

**EC-CHILE (Goods)  
Summary Fact Sheet  
December 2007**

**Table 1: Background Information**

Parties:	European Communities, Chile	
Date of signature	18 November 2002	
Date of entry into force	1 February 2003	
Transition period for full implementation	Industrial products: three years for the EC; seven years for Chile Agricultural products: ten years	
Date of full implementation	1 January 2013	
Website address or points of contact	Chile: <a href="http://www.direcon.cl/index.php?accion=ue">http://www.direcon.cl/index.php?accion=ue</a> European Union: <a href="http://europa.eu.int/comm/trade/issues/bilateral/countries/chile/euchlagr_en.htm">http://europa.eu.int/comm/trade/issues/bilateral/countries/chile/euchlagr_en.htm</a>	
List of related GATT/WTO documents	WT/REG164/N/1 WT/REG164/1 WT/REG164/2 WT/REG164/3 WT/REG164/4 WT/REG164/M/1, WT/REG/164/M/2 and Corr.1: and M/3 WT/REG164/5 and Corr.1: and WT/REG164	Notification Agreement Council Dec. (provisional application) Terms of Reference Standard Format Summary Records  Questions and Replies

**Table 2: Internal trade liberalization provisions**

Import duties and charges	Chapter I (Elimination of customs duties) Annexes I and II (Customs elimination schedule)
Export duties and charges	Chapter I (Elimination of customs duties) Export prohibitions or restrictions in trade between the EC and Chile were eliminated from the date of entry into force of the Agreement.
Non-tariff measures	Chapter II (Non-tariff measures)
Sector-specific rules	Article 24 (Cooperation on agriculture and rural sectors and sanitary and phytosanitary measures) Article 25 (Fisheries) Article 68 (Customs duties on fish and fisheries imports originating in Chile) Article 69 (Customs duties on fish and fisheries imports originating in the Community) Article 71 (Customs duties on agricultural and processed agricultural imports originating in Chile) Article 72 (Customs duties on agricultural and processed agricultural imports originating in the Community) Article 73 (Emergency Clause for agricultural and processed agricultural products) Article 74 (Evolution clause for agricultural and processed agricultural products) Article 90 (Wines and Spirits) Annexes I and II (Customs elimination schedule) Annexes V and VI (Agreement on wines and spirits)
Product exclusions	Chile: some agricultural products such as wheat, wheat flour, sugar, dairy products, vegetable oils. EC: some agricultural products such as live animals, sugar, dairy products, tobacco, fruit juice, sugar confectionary.

**Table 3: Common External Tariff**

Provisions	Not applicable
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**Table 4: General trade-related provisions**

Provision	Relevant Article(s)	Additional Information

Rules of Origin	Annex III	Products are considered of Chilean or EC origin either if they are: (i) wholly obtained; or (ii) if they have been sufficiently transformed or processed. Bilateral cumulation is foreseen
Standards-related measures	Section 4 of Chapter II	The Parties confirm their rights and obligations relating to standards, technical regulations and conformity assessment procedures under the WTO Technical Barriers to Trade Agreement; thus cooperation activities and measures would aim to enhance and reinforce the implementation of those rights and obligations. The objective is to facilitate and increase trade in goods by eliminating and preventing unnecessary barriers to trade while taking into account the legitimate objectives of the parties and the principle of non discrimination, within the meaning of the WTO TBT Agreement. In order to achieve the objectives, a Special Committee on Technical Regulations, Standards and Conformity Assessment was established.
SPS measures	Article 89 and Annex IV	The Parties will implement WTO principles on the application of SPS measures to facilitate trade while safeguarding public, animal and plant health. Animal welfare is considered an additional objective.
Safeguard mechanism (intra-trade)	Articles 73, 92 and 195	The Parties maintain the rights and obligations of the WTO for the application of global safeguards. The Parties may apply bilateral safeguards on agricultural and processed agricultural products, under the Emergency Clause (Article 73). Where a Party is in serious balance of payments and external financial difficulties, or under threat thereof, it may adopt or maintain restrictive measures with regard to trade in goods and in services and to payments and capital movements, including those related to direct investment., providing that such measures are non-discriminatory, are of limited duration and do not go beyond what is necessary to remedy the balance of payments and external financial situation.
Anti-dumping and countervailing measures	Article 78	The parties confirm their rights and obligations under the WTO Agreements on Implementation of Article VI of the GATT 1994 and Subsidies and Countervailing Measures
Subsidies and state aid	None	
Customs-related procedures	Articles 26, 79, 80 and Annex III	The Agreement shall promote and facilitate cooperation in customs matters, in areas such as: Technical Assistance, simplification of customs procedures and exchange of information on legislation. It also includes mutual assistance. It defines a form of certificate of origin and procedures for the verification of origin. The customs value is governed by the provisions of the WTO.
IPR	Article 32 and Title VI	The Parties agree to grant and ensure adequate and effective protection of intellectual property rights in accordance with the highest international standards, including effective means of enforcing such rights provided for in international treaties; as well as to cooperate, in matters related to practice, promotion, protection and effective application of intellectual property rights and the prevention of abuses of such rights.
Government procurement	Article 33, Title V and Annex X	Each Party will provide access to their respective procurement market, considering those procurements whose values is above the threshold foreseen in Annex X, and requested at central or sub-central or local government levels and by public enterprises. Title IV includes <i>inter alia</i> provisions concerning: principles of non discrimination and national treatment (Article 139), tendering procedures (Article 143), and bid challenges procedure (Article 155). Other provisions such as the submission of information and technical cooperation also apply.
Competition	Title VII	The Agreement establishes a cooperation mechanism between the authorities of the Parties responsible for implementation of

