

## **Chile's Overview Report**

(In addition to the Fact Sheet)

Chile's trade policy maintains its objective of ensuring and improving access for its goods and services to all markets, as well as encouraging domestic and foreign investment. With a view to liberalizing the economy, all available channels have been used to give Chile's trade policy an outward orientation, including unilateral market opening and multilateral and bilateral trade negotiations. Under its policy of unilateral opening up, Chile's applied MFN tariff was unilaterally phased down from 11 per cent to six per cent between 1999 and 2003. Since 2003, this uniform overall tariff has been maintained unchanged as a six per cent *ad valorem* duty on imports, virtually without exceptions. This low and uniform tariff is a distinctive feature of Chile's trade policy, which creates a more efficient resource allocation, as it establishes the basis for non-differential treatment of the various production sectors, and has also enabled Chile to negotiate preferential agreements with various countries.

In addition to the above-mentioned six per cent level under the policy of general unilateral opening up, two specific cases of liberalization deserve special mention: (1) in 2008 a zero per cent MFN tariff was established for certain capital goods imports (machinery, vehicles, tools and equipment intended directly or indirectly for the production of goods or services); and (2) in accordance with the bilateral commitment in the agreement between Chile and Canada, no import duties are levied on data-processing machinery and equipment, a benefit that is applied on an MFN basis with no requirement as to the origin or provenance of the products.

Chile's policy of opening up covers not just goods, but services and investments as well. In both of these areas Chile has an open regime, with a general policy of non discrimination between nationals and foreigners. This regime has been incorporated into the free trade agreements signed by Chile and into its GATS commitments.

Access to other markets cannot be achieved through the unilateral liberalization process. Chile has maintained that the best way to achieve this objective is through the multilateral negotiations, where the liberalization falls within the scope of an international treaty that avoids discrimination and has an efficient dispute settlement mechanism. However, the pace of multilateral discussions is not rapid enough to reach the necessary consensus, given the diversity of interests of the participating Members.

Therefore, Chile's strategy regards the signing of free trade agreements as a key element of the country's trade policy. This policy of bilateral market opening is consistent with the multilateral rules and reflects a development strategy based on an economy open to the world, competitive in terms of products and equitable in its performance. It has helped to reduce the external vulnerability of the economy, consolidate and extend access for Chile's goods and services to the leading world export markets, make the country more attractive to foreign investment, and

diversify exports - all this on the basis of clear rules that guarantee predictability in trade relations. This whole approach has been structured in accordance with the WTO regulatory framework.

In short, Chile believes that opening up bilaterally is complementary to and fully consistent with the multilateral trading system, because it has been demonstrated that preferential agreements, whether regional or bilateral, achieve liberalization in less time, with broader scope and mostly without exclusions, than that needed for the players to fine-tune the outcomes of a negotiating round at the multilateral level.

It should be made clear that although Chile has achieved trade liberalization via three parallel avenues (unilateral, multilateral and bilateral), and through the necessary complementarity between the bilateral and multilateral avenues, it is not workable for a small country - which needs market opening in order to develop - to rely exclusively on its own unilateral liberalization in order to achieve multilateralism.

There is one particularly complex area of any negotiation exercise, and that is rules of origin. The WTO can serve as a guide in providing negotiating guidelines, which should be designed to encourage simplification and to change traditional thinking as regards the considerable importance being attached today to discrimination as to the origin of a product. It should be borne in mind that a product of foreign origin can make a significant contribution to a country's economy, but not if it is subject to discrimination. Chile has therefore been a pioneer in adopting a highly flexible approach to negotiating its rules of origin.

Chile has pressed ahead with its strategy of further unilateral, bilateral and multilateral opening up, as the country continues to promote an outward orientation as a key tool for achieving and sustaining economic recovery. Chile's participation in the WTO - not only in the Organization's regular work, but particularly in the Doha Development Round negotiations - is an essential component of its trade strategy. Chile hopes that ambitious results from the current Round will bring substantial new impetus for its domestic economy, create more and better jobs and generate exports with higher added value. This is why Chile remains committed to the Doha Development Round and reaffirms its full determination to contribute to these negotiations, whether individually or in concert with other Members, so that they can conclude successfully in 2010.

