

**PROTOCOL TO THE 2007 TRADE AND INVESTMENT FRAMEWORK
AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE
ORIENTAL REPUBLIC OF URUGUAY
CONCERNING TRADE FACILITATION**

The Government of the United States of America and the Government of the Oriental Republic of Uruguay (individually a “Party” and collectively the “Parties”), having entered into the Trade and Investment Framework Agreement Between the United States of America and the Oriental Republic of Uruguay at Montevideo on January 25, 2007 (hereinafter referred to as the Agreement):

Seeking to expedite the movement, release, and clearance of goods in order to facilitate trade between the Parties; and

Desiring to improve cooperation between customs or any other appropriate authorities on trade facilitation and customs compliance issues,

HAVE AGREED as follows:

Article 1: Publication

1. Each Party shall publish, including on the Internet, its customs laws, regulations, and general administrative procedures.
2. Each Party shall designate or maintain one or more inquiry points to address inquiries by interested persons concerning customs matters and shall make available on the Internet information concerning the procedures for making such inquiries.
3. To the extent possible, each Party shall publish in advance any regulations of general application governing customs matters that it proposes to adopt and provide interested persons the opportunity to comment prior to their adoption.

Article 2: Release of Goods

1. Each Party shall adopt or maintain simplified customs procedures for the efficient release of goods in order to facilitate trade between the Parties.
2. Pursuant to paragraph 1, each Party shall adopt or maintain procedures that:
 - (a) provide for the release of goods within a period no greater than that required to ensure compliance with its customs laws, and to the extent possible release the goods within 48 hours of arrival;

- (b) allow goods to be released at the point of arrival¹; and
- (c) allow those importers who provide sufficient guarantee to the customs authorities to withdraw goods from customs before and without prejudice to the final determination by its customs authority of the applicable customs duties, taxes, and fees.²

Article 3: Automation

Each Party shall endeavor to use information technology that expedites procedures for the release of goods. When deciding on the information technology to be used for this purpose, each Party shall:

- (a) endeavor to use international standards;
- (b) make electronic systems accessible to customs users;
- (c) provide for electronic submission and processing of information and data before arrival of the shipment to allow for the release of goods on arrival;
- (d) employ electronic or automated systems for risk analysis and targeting;
- (e) work towards developing compatible electronic systems between the Parties' customs authorities, to facilitate government to government exchange of international trade data; and
- (f) work towards developing a set of common data elements and processes in accordance with World Customs Organization (WCO) Customs Data Model and related WCO recommendations and guidelines.

Article 4: Risk Management

Each Party shall endeavor to adopt or maintain risk management systems that enable its customs authority to focus its inspection activities on high-risk goods and that simplify the clearance and movement of low-risk goods, while respecting the confidential nature of the information it obtains through such activities.

¹ For greater certainty, the phrase "released at the point of arrival" means without temporary transfer of the goods to warehouses or other facilities, except a warehouse at which customs operations are performed and which is located at an airport, and for which there is an existing contractual relationship between an official authority and a private entity to provide warehouse service. Also for greater certainty, this provision would not preclude an official authority from transferring to a warehouse a good arriving at a seaport if the importer or its agent has not provided documentation necessary for release of the good within 12 hours of the departure of the ship. Any fee charged for such warehousing shall be reasonable and shall be limited in amount to the approximate cost of services rendered.

² The guarantee may take the form of a surety, a deposit, or some other appropriate instrument, covering the ultimate payment of the customs duties, taxes, and fees in connection with the importation of the good.

Article 5: Cooperation

1. With a view to facilitating the effective operation of this Agreement, each Party shall endeavor to provide the other Party with advance notice of any significant modification of administrative policy or other similar development related to its laws or regulations governing importations that is likely to substantially affect the operation of this Agreement.
2. The Parties shall cooperate in achieving compliance with their respective laws and regulations pertaining to:
 - (a) the implementation and operation of the provisions of this Agreement governing importations or exportations;
 - (b) the implementation and operation of the Customs Valuation Agreement;
 - (c) restrictions or prohibitions on imports or exports; and
 - (d) other customs matters as the Parties may agree.
3. Where a Party has a reasonable suspicion of unlawful activity related to its laws or regulations governing importations, the Party may request that another Party provide specific confidential information normally collected in connection with the importation of goods.
4. A Party's request under paragraph 3 shall be in writing, shall specify the purpose for which the information is sought, and shall identify the requested information with sufficient specificity for the other Party to locate and provide the information.
5. The Party from whom the information is requested shall, in accordance with its law and any relevant international agreements to which it is a party, provide a written response containing such information.
6. For purposes of paragraph 3, "a reasonable suspicion of unlawful activity" means a suspicion based on relevant factual information obtained from public or private sources comprising one or more of the following:
 - (a) historical evidence of non-compliance with laws or regulations governing importations by an importer or exporter;
 - (b) historical evidence of non-compliance with laws or regulations governing importations by a manufacturer, producer, or other person involved in the movement of goods from the territory of one Party to the territory of the other Party;

