# THE MERCOSUL MINING SECTOR AND THE BENTONITE MARKET

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This work aims at analysing the consequences of MERCOSUL (Southern Cone Common Market) to the mineral sector and to the competitiveness of some enterprises located in member countries. This analysis allows us to highlight some government options to aid the mining industries in the economic bloc context, such as the inherent competition advantages and disadvantages. In order to illustrate them, we have described the mining integration process evolution that occurred in the MERCOSUL and the bentonite market between Brazil and Argentina. In the explanation about the mining integration, the following aspects are commented: the foundations and the differences of the regimes in order to carry out the exploration and exploitation activities and the mining tributation; the Subgroup of Work related to mining (SGT2) organisation and operation; the development achieved by Argentina and Chile with the mining integration effort; and the MERCOSUL + Bolivia and Chile mining sector and market. We have noticed that in the bentonite clay trade between Brazil and Argentina, as for other minerals, the Customs Union of 1995 (with custom advantages) was the most favourable treaty for this exchange. In this context, the enterprises located in Argentina benefit from the custom taxes for products coming from non-Mercosul countries and the non-existence of Brazilian sodium bentonite in the market dispute with the Brazilian calcium and sodium exchanged bentonite. Even with higher price and transport costs, the wide range of uses, in addition to some of these uses specification, justify importing sodium bentonite from Argentina.