## Fact sheet on Individual Efforts Made towards the Achievement of the Bogor Goals: Chile

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
<p><b>Tariffs</b>                      The important role played by tariff preferences in Chile's foreign trade continued to grow during the period under review. Chile have signed comprehensive Free Trade Agreements with Mexico, Canada, Central American Countries (Honduras, El Salvador, Nicaragua, Guatemala and Costa Rica), , Republic of Korea, United States of America and the European Union, EFTA (Island, Luxemburg, Norway and Switzerland), New Zealand, Singapore, Brunei and PR. China. In 2007 Japan, India and Panama . In 2008 entered into force FTAs with Panama, Honduras, and Peru and Preferential Trade Agreement with Cuba. In 2009 entered into force FTA with Australia, with Peru and with Colombia and Trade Agreements were signed with Turkey. In all, Chile has signed 23 trade agreements with 57 countries</p>			
(1) Import-weighted average of MFN applied tariff	11%	6.0%	Currently there were three ad valorem rates: 0, 6 and 12.5 per cent. The most common rate was 6 per cent, which applied to 99.3 per cent of tariff lines, followed by 0 per cent (0.5 per cent of tariff lines) and 12.5 per cent (0.2 per cent of tariff lines).
(2) Simple average of MFN applied tariff	11%	6.0%	<p>Since January 2003, Chile has had a virtually uniform MFN tariff resulting from implementation of Law No. 19.589 (1998), which provided for a unilateral reduction in the general tariff by one percentage point each year, from 11 per cent down to 6 per cent in 2003 (January). Chile grants at least MFN treatment to all its trading partners.</p> <p>Reduction in 5 percentage points, according to a five-year plan reform, which started in 1999 and ended with a uniform applied tariff of 6% on January 1st 2003.</p>
(3) Tariff average, based on import tariff revenue		1.12%	
(4) Zero tariff lines as a percentage of all tariff lines		0.45%	<p>This indicator in the case of Chile does not reflect the effective opening of the Chilean market. Chile has developed a strategy based on the opening of market through bilateral agreements. This number would be rather more considerable if including the preferential tariff rate under bilateral /regional FTAs.</p> <p>Chile's development strategy is based on the opening of the Chilean market.</p> <p>Unilateral: low and flat tariff (6% MFN), though real average tariff applied is 1.8%.</p> <p>Bilateral: for the past 15 years, Chile has opted for bilateralism through free trade, economic complementation, and preferential agreements in lined with its WTO commitments.</p>

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			Multilateral: WTO, APEC and in OECD negotiations  With a current total of 21 FTAs signed with 57 trading partners, Chile has one of the largest number of agreements and preferential partners in the world.
(5) Zero tariff imports as a percentage of all imports		0.3%	
(6) Standard deviation for applied tariff		0.478	
(7) Transparency in tariff regime		Chile's trade policy is transparent, open, non discriminatory and simple. At present, Chile's applied tariff rate is 6% across-the-board, after a five year plan reform, which started on 1999 and ended with a 6% rate on January 1 <sup>st</sup> 2003.	This plan reduced the uniform tariff of 11%, in place since 1991. This uniform tariff system, with some exceptions, is in place since the late 70's and grants predictability and transparency to the trading system.  As a result of the Uruguay Round, Chile reduced its across-the-board binding from 35% to 25%, except for wheat, wheatflour, vegetable oils and milk which were reduced to 31.5%. However, the bound tariff for sugar was set at 98% in 2003 to accommodate international price distortions.
<b>2. Non-Tariff Measures</b>			
(1) Quantitative import restrictions/prohibitions	By 1996, import quotas and other quantitative restrictions were already prohibited in Chile. Licensing, surveillance mechanisms, and cartels are also prohibited.  Nevertheless, Law N° 18.483, Article 21 (published in Chile's Official Gazette on December, 28, 1985) prohibited the import of used automobiles with the exception of certain public utility vehicles, including ambulances, prison vans, hearses, fire engines, armored cars, cement trucks, trailer cars and sweeper cars, among others.	Chile has no quantitative restrictions or import licences. However, the importation of used motor vehicles used motorcycles and used and retreaded tyres (with the exception of wheel-mounted tyres) is prohibited.  The prohibition to import used vehicles is based on Law No. 18.483, known as "the Automotive Statute of 1985", whose original objective was to assist Chile's automobile industry and promote its exports. According to the authorities, the reason for maintaining the prohibition is to ensure that there is a modern, safe and environmentally friendly fleet of motor vehicles. Further, this prohibition does not apply to ready-mix cement trucks, ambulances, fire-fighting vehicles, urban and highway cleansing vehicles, armoured vehicles, motor homes and penitentiary vehicles, <i>inter alia</i> , or to vehicles belonging to Chilean citizens who have resided abroad for one year or more and then returned to Chile, and vehicles intended for free zones.  The prohibition to import used tyres is due to public health reasons, that is, to ensure that the mosquito <i>aedes albopictus</i> , which transmits epidemic diseases such as dengue and yellow fever, is not introduced into Chile by means of used tyres. Other products that may not be imported include asbestos, pornography, dangerous goods such as certain pesticides for	The Constitutional Organic Law of the Central Bank does not allow the establishment of quotas for imports (or exports). Consequently, Chile does not apply quantitative restrictions on imports, and it has no import licensing regime