- (c) historical evidence that some or all of the persons involved in the movement from the territory of one Party to the territory of another Party of goods within a specific product sector have not complied with a Party's laws or regulations governing importations; or
- (d) other information that the requesting Party and the Party from whom the information is requested agree is sufficient in the context of a particular request.

7. Each Party shall endeavor to provide the other Party with any other information that would assist that Party in determining whether imports from or exports to that Party are in compliance with the other Party's laws or regulations governing importations, in particular those related to the prevention of unlawful activities such as smuggling and similar infractions.

8. For purposes of facilitating trade between the Parties, each Party shall endeavor to provide the other Party with technical advice and assistance for the purpose of improving risk assessment and risk management techniques, facilitating the implementation of international supply chain standards, simplifying and expediting customs procedures for the timely and efficient clearance of goods, advancing the technical skill of personnel, and enhancing the use of technologies that can lead to improved compliance with regard to a Party's laws or regulations governing importations.

9. The Parties shall endeavor to cooperate to enhance each Party's ability to enforce its regulations governing importations. The Parties shall further endeavor to establish and maintain other channels of communication to facilitate the secure and rapid exchange of information and to improve coordination on importation issues.

Article 6: Confidentiality

1. Where a Party providing information to the other Party in accordance with this Protocol designates the information as confidential, the other Party shall maintain the confidentiality of the information. The Party providing the information may require a written assurance from the other Party that the information will be held in confidence, will be used only for the purposes specified in the other Party's request for information, and will not be disclosed without the Party's specific permission.

2. A Party may decline to provide information requested by the other Party where that Party has failed to act in conformity with the assurance provided under paragraph 1.

3. Each Party shall adopt or maintain procedures in which confidential information, including information the disclosure of which could prejudice the competitive position of the person providing the information, submitted in accordance with the administration of the Party's customs laws, shall be protected from unauthorized disclosure.

Article 7: Express Shipments

Each Party shall adopt or maintain expedited customs procedures for express shipments while maintaining appropriate customs control and selection. These procedures shall:

- (a) provide a separate and expedited customs procedure for express shipments;
- (b) provide for the submission and processing of information necessary for the release of an express shipment before the express shipment arrives;
- (c) allow submission of a single manifest covering all goods contained in a shipment transported by an express shipment service, through, if possible, electronic means;
- (d) to the extent possible, provide for clearance of certain goods with a minimum of documentation;
- (e) under normal circumstances, provide for clearance of express shipments within six hours after submission of the necessary customs documents, provided the shipment has arrived;
- (f) apply without regard to weight or customs value; and
- (g) provide, under normal circumstances, that no customs duties or taxes will be assessed on, nor will formal entry documents be required for, express shipments valued at US\$200 or less.³

Article 8: Review and Appeal

Each Party shall ensure that with respect to its determinations⁴ on customs matters, importers in its territory have access to:

- (a) a level of administrative review independent of the employee or office that issued the determinations; and
- (b) judicial review of the determinations.

³ Notwithstanding Article 7(g), a Party may require that express shipments be accompanied by an airway bill or bill of lading. For greater certainty, a Party may assess customs duties or taxes and may require formal entry documents for restricted goods.

⁴ For purposes of this Article, a determination, if made by a Party other than the United States means an administrative act.

Article 9: Penalties

Each Party shall adopt or maintain measures that allow for the imposition of civil or administrative penalties and, where appropriate, criminal sanctions for violations of its customs laws and regulations, including those governing tariff classification, customs valuation, and country of origin.