		competition rules. Its objectives are to promote cooperation and coordination between the Parties and to eliminate anticompetitive activities through the application of their respective laws in order to avoid adverse impacts on trade and economic development. There are also provisions on technical assistance and information exchange. The chapter is not subject to dispute settlement provisions.
Investment	Article 21	The Parties shall promote, within the bounds of their own competence, an attractive and stable reciprocal investment climate by establishing mechanisms for providing information; identifying and disseminating investment rules and opportunities; developing a legal framework that favors investment, by conclusion, where appropriate, of bilateral agreements between the Parties to promote and protect investment and avoid dual taxation, incorporating technical assistance activities for training between the Parties' government agencies; and developing uniform and simplified administrative procedures.
General exceptions	Chapter III and Title XI	The Agreement should not preclude the adoption or enforcement of measures necessary to protect public morals, to protect human, animal or plant life or health, to secure compliance with laws or regulations, including for: customs enforcement; the protection of intellectual property rights and the prevention of deceptive practices; the importation or exportation of gold or silver; the protection of national treasures or artistic, historic or archeological value, or to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption; and to the products of prison labor. However, such prohibitions or restrictions shall not constitute means of arbitrary or unjustifiable discrimination where the same conditions prevail or a disguised restriction on trade between the parties. Restrictions on bilateral trade are also allowed for national security, balance of payments and taxation purposes.
Accession	Article 204	The Agreement has no provision for other parties to accede. Article 204 provides the basis for the accession of new Member States to the EC.
Dispute resolution	Title VIII Annexes XV and XVI	Either party may request consultations within the Association Committee on any matter relating to the application or interpretation of trade and trade-related matters contained in the Agreement. Differences are settled by means of a Decision. If a Party considers that a measure violates any such provision on trade and trade-related matters contained in the Agreement and that it has not been resolved by the Association Committee within the timeframe established, it may request the establishment of a panel which consists of three arbitrators selected by the Parties (as set out in Article 185). The arbitration panel takes decisions by majority voting and its rulings are binding.
Relation with other trade agreements	Article 56	The Agreement does not preclude the maintenance or establishment of customs unions, free trade areas or other arrangements between either Party and third countries, insofar as they do not alter the rights and obligations provided for in the Agreement. Consultations are foreseen between the Parties within the Association Committee on agreements establishing or adjusting customs unions or free trade areas with third parties and, where required, on other major issues related to the Parties' respective trade policies with third countries.
Transparency	Title IX	Contact points were established to assure the appropriate flows of information between the parties and the related business environment. Cooperation on enhancing transparency in international for is also considered.

Institutional provisions	Titles II and X	An Association Council is established by the Agreement and meets at Ministerial level. It supervises the implementation of the Agreement and adopts Decisions in the cases provided for in the Agreement. The Association Council is assisted in the performance of its duties by an Association Committee, composed of senior civil servants, to which the Association council may delegate any of its powers. The Committee responsible for supervising the implementation and operation of the Part on Trade in goods of the Agreement, undertaking consultations and taking decisions with regard to a number of issues. Finally, a number of special Committees are established to assist the Association Council and the Association committee in the administration of the Part on Trade of the Agreement.
Other	Parts II and III	The Agreement includes a section on political dialogue between the Parties and on cooperation in the economic field, science and technology, culture, education and audio-visual, social matters, immigration, drugs and crime.

**Table 5a: Trade and tariff data (EC imports from Chile)**

Sector	Avg. imports 2000-2002			No. of HS 6 digit lines		
	Value	% of total		No. lines	% of total	
	(Million €)	By sector	Overall		By sector	Overall
Agriculture (Total)	1.172,6	100%	21.5%	686	100%	13.2%
Of which fully liberalized by end on implementation (EOI)	866,0	73.85%	17.4%	475	69.2%	10.1%
Industrial Products (Total)	3.681,8	100%	73.7%	4.418	100%	84.7%
Of which liberalized by EOI	3.681,8	100%	73.7%	4.418	100%	84.7%
Fish (Total)	239,0	100%	4.8%	110	100%	2.1%
Of which liberalized by EOI	216,8	90.8%	4.3%	108	98.2%	2.1%
Total	4.993,0	..	100%	5214	..	100%
Of which liberalized by EOI	4.764,4	..	95.4%	5000	..	95.9%

.. not available or not applicable

**Table 5b: Trade and tariff data (Chile's imports from the EC)**

Sector	Imports 2005			No. of HS 6 digit lines		
	Value	% of total		No. lines	% of total	
	(000 US\$)	By sector	Overall		By sector	Overall
Agriculture (Total)	152.778	100%	3.1%	1.072	100%	13.6%
Of which fully liberalized by end on implementation (EOI)	138.498	90.7%	2.8%	972	90.7%	12.3%
Industrial Products (Total)	4.848.918	100%	96.9%	6.385	100%	80.8%
Of which liberalized by EOI	4.848.918	100%	96.9%	6.385	100%	80.8%
Fish (Total)	2.727	100%	0.05%	445	100%	5.6%
Of which liberalized by EOI	2.703	99.1%	0.05%	444	99.8%	5.6%
Total	5.004.447	..	100%	7902	..	100%
Of which liberalized by EOI	4.990.167	..	99.7%	7801	..	98.7%

.. not available or not applicable