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		agricultural use, toys and articles for children which contain toluene, adhesives with a volatile solvent base and other goods prohibited by decree of the Ministry of Health or Agriculture or other government bodies. Pursuant to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), it is also prohibited to import animals or plants in danger of extinction. Chile also prohibits the import of toxic and hazardous waste pursuant to the Basel Convention, as well as the import of ozone-depleting substances and products containing CFCs in accordance with the Montreal Protocol	
(2) Import licensing	By 1996, there were neither export licenses nor controls on exports required in Chile, except those covered by the Convention on International Trade of Endangered Species (CITES).	Chile has no import licensing regime.	
(3) Import levies	By 1996, there were no import levies	(Number of tariff lines applicable)	Chile has abolished import levies such as the customs clearance tax and the airport tax. Imported goods, in the same way as domestic goods, must pay the value added tax (VAT) and other additional taxes depending on the nature of the goods.
(4) Export subsidies	<p>Through the general drawback system, Chilean exporters are eligible for the refund of customs duties on imported inputs which are incorporated into exported goods.</p> <p>There is simplified duty drawback system which was established in 1985 and entitled the exporter to a 10%, 5%, or 3% rebate on the FOB value, depending on the total value of goods exported. This system cannot be used in conjunction with the general drawback. Only minor exports are eligible. When exports reach the level of US\$ 10,5 million, the rebate is reduced from 10% to 5%, and to 3% when exports reach US\$ 15,7 million. After exports exceed US\$ 18.8 million, no reimbursements can be claimed.</p>	Chile has not export subsidies	

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	Exporters of goods and services who use imported capital goods can access to deferred payments on customs duties and reduction of repayment of instalments, depending on exporters' performance which is based on the ratio of total exports to total sales.		
(5) Other non-tariff measures maintained	(List of measures)	Chile has not maintained non-tariff measures.	
<b>3. Services</b>			
(1) Number of sectors out of 55 services sectors in which market access and/or NT are granted as a result of the commitments in the GATS	8	8	
(2) Number of sectors out of 55 services sectors in which MFN exemptions maintained as a result of the commitments in the GATS	7	7	
(3) Number of sectors out of 55 services sectors in which market access and/or NT are offered in the DDA under the GATS	12 (note: these are the sectors committed in the revised offer)	12 (note: these are the sectors committed in the revised offer)	
(4) Number of sectors out of 55 services sectors in which MFN exemptions maintained in the DDA under the GATS	7	7	
(5) Number of RTAs/FTAs in which more market access and/or NT are committed to services sectors than those in the commitments under the GATS	0	14	
(6) Number of sectors in which licensing and qualification requirements apply specifically to foreign service providers	(Number of sectors out of 55 service sectors). 0	(Number of sectors or cases in which requirements are eliminated or relaxed since 1996) 0	
(7) Measures to improve transparency in services	The only commitments on transparency subscribed were undertaken under GATS. There are no special measures on Transparency.	A new legislation entered into force in April of 2009, stating that administrative acts of the State are public, with some limited exceptions.	Inclusion of an article in transparency in the Cross Borders Trades in Services Chapter, in some FTA's. Inclusion of a Transparency Chapter in FTA's, disciplines that applies to Services Chapters.
<b>4. Investment</b>			
(1) Restrictions on foreign investment	0 (NT incorporated in Constitution. Notwithstanding, there are special provisions related to essential security	0 (NT incorporated in Constitution. Notwithstanding, there are special provisions related to essential security interests and to sectors with specific restrictions. Those restrictions are listed in Chile's annexes of non-conforming measures in its FTA's)	

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	interests and to sectors with specific restrictions such as transport, energy, mining, fisheries, energy, telecommunications)		
(2) Investment by foreigners entails offsets (performance requirements, export requirements, local content requirements)	(Number of industries) 0	(Number of industries) 0	
(3) Restrictions on transfers of capital	The Central Bank of Chile applied some restrictions	0 (However, the Central Bank of Chile has the ability to impose restrictions, which are not currently in force)	
(4) Consistency with APEC Non-Binding Investment Principles	In general, Chilean policies are consistent with all APEC non-binding investment principles	In general, Chilean policies are consistent with all APEC non-binding investment principles	
(5) Number of BITs and FTAs/RTAs which NT and MFN are ensured in relation to foreign investment	(Number of agreements) 14 BITs	(Number of agreements) 44 (Australia, USA, Canada, Mexico ,Peru, Colombia, Japan, and Korea FTA Chapters)	8 comprehensive FTA Chapters on investment. These have further developed existing disciplines and procedures. Section B on investor – State dispute settlement has been substantially enhanced.
BITs and FTAs/RTAs with APEC member economies which NT and MFN are ensured in relation to foreign investment	2 Malaysia, China BITs	10 Philippines, China, Malaysia BITs  (Australia, USA, Japan, Korea, Canada, Mexico and Peru FTA Chapters)	
(6) Measures to improve transparency in investment	None	-Transparency chapters and regulations in FTA's. -New legislation entry into force in April 2009. This law indicates that all the administration acts of the State are public, with some delimited exceptions. -Transparency is also exercised through the Investment Committee's web page ( <a href="http://www.foreigninvestment.cl">www.foreigninvestment.cl</a> ) and DIRECON's web page ( <a href="http://www.direcon.cl">www.direcon.cl</a> ), all of which provide contact points for any inquires.	
<b>5. Standards and Conformance</b>			
(1) Number of domestic standards aligned with the target international standards for Voluntary Action Plan (VAP)	0	7 (see Annex 1) Note: This report is regarding the new Voluntary Action Plan (VAT Target Standards) corresponding to the new 28 standards selected as new VAP target standards, as shown on Annex 1. We ask the clarification of the request because we have seen different responses of the Economies and those responses do not corresponding exactly to these 28 target standards. Regarding the VAP Work Programme, the Economies have to submit their VAP reports for the new priority areas and CB Scheme in May 2010.	

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(2) Description of conformity assessment process including participation in and implementation of mutual recognition arrangements	Chile did not participate of any recognition arrangement	<p>There is not only one system to ensure the conformance of the regulated products with technical regulations and the procedures among different products could also differ.</p> <p>The systems could be classified in main 3 groups:  Products that require a certification or approval before clearance of Customs  Products that require a certification or approval before they entry to the market  Products that don't require a certification or approval, but must comply with technical regulations related to them.</p> <p>The first group includes sensitive products due to their intrinsic risk to the health or environment, such as guns, radioactive substances, pesticides, alcoholic beverages, drugs and food. The detailed list of these products is established at the Annex 14 of the Compendium of Customs, which is attached to this answer. The procedures that these products must follow to be approved are established by the agency that issues the approval. The local producers should also go through a process before they are put in the market. In the case of food, for instance, the relevant Agency authorizes the factory where food is produced.</p> <p>The second group requires to have a third party certificate of compliance with technical regulations to be sold in the market or to be used for the intended purpose. It applies to domestic and imported products less risky than the first group but still of high concern, such as electrical and fuel products, and sanitary equipment. The certificates are issued by Authorized Conformity Assessment Bodies, which should be accredited and are surveyed by the competent governmental Agency. The existence of such certificate is verified in the market by the competent governmental Agency and if there are doubts about compliance, verification is carried out on the product. The third group comprises all the products that don't require a certification but that should comply with requirements established on technical regulations. The producer or importer should assure that the product complies with all the requirements and its compliance is surveyed at the market. The procedures for this group also varies depending of the area, but is based on periodical surveillance. This group includes products such as footwear, some chemicals and textiles.</p>	<p>Since Jun 2007, Chile participates at Part I of the APEC MRA on Conformity Assessment of Electrical and Electronic Equipment (EEMRA).</p> <p>Since 2004, Chile participates at the MRA for Exchange of Information on Toy Safety.</p> <p>Chile participates in a number of recognition arrangements, including Part I of the APEC MRA on Conformity Assessment of Electrical and Electronic Equipment (EEMRA) and the Arrangement for Exchange of Information in Toys Safety. Chile is currently assessing the legislative requirements to participate in Part II of EEMRA. Chile is actively seeking to conclude a multilateral recognition agreement with the International Accreditation Forum (IAF), and is working towards a Mutual Recognition Agreement (MRA) on Food in APEC.</p>

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		<p>The other products that aren't mentioned on any technical regulation could be covered by the consumer law, which is enforced by National Consumer Service based on market surveillance and consumers complaints.</p> <p>Some products could be subject to more than one system, for example, in the case of butter, it must obtain a sanitary approval before customs clearance (as the food and food products of the first group) but it would also be subject to labeling mandatory requirements, which are under the third category.</p>	
(3) Efforts to raise transparency and objectivity of standards	(Description of illustrative measures)	<p>In 1997 the National Commission on Technical Barriers to Trade was created. The Commission is headed by the General Directorate of International Economic Affairs, Ministry of Foreign Affairs, and it has played a paramount role on dealing with the coordination between the different Government Agencies. By centralizing the process, and dealing with all the agencies involved in the development of technical regulations, the Commission provides to all the parties involved a common forum to express their concerns and expectations related to the nation's standardization agenda.</p> <p>In February 2004, Chile issued a Decree (Decree 77) that established the requirements for the Preparation, Adoption and Application of Technical Regulations and Conformity Assessment Procedures. It's an instrument of Good Regulatory Practices.</p> <p>For the study and adoption of a Chilean standard (NCH), the INN (National Standardization Institute) contemplates the participation of producers, importers, traders, consumers and / or users, government agencies, universities, laboratories and research institutions in science and technology.</p> <p>The "technical committee" analyzes whether there is an international standard; and, once the draft is developed, the project is subject to public consultation (<a href="http://www.inn.cl">www.inn.cl</a>). The comments resulting from the public consultation are analyzed at the Technical Committee, which assesses their relevance.</p> <p>Finally, a consensus text is developed. When the Chilean standard is approved, it is then send to the relevant Ministry for its formalization.</p>	<p>National Coordinating Commission on SPS Measures. It was created in 2001, by Decree, for the purpose of establishing national positions on SPS issues and to allow an efficient interministerial work in trade negotiations, in compliance with the country's commitments in the international fora.</p> <p>National Commission on Technical Barriers to Trade, created in 1997. The Commission is headed by the General Directorate of International Economic Affairs, Ministry of Foreign Affairs, and has played a mayor role as a coordinator between the different Government Agencies. By centralizing the process, and dealing with all the agents involved in the development of technical regulations, the Commission provides to all the parties involved, a common forum to express their concerns and expectations related to the nation's standardization agenda.</p> <p>Decree 77 (2004): establishes Requirements for the Preparation, Adoption and Application of Technical Regulations and Conformity Assessment Procedures.</p>