Article 10: Advance Rulings

1. Each Party shall issue, before a good is imported into its territory, a written advance ruling at the written request of an importer in its territory, or an exporter or producer⁵ in the territory of the other Party with regard to:

- (a) tariff classification;
- (b) the application of customs valuation criteria for a particular case, in accordance with the application of the provisions set forth in the Customs Valuation Agreement;
- (c) the application of duty drawback, deferral, or other relief from customs duties;
- (d) country of origin marking;
- (e) the application of quotas; and
- (f) such other matters as the Parties may agree.

2. Each Party shall issue an advance ruling within 150 days after a request, provided that the requester has submitted all information that the Party requires, including, if the Party requests, a sample of the good for which the requester is seeking an advance ruling. In issuing an advance ruling, the Party shall take into account facts and circumstances the requester has provided.

3. Each Party shall provide that advance rulings shall be in force from their date of issuance, or another date specified in the ruling, provided that the facts or circumstances on which the ruling is based remain unchanged.

4. The issuing Party may modify or revoke an advance ruling after the Party notifies the requester. The issuing Party may modify or revoke a ruling retroactively only if the ruling was based on inaccurate or false information.

5. Subject to any confidentiality requirements in its laws, each Party shall make its advance rulings publicly available.

⁵ For greater certainty, an importer, exporter, or producer may submit a request for an advance ruling through a duly authorized representative.

6. If a requester provides false information or omits relevant facts or circumstances relating to the advance ruling, or does not act in accordance with the ruling's terms and conditions, the importing Party may apply appropriate measures, including civil, criminal, and administrative actions, monetary penalties, or other sanctions.

Article 11: Definitions

For purposes of this Protocol:

customs authority means the competent authority that is responsible under the law of a Party for the administration of customs laws and regulations;

customs duty includes any customs or import duty and a charge of any kind imposed in connection with the importation of a good, including any form of surtax or surcharge in connection with such importation, but does not include any:

- (a) charge equivalent to an internal tax imposed consistently with Article III:2 of the GATT 1994, in respect of like, directly competitive, or substitutable goods of the Party, or in respect of goods from which the imported good has been manufactured or produced in whole or in part;
- (b) antidumping or countervailing duty that is applied pursuant to a Party's domestic law; or
- (c) fee or other charge in connection with importation commensurate with the cost of services rendered;

Customs Valuation Agreement means the *WTO Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994*;

existing means in effect on the date of entry into force of this Protocol;

measure includes any law, regulation, procedure, requirement, or practice;

person means a natural person or an enterprise;

territory means:

- (a) with respect to Uruguay, the land territory, internal waters, territorial sea, and air space under its sovereignty, and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction, in accordance with international law and its domestic law;
- (b) with respect to the United States,

- (i) the customs territory of the United States, which includes the 50 states, the District of Columbia, and Puerto Rico,
- (ii) the foreign trade zones located in the United States and Puerto Rico, and
- (iii) any areas beyond the territorial seas of the United States within which, in accordance with international law and its domestic law, the United States may exercise rights with respect to the seabed and subsoil and their natural resources.

WTO means the World Trade Organization; and

WTO Agreement means the *Marrakesh Agreement Establishing the World Trade Organization*, done on April 15, 1994.

Article 12: Application of Certain Provisions

Uruguay may delay giving effect to:

- (a) Article 2.2(b) for a period of no longer than one year;
- (b) Articles 2.2(c), 3, and 10 for a period of no longer than three years; and
- (c) Article 7 for a period of no longer than six months,

beginning on the date of entry into force of this Protocol.

Article 13: Entry Into Force and Termination

1. This Protocol shall enter into force on signature.
2. This Protocol may be amended by written agreement of the Parties.
3. Either Party may withdraw from this Protocol by providing written notice of withdrawal to the other Party. The withdrawal shall take effect on a date agreed by the Parties or, if the Parties cannot agree on a date, 180 days after the date on which notice of withdrawal is delivered.

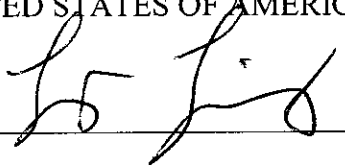
Article 14: Authentic Texts

The English and Spanish texts of this Protocol are equally authentic.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective governments, have signed this Protocol.

DONE at Washington, in duplicate, this 2nd day of October, 2008.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:



FOR THE GOVERNMENT OF THE
ORIENTAL REPUBLIC OF URUGUAY: