shall keep working relationships, with the purpose of establishing an adequate coordination of activities and to facilitate, thereby, the achievement of the objectives of this Agreement.

## **Section I. On Dispute Resolution**

**Article 47.** The resolution of disputes that may arise due to the application of the Andean Community Law, shall be subject to the provisions of the Charter of the Court of Justice.

## **Section J . On the International Legal Capacity and the Privileges and Immunities**

**Article 48.** The Andean Community is a subregional organization with international legal capacity or international legal status

**Article 49.** The General Secretariat, the Court of Justice, the Andean Parliament, the Andean Development Corporation, the Latin American Reserve Fund, and the Social Agreements which are part of the System, shall enjoy, within the territory of each one of the Member Countries, the privileges and immunities required for the fulfillment of their objectives. Their representatives and international staff shall have, likewise, the privileges and immunities required to carry out their duties, in relation to this agreement, with independence. Their premises are inviolable and their goods and property are immune to all judicial proceedings, unless expressly waived. Nevertheless, such a waiver shall not apply to any judicial executory measure.

## **Chapter III: Harmonization of Economic Policies and Coordination of Development Plans**

**Article 50.** Member Countries shall progressively adopt a strategy for the achievement of the subregional development objectives foreseen in this Agreement.

**Article 51.** Member Countries shall coordinate their development plans in specific sectors and will gradually harmonize their economic and social policies, with the objective of achieving an integrated development of the area, through planned actions.

This process shall be carried out in parallel to and in coordination with the creation of the subregional market, by means of the following mechanisms, among others:

- a. Industrial Development Programs;
- b. Agricultural and Agroindustrial Development Programs;
- c. Physical Infrastructure Development Programs;
- d. The harmonization of foreign exchange, monetary, financial, and fiscal policies, including the treatment of subregional or foreign capital;
- e. A common trade policy in relation to third countries; and
- f. The harmonization of planning methods and techniques.

**Article 52.** Before December 31, 1970, the Commission, shall at the General Secretariat 昆網 proposal, approve and submit to the Member Countries for their consideration a common regime on the treatment of foreign capital and, among others, about trademarks, patents, licenses, and royalties.

The Member Countries shall take the necessary measures to put this regime into effect within six months following its approval by the Commission.

**Article 53.** Before December 31, 1971, the Commission shall, at the General Secretariat's proposal, approve and propose to the Member Countries a uniform regime that Andean multinational corporations must abide by.

**Article 54.** The Commission shall, at the General Secretariat's proposal, establish permanent procedures and mechanisms deemed necessary to achieve the coordination and harmonization referred to in Article 51.

**Article 55.** The Commission shall, at the General Secretariat's proposal and taking into account the progress and needs of the subregional integration process, as well as the balanced compliance with the mechanisms of the Agreement, approve rules, and determine dates for the gradual harmonization of the economic legislations and the instruments and mechanisms for the regulation and promotion of Member Countries' foreign trade that affect the mechanisms foreseen in this Agreement for the creation of the subregional market.

**Article 56.** The Member Countries shall include in their national development plans and in the formulation of their economic policies, the necessary measures to ensure compliance with the preceding Articles.

#### **Chapter IV: Industrial Development Programs**

**Article 57.** The Member Countries pledge themselves to promote a common process of industrial development to attain, among others, the following objectives:

- a. The expansion, specialization, diversification, and promotion of industrial activity;
- b. The development of economies of scale;
- c. An optimum utilization of resources available in the area, specially through the industrialization of natural resources;
- d. The improvement in productivity;
- e. A greater degree of relationship, linkage, and complementarity among the industrial enterprises of the Subregion;
- f. An equitable distribution of benefits; and
- g. An improved degree of participation of subregional industry in the international context.

**Article 58.** With respect to the previous Article, the following shall constitute modes of industrial integration:

- a. Industrial Integration Programs;
- b. Industrial Complementarity Agreements ; and
- c. Industrial Integration Projects.

#### **Section A. On Industrial Integration Programs**

**Article 59.** The Commission shall, at the General Secretariat's proposal, adopt Industrial Integration Programs, preferably to promote new industrial production that is sectorial or intersectorial in scope, and that shall have the participation of at least four Member Countries.

The programs shall include clauses about:

- a. Specific goals;
- b. The determination of the products that are the subject matter of the Program;