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<b>6. Customs Procedures</b>			
(1) Adoption of HS2007 nomenclature	--	Adopted by Treasure Decree N° 997, on December 16 <sup>th</sup> of 2006.	
(2) Conformity with the Revised Kyoto Convention	--	Not Acceded Status of Conformity: Compliance with most of the principles.	
(3) Transparency	An offices attended by Customs Officers was establish in order to provide Information for trade operators. In 1998 the first website was launch.	On August 20, 2008, The Law N° 20.285 on Transparency and Access to Public Information Law was issued. All government institutions must insure access for all citizens to documents and records, especially those referring to salaries of employees, type of contracts, benefits received and the details of contracting of goods and services.	
(4) Use of information technology and automation (e.g. Single Window, Harmonised Trade Data Elements, Paperless Trading, etc.)	Databases and Data Warehouse	Paperless Trading: Electronic Import Declaration; Electronic Import Declaration; Electronic Manifest (Courier, Air Cargo, Land Cargo and Sea Cargo); Electronic Warehouse Declaration and Electronic Transit Declaration in Pilot Status.  Single Window: in Pilot Status.	
(5) Measures to secure trade (e.g. AEO, etc.)	None Since the AEO program was establish on 2005 in the Framework of the SAFE	AEO: in Pilot Status, implemented by Ruling N° 849 from February 5 <sup>th</sup> of 2009.	
(6) Implementation of other customs measures to facilitate trade (e.g. Advance Classification Ruling System, Time Release Survey, etc.)	None	ATA Convention Member: Implemented by Ruling N° 3.030 from July 7 <sup>th</sup> of 2005  Advance Ruling System (Classification, Valuation, Origin and other custom matters): Implemented by Ruling N° 9.422, of December 29 <sup>th</sup> of 2008  Advance Publication and Regulatory Agenda: Approved by Ruling N° 2.217 of April 1 <sup>st</sup> of 2009  Tax and Customs Courts: Implemented by Law N° 20.322, of January 27 <sup>th</sup> of 2009, that fortifies and improves the Tax and Custom Jurisdiction. Decentralized System of Tax and Customs Courts of First Instance, subject to the supervision of the Supreme Court and independent of Internal Tax Service and Customs.	Tax and Customs Courts: Implemented by Law 20.233 was published on the Chile Official Gazette on January 27 <sup>th</sup> 2009, creates the customs and tax courts. The main principals are <ol style="list-style-type: none"> <li>1. Independency (under the surveillance of the Judicial Power)</li> <li>2. Efficiency and effectiveness (specialize court with an specific timeframe)</li> <li>3. Justice (litigation is guarantee)</li> <li>4. Integrity (Under the competence of a Court)</li> </ol> The law creates independent court for customs and tax matters, and establishes special procedure for appeal. This law is applied gradually, and is supported by 4 main areas  <ol style="list-style-type: none"> <li>1. Customs and Tax Courts: The judge is designate in a open process whereby two state powers are involved. The judge is fixed for a period of time, and is under the surveillance of the High Court and is annually evaluate by the appeal court.</li> <li>2. Administration Unit.: is under the Ministry of Finance but independent, the only purpose is to provide administrative support.</li> <li>3. Appeal Courts experts. Experts ministries/judges must accredited their expertise in tax and customs matters.</li> <li>4. Chile Customs Service. 2 new functions are establish</li> </ol>

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			<ul style="list-style-type: none"> <li>Ø Customs defense within the customs and tax court</li> <li>Ø The so called voluntary administrative reconsideration. <ul style="list-style-type: none"> <li>a. Implies internal appeal max 50 days.</li> <li>b. Or the court Average 6 month.</li> </ul> </li> </ul> <p>5. Gradually implemented 2010/2013 Concluding on the most concentrate Area-</p>
<b>7. Intellectual Property (IP)</b>			
(1) Ratification and implementation of the major multilateral agreements relating to IP rights	<p>Berne Convention for the Protection of Literary and Artistic Works (Paris Act)</p> <p>Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations</p> <p>Nairobi Treaty</p> <p>Treaty on the International Registration of Audiovisual Works (Film Register Treaty)</p> <p>Convention Establishing the World Intellectual Property Organization</p> <p>Phonogram Convention</p> <p>Paris Convention for the Protection of Industrial Property (Stockholm Act)</p> <p>International Convention for the Protection of New Varieties of Plants (UPOV 1978)</p>	<p>TRIPS Agreement of the World Trade Organization</p> <p>WIPO Copyright Treaty (WCT)</p> <p>WIPO Performances and Phonograms Treaty (WPPT)</p> <p>Patent Cooperation Treaty (PCT)</p>	
(2) Measures to ensure the expeditious granting of IP rights	The first law concerning patents was enacted by 1850 and by 1931 a comprehensive law on patents, industrial design and trademarks came into effect.	Chile has a highly developed system for the protection of intellectual property rights and in its corresponding use by the private sector. In June 2009, through Law N°20.254 Chile adhered to the Patent Cooperation Treaty, thus implementing a commitment undertaken by Chile in its FTA's with the US, EU and EFTA.	<p>In the area of Copyright, in April 2007 a new Web site for the Copyright Registry was launched. It allows public to accede to all relevant information necessary to file an application and to comply with the requirements for an expeditious registration.</p> <p>In 2006, the Industrial Property Registry, which deals among others</p>

