

SME Chapter text as concluded at the Mercosur (MCS)-EU negotiation round in Brussels, meeting of Chief Negotiators, 13 July 2018.

Chapter on Small and Medium-Sized Enterprises

Article 1. General principles

1. The Parties¹ recognise that Small and Medium-sized Enterprises, which include micro, small and medium-sized enterprises and entrepreneurs (hereinafter referred to as SMEs), contribute significantly to trade, economic growth, employment and innovation. The Parties seek to support the growth and development of SMEs by enhancing their ability to participate in and benefit from the opportunities created by this Agreement.

2. The Parties acknowledge the importance of reducing non-tariff barriers which place a disproportionate burden on SMEs. They also acknowledge that, in addition to the provisions in this Chapter, there are other provisions in the Agreement that seek to enhance cooperation between the Parties on SMEs issues or that otherwise may be of particular benefit to SMEs.

Article 2. Information sharing

1. Each Party shall establish or maintain its own publicly accessible website containing information regarding this Agreement, including:

- (a) the text of this Agreement, including all annexes, tariff schedules, and product specific rules of origin;
- (b) a summary of this Agreement; and
- (c) information designed for SMEs that contains:
 - (i) a description of the provisions in this Agreement that the Party in question considers to be relevant to SMEs; and
 - (ii) any additional information that the Party considers would be useful for SMEs interested in benefitting from the opportunities provided by this Agreement.

2. Each Party shall include links from the website provided for in paragraph 1 to:

- (a) the equivalent website of the other Party;

¹ The general definition of the Parties is still pending. Parties should be understood as the Mercosur Signatory States and the EU.

(b) the websites of its own government authorities and other appropriate entities that the Party considers would provide useful information to persons interested in trading, investing, or doing business in that Party. Each Party shall include available information related to the following:

- (i) rates of most-favoured nation (MFN) and preferential customs duties and quotas, rules of origin, customs or other fees at the border;
- (ii) customs regulations and procedures for importation, exportation, and transit as well as required forms and documents;
- (iii) regulations and procedures concerning intellectual property rights;
- (iv) technical regulations including, where necessary, obligatory conformity assessment procedures; and links to lists of conformity assessment bodies, in cases where third party conformity assessment is obligatory;
- (v) sanitary and phytosanitary measures relating to importation and exportation;
- (vi) government procurement, transparency rules and publication of procurement notices as well as other relevant provisions contained in Chapter [XX] on government procurement;
- (vii) business registration procedures;
- (viii) other information which the Parties agree may be of assistance to SMEs.

(c) a database that is electronically searchable by tariff nomenclature code and that shall include the information contained in paragraph 2.b (i) and the following information:

- (i) excise duties;
- (ii) taxes (value added tax / sales tax);
- (iii) other tariff measures;
- (iv) deferral, or other types of relief that reduce, refund, or waive customs duties;
- (v) criteria used to determine the customs value of the good;
- (vi) if applicable, country of origin marking requirements, including placement and method of marking;
- (vii) information needed for import procedures;
- (viii) information related to non-tariff measures or regulations.

Each MERCOSUR signatory country shall implement the websites and the database with the maximum possible information described above with respect to access to its markets with the best effort to put it into place within 3 years from entry into force of this Agreement.

3. Each Party shall regularly, or when requested by the other Party, update the information and links referred to in paragraphs 1 and 2.

4. Each Party shall ensure that information set out in this article is presented in a manner that is easy to use for SMEs. When possible, each Party shall endeavour to make the information available in English.

5. No fee shall apply for access to the information provided pursuant to paragraphs 1 and 2 for any person in either Party.

Article 3. SME Coordinators

Each Party shall communicate to the other Party its SME Coordinator to carry out the functions listed in this article. These two SME Coordinators shall:

- a) develop a work plan to carry out the tasks described in this Article;
- b) carry out their work through the communication channels agreed by the SME Coordinators, which may include electronic mail, videoconferencing, or other means;
- c) meet as mutually agreed, at least once a year, through appropriate means; and
- d) report periodically on their activities and make appropriate recommendations to the [Association Committee in its trade configuration] for its consideration.

2. The SME Coordinators shall work to:

- (a) ensure that SME needs are taken into account in the implementation of this Agreement;
- (b) monitor the implementation of the provisions on information sharing of Article 2 to ensure that the information provided by the Parties is up-to-date and relevant for SMEs;
- (c) recommend additional information that the Parties may include in their websites described in Article 2;
- (d) identify ways to cooperate and exchange information for EU and Mercosur SMEs to take advantage of new opportunities under this Agreement to increase trade and investment;
- (e) address any other matters of interest to SMEs in connection with the implementation of this Agreement;
- (f) participate, if appropriate, in the work of any Sub-Committee and Working Group established in this trade part of this Agreement and present jointly to these Sub-Committees and Working Groups specific issues and recommendations and possible solutions of particular interest to SMEs in their areas, while avoiding duplication of work programmes;
- (g) exchange information to assist the Parties in monitoring and implementing this Agreement as it relates to SMEs;
- (h) consider any other matter arising under this Agreement pertaining to SMEs as the Parties may agree.

3. SME Coordinators may seek to cooperate with experts and external organizations, as appropriate, in carrying out their activities.

Limited

Article 4: Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under Chapter [XX] for any matter arising under this Chapter.

Limited