

CHILE-COSTA RICA (GOODS)
Summary Fact Sheet
June 2008

Table 1: Background Information

Parties:	Chile, Costa Rica	
Date of signature	18 October 1999	
Date of entry into force	14 February 2002	
Transition period for full implementation	16 years from date of signature	
Date of full implementation	1 January 2015	
Website address or points of contact	Chile: http://www.direcon.cl/index.php?accion=tlc_cameric_a_03 Costa Rica: http://www.comex.go.cr/acuerdos/comerciales/TLC%20Chile/default.htm	
List of related GATT/WTO documents	WT/REG136/N/1 WT/REG136/1 WT/REG136/2 WT/REG136/3 WT/REG136/M/1-2 WT/REG136/5	Notification Agreement Terms of Reference Standard Format Summary Records Questions and Replies

Table 2: Internal trade liberalization provisions

Import duties and charges	Article 3.04 (Tariff elimination) Annex 3.04(2) (Tariff elimination programme)
Export duties and charges	Article 3.14 (Export duties) Annex 3.14 (Export duties)
Non-tariff measures	Section D (Non-tariff measures)
Sector-specific rules	No specific provisions regarding trade in goods in any particular sector, other than those contained in each Party's tariff elimination programme and other Annexes
Product exclusions	Chile: Products subject to the price band mechanism including wheat, wheat flour, edible oils, sugar, chicken meat, dairy products, some vegetables and wooden furniture. Costa Rica: potatoes, beans, onions, chicken meat and sausages, dairy products, most vegetables, and the forestry sector (wood and wooden furniture).

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	Chapter 4 and Annex 4.03	In general, the main criteria for qualification as originating goods are that the goods be wholly obtained or produced entirely in the territory of one or more Parties belonging to the FTA manufactured exclusively from originating materials, or that the imported raw materials used in producing the goods have undergone a change in tariff classification in accordance with the specific rules or origin in the in the Annex to Article 4.03
Standards-related measures	Chapter 9	The main objective of this Chapter is to ensure that standards, technical regulations, conformity assessment procedures, matters related to metrology and product approval procedures do not become unnecessary technical barriers to increasing and facilitating trade among the parties. The Chapter includes specific provisions on basic rights and obligations, risk assessment, equivalence,

		harmonization, conformity assessment, technical cooperation, as well as transparency measures regarding notifications and establishes a Committee as an institutional framework for discussing these matters, addressing problems that might arise on TBT issues, facilitating the process of accepting conformity assessment results and specific provisions on technical cooperation.
SPS measures	Chapter 8	This Chapter provides a regulatory framework to facilitate trade in agricultural products and protect human, animal and plant life and health, under rules based on the WTO Agreement on the Application of SPS Measures. SPS standards are to be based on scientific information risk analysis and the international reference standards of the Office International des Epizooties, the <i>Codex Alimentarius</i> and the International Plant Protection convention
Safeguard mechanism (intra-trade)	Chapter 6	Bilateral emergency action may be used if, as a result of the reduction or elimination of a duty pursuant to the Agreement, a Party's good is being imported into the other Party in such increased quantities as to constitute a cause of serious injury, or threat of injury to the domestic industry of the latter. This mechanism can only be used during the transition period- i.e. the time taken for tariff liberalization plus 2 years and triggers immediate compensation. The Parties retain their rights and obligations under Article XIX of GATT 1994 and the Safeguards Agreement, except for the exclusion of such actions in specific cases, and for compensation and retaliation, which take place immediately.
Anti-dumping and countervailing measures	Chapter 7	The Parties retain their rights and obligations under the WTO provisions on the application of antidumping and countervailing duties.
Subsidies and state air	None	
Customs-related procedures	Article 3.08 and Chapter 5	Provides for cooperation, exchange of statistics, customs regulations and training. Customs value is governed by the Agreement on Customs Valuation. It establishes a format for the certificate of origin and the declaration of origin.
IPR	None	The Parties acknowledge reciprocal recognition of their respective geographical indications
Government procurement	Chapter 16	Establishes principles of transparency and ensures non discrimination. In this regard, Article 16.04 grants national and non discrimination treatment to the goods, services and suppliers of the parties for procurement by open tendering by all entities except those listed in annex 16.01. The Chapter also contains provisions on non discriminatory challenge procedures that follow due process, cooperation and the establishment of a Committee.
Competition	Chapter 15	The Parties shall ensure that the benefits of the Agreement are not undermined by anti-competitive business practices. They shall also ensure that their Monopolies and State Enterprises act in accordance with the Agreement and do not discriminate against goods, investors or services providers of the other Party.
Investment	Chapter 10	This Chapter incorporated other investment agreements into the Agreement and provides for a future work program.
General exceptions	Chapter 20	The Agreement identifies situations in which its provisions would not apply because of issues of public interest, national security, balance-of-payments difficulties or tax measures.
Accession	None	
Dispute resolution	Chapter 19	The Agreement stipulates that the complaining Party may opt for WTO procedures or those established by the Agreement. If the dispute resolution mechanism under the Agreement is chosen, it first provides for consultations between the Parties. If this fails to resolve

		the dispute, either Party may refer the matter to the Free Trade Commission, which shall assist the Parties to reach a mutually satisfactory resolution. If, within a specified period of time, the Parties still fail to agree, the Party which requested the Commission's intervention may request in writing the establishment of an arbitral panel made up of three members acting in conformity with rules of procedure to be laid down by the Commission.
Relation with other trade agreements	Article 1.04	The provisions of the Agreement prevail in the event of inconsistency with other international agreements. However, obligations under the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the Montreal Protocol of Substances that Deplete the Ozone Layer and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal prevail if there is inconsistency with the Agreement.
Transparency	Chapter 17 Articles 8.10, 13.8 and 16.05	The Agreement establishes transparency provisions for administrative rulings, including the prompt publication of laws, regulations and administrative rulings, or in advance to allow comments by the other Party; and a review and appeal process. Furthermore, the Agreement stipulates specific provisions about transparency in certain chapters, namely, Sanitary and Phytosanitary Measures, Telecommunications and Government Procurement.
Institutional provisions	Annex 3.16, Article 8.11, Annex 8.11, Article 11.14, Annex 11.14, Article 12.04 and Chapter 18	The Agreement sets out rules for its administration and dispute settlement stemming from implementation. It establishes administrative bodies including the Free Trade Commission, the Free Trade Sub-Commission, the Secretariat, the Advisory Committee on Private Commercial Disputes and committees, Sub-Committees or Groups of Experts for matters relating to trade in goods, SPS measures, standards-related, metrology and approval procedures, investment and cross-border trade in services.

Table 5a: Trade and tariff data (Chile's imports from Costa Rica)

1999	Value (US\$)	Share (per cent)
Immediate liberalization	7,153,186	44.2
Within five years	8,924,894	55.2
Within 16 years	2,891	0.0
Products subject to special treatment (petroleum products)	47,064	0.3
Products excluded from liberalization	50,125	0.3
Total exports to Chile	16,178,160	100.0

Table 5b: Trade and tariff data (Costa Rica's imports from Chile)

1999	Value (US\$)	Share (per cent)
Immediate liberalization	40,423,144	83.1
Within five years	1,082,936	2.2
Within 12 years	3,301,097	6.8
Within 16 years	154,682	0.3
Products subject to special treatment (beef)	18,263	0.0
Products excluded from liberalization	3,678,596	7.6
Total imports from Chile	48,658,718	100.0