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	<p>The Copyright Law (Law N° 17,336) was enacted by 1970 and has been amended several times.</p> <p>Chile became a member of the Paris Convention in 1991 and in the same year a new Industrial Property Law (Law N° 19,039) was enacted, including patents, utility models, industrial designs and trademarks.</p> <p>Chile is also a member of the Bern Convention (1971 Act), the Rome Convention (1961) and the Geneva Convention (1971).</p> <p>By the end of 1994 a new Plant Breeders Right Law (Law N° 19,342) was enacted and Chile became a member of the UPOV Convention (1978 Act). By the same time, internal regulations on geographical indications for wines locally produced were enacted (Law N° 18,455, and Decree N° 464 of 1994 of the Ministry of Agriculture).</p> <p>The main provisions that regulate intellectual property in Chile are: Offenses and sanctions against patents, utility models and industrial designs are regulated under Law N° 19.039 and consist basically in the falsification, usurpation, or unauthorized use of patents, utility models and industrial designs.</p> <p>Criminal offenses and sanctions against trademark offenders are regulated under Law N° 19.039.</p>	<p>In addition, Chile has implemented an electronic filing and registration system for industrial property rights. This system is currently available at the INAPI web page, (www.inapi.cl). Further, the referred web page also contains diverse related information. For copyright the Intellectual Property Department Web site (www.propiedadintelectual.cl) can be consulted to obtain all information necessary to issue an application for registration before the Chilean authority. It must be recalled that the protection is granted by the solely fact of creation, so the registration only is done for publicity purposes</p>	<p>with patents applications, increased in more than a 100% the number of patent examiners.</p> <p>Also, since January 2007 collective and sound marks are explicitly recognized as distinctive signs that can be protected in Chile.</p> <p>Finally, in January 2009 Law n° 20.254, created a new institutional framework for the industrial property administration, thus creating the National Industrial Property Institute (INAPI, by its Spanish acronym) replaced the existing Chilean registry in order to improve registration services for trade marks, geographical indications, patents, utility models, industrial designs and layout designs of integrated circuits, by allocating greater human and financial resources. Moreover, the referred amendment provided INAPI with authority to apply such human and financial resources as necessary to conduct new capacity building activities in order to promote the widespread use of industrial property rights.</p>

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	<p>Considered criminal infringements to trademarks are the use of an identical or similar trademark, as well as the use of a trademark in any publicity without the authorization of the owner, and those of falsification, imitation and usurpation or unauthorized use of trademarks.</p> <p>Fines can be increased by 100 % in the case of a second offense. Concerning provisional measures, judges can immediately order the seizure of infringing goods and those that were used in the execution of the offense, without prejudice to other provisional measures.</p> <p>Criminal offenses and sanctions against copyright and related rights are regulated under Law N° 17.336 and involve a pecuniary as well as an imprisonment sanction. In the absence of a specific sanction, the law establishes a fine for copyrights and neighboring rights infringement that amounts to US \$ 200 to US \$ 2021 (figures as of 2001). Furthermore, if a court orders payment of damages, it can also order the delivery, sale, or destruction of the copies of the manufactured work and materials utilised for its manufacture and the seizure of the product of recitation, representation, reproduction or execution of the said work</p>		
(3) Measures to provide for the effective enforcement of IP rights	Specific laws that regulate intellectual property in Chile are: Law N° 19.039 – Industrial Property Law	Specific laws that regulate intellectual property in Chile are: Law N° 19.039 – Industrial Property Law Law N°17.336 – Copyright Law Law N°. 18.455 and Decree N° 464/94 concerning the	In late 2005 (Law N° 19.996) a major amendment to the Industrial Property Law came into force. This modification provides for an effective and timely-fashion enforcement system. In cases of civil jurisdiction the procedure applied for IP infringements is the

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	<p>Law N°17.336 – Copyright Law            Law N°. 18.455 and Decree N° 464/94 concerning the protection of geographical indications.            Law N°. 19.342 concerning the rights of breeders of new varieties of plants.            Law N° 19.223 on Computer Related Crimes            Law 19.012 for border measures.</p>	<p>protection of geographical indications.            Law N°. 19.342 concerning the rights of breeders of new varieties of plants.            Law 19.912: Miscellaneous Law to implement specific World Trade Organization provisions            Unfair Competition Act (Law 20.169)            Law N° 19.223 on Computer Related Crimes</p> <p>A whole new chapter for undisclosed information was introduced to the Industrial Property Act in 2005 (Law 19.996) to protect both trade secrets and undisclosed data of new chemical entities submitted to government agencies for approval of pharmaceutical and agricultural chemical products. Regarding the latter, the protection of pharmaceutical products extends for a 5-year term, while agricultural chemical products are subject to a 10-year term.</p> <p>Protection of undisclosed data of pharmaceutical products is under the jurisdiction of the Institute of Public Health, while protection of undisclosed data of agro-chemical products is under the control of the Agriculture and Livestock Service. These government agencies are obliged to protect undisclosed information submitted to them in the process of sanitary registration against disclosure and, additionally are not entitled during the term of protection to grant sanitary registrations based on that protected data.</p> <p>In addition to substantive provisions of the Industrial Property Act, Decree 153 of the Ministry of Health regulates the procedure to obtain protection for undisclosed information of pharmaceutical products that are new chemical entities.</p>	<p>“summary procedure”, which is the most expeditious procedure in Chile. The current law expressly considers that the plaintiff may make request for:</p> <ul style="list-style-type: none"> <li>• The cessation of the infringing acts;</li> <li>• Injunctions prohibiting any specific course of action.</li> </ul> <p>In addition, the law also establishes criminal sanctions (fines) in cases of infringements.</p> <p>Finally, specific measures can be requested before or during the procedure, to prevent an infringement or to preserve evidence. Provisional relieves can be adopted (including the common measures of the Code of Civil Procedure), and in addition provides for special provisional measures, such as:</p> <ul style="list-style-type: none"> <li>• The immediate cessation of the acts that constitute the alleged infringement;</li> <li>• Seizure of the infringing objects in the alleged infringement, and of materials and implements used in the commission of the infringement;</li> <li>• Prohibition of publishing the alleged infringing goods;</li> </ul> <p>Detention of goods, money and valuables which originate in the sale or commercialization of the infringing goods.</p> <p>The Copyright Act establishes criminal and civil actions to pursuit copyright (and related rights) infringements. Fines and imprisons can be imposed to infringers. Other special civil actions are provided. Nevertheless, a bill that modifies the Copyright Act (Law N° 17.336) has been recently approved by both the lower and the upper house and is pending a final legislative proceeding to be enacted into Law. The Bill seeks to strengthen the existing copyright (and related right) system and to incorporate new uses as those related to the Internet. It also establishes new civil and criminal actions, pre-established damages, penalties increase (fines and imprisonment), infringing goods destruction, new precautionary measures.</p>
(4) Measures to harmonise IP rights systems in the APEC region	(Description of illustrative measures) In 1996 Chile had recently engaged in negotiations of Free Trade Agreements with two APEC members (Mexico & Canada). These negotiations included certain general commitments in the area of	Chile has successfully negotiated Free Trade Agreements which all include in some way Intellectual Property provision with 10 APEC Member Economies.	Chile through FTA negotiations has sought to include IP issues based on its quest to achieve balanced IP systems

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
	Intellectual Property.		
(5) Public education about IP	(Description of illustrative measures) Although in 1996 general public education policies related to trade where being developed including certain general information regarding IP.	The Chilean Government has carried out several seminars, which included topics as the current laws for the protection of intellectual property rights, protection of plant varieties, enforcement, as well as the new IPR obligations that Chile has acquired after signature of bilateral trade agreements with relevant trade-partners.  In addition, Chile has hosted seminars, in cooperation with WIPO and the United Nations in such topics as IP national policy, technology transfer, and creation of technology based companies, biotechnology, and patents as a part of the productive process.  Special seminars for judges were held in 2007 and 2008. The aim was to introduce judges of all across the country in IPR related issues	The major achievement in this area is create awareness on IP related issues at different levels of Chile's society.
(6) International cooperation on IP rights	(Description of illustrative measures) Since the creation of the APEC – IPEG by the CTI in 1996, Chile has been an active member of this group participating in different projects dedicated to the issue of IP.	Chile is an active member of the APEC –IPEG and, in the context of this specialized IP group has participated in different projects in APEC. Chile was benefited in 2005 -6 with three cooperation projects under TILF, namely, a new web site for the copyright office, a Small and Medium enterprise publication related to IP and the translations to English of some pages of the IPR Registry.	Chile through “APEC-IEPG Survey on Copyright Limitations and Exceptions” has achieved the dissemination of knowledge regarding copyright exceptions and limitations in APEC economies  Chile was also the coordinator of the project “APEC-IEPG Survey on Copyright Limitations and Exceptions”. This survey sought for the exchange information among APEC Economies on this subject matter. The final report of the Survey was presented by Chile in the meeting of IPEG XXIX in July of 2009.
(7) Measures to promote transparency of IP rights requirement (for example, the APEC Leaders' Transparency Standards)	A general administrative rule established that every act done by Government agencies must be public; also judicial orders are public, unless in exceptional case upon but all of them must be reasoned. In addition drafts for establish or amend regulations that could affect private sector must be published for comments and the authority must reply every comment done under this consultations process	A general Access to Public Information Law (N° 20285) established that every act done by Government agencies must be public; also judicial orders are public, unless in exceptional cases upon but all of them must be justified. The act also establishes a specific council (Transparency Council) that has the specific task of promoting transparency related to public functions as well the oversight of the transparency norms established within the Act. The Counsel is also entitled to rule over cases where public access has been deigned.	Chile has improved the main IP Web sites in order to make it easier access to relevant and complete information by the public. At the same time during the registration process, decisions are justified and are publicly available regularly by electronic means.  The new Transparency Act establishes a new institutional framework in order to ensure and regulate the principle of transparency across the board in all public acts and the right to access of information regarding these acts.
<b>8. Competition Policy</b>			
(1) Development of competition laws and establishment of competition authority	There was a Competition Act, the Decree Law No. 211, enacted in 1973.	There is an improved legal framework for competition issues, the Law N° 20 361, enacted in July 13 <sup>th</sup> 2009, in effect since October, 2009.	<b>Major achievements: Improvements of legal framework</b> The Competition Act (Law No. 19 911), published on November 14 <sup>th</sup> 2003, amended the prior competition legal framework by

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	<p>Regarding the competition institutions, the law created a tripartite institutional framework: an enforcement agency (the National Economic Prosecutor's Office, FNE), a special tribunal (the Antitrust Commission), and a number of administrative Preventative Commissions.</p>	<p>Since 2004 the institutional framework is well defined:</p> <ul style="list-style-type: none"> <li>- The <b>FNE</b>, or National Economic Prosecutor's Office, is the agency in charge of safeguarding economic competition in domestic markets. The FNE is part of the Executive and its main function is to investigate any deeds, conducts or contracts which tend to restrict or hinder competition, and when necessary, bring the case to the specialized court. The FNE is essentially an investigative agency and as such it does not have adjudicative functions. - According to the Competition Act, the FNE also deals with the promotion of competition.</li> <li>- The <b>Competition Tribunal</b> (<i>Tribunal de Defensa de la Libre Competencia</i>, or TDLC by its Spanish acronym), is an independent judicial body, subject to the Supreme Court of Justice. Its function is to hear adversarial and non-adversarial competition cases presented by the FNE or by any private or public entity. The decisions of the TDLC may be punitive, restrictive or corrective.</li> <li>- The <b>Supreme Court of Justice</b> review, upon appeal, not merely the observance of the due process but also the merits of the TDLC's rulings.</li> </ul>	<p>creating a Competition Tribunal (<i>Tribunal de Defensa de la Libre Competencia, TDLC</i>), among other reforms. This law entered into force in 2004.</p> <ul style="list-style-type: none"> <li>• <b>The Unfair Competition Act (Law No. 20 169)</b>, enacted in February 2007, establishes that unfair competition matters are to be enforced by civil judges, thus protecting fair competition mostly with private remedies. However, according to this Act, if the final ruling of the civil tribunal has determined the existence of one or more anticompetitive conducts, such tribunal shall convey all the background information of the case to the National Economic Prosecutor, who may refer the case to the Competition Tribunal, based on considerations of the seriousness of the infringement or the extent of the injury caused.</li> <li>• <b>The Competition Act (Law No. 20 361)</b>. The latest and most important amendments to the competition legal framework, which <i>inter alia</i>, strengthen the FNE's powers to combat cartels and collusive agreements, by increasing its investigatory tools and introducing a Leniency Program.</li> </ul> <p><b>Best Practices</b></p> <ul style="list-style-type: none"> <li>• <b>Transparency – Certainty about procedures.</b> No standards on competition analysis (economic or legal) are specified in the competition statute, which is a general framework. In this respect, in October 2006 the FNE issued a guideline on the analysis of horizontal mergers—“<i>Internal Guideline for the Analysis of Horizontal Concentration Operations</i>.” The Guide was first launched in May 2006 when the FNE uploaded a draft of the document on its website so as to gather feedback. Five months later the FNE edited and disclosed its final version. This Guide is an internal working tool aimed at informing, orienting and giving certainty to firms, as well as to the community as a whole, with regards to the FNE's main analytical and methodological approach when investigating horizontal concentrations. In 2007 this Guide was publicly honoured and published as one of the best initiatives on “Transparency, Access to Information and Probity in Public Administration” by the Government Executive Secretariat on Probity and Transparency.</li> </ul> <p><b>Following this line, the FNE published</b> two additional guidelines: “FNE's Internal Guideline for Investigations and for Judicial Proceedings”, issued in December 2008, and “FNE's Internal Guideline on Immunity and Reduction of Fines in Cartel Cases”, issued in October 2009.</p>

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			Given the importance of the matters covered by these new guidelines, particularly with regards to cartel enforcement, it is expected that economic agents will greatly benefit from the increased transparency and certainty that these guidelines provide on the FNE's internal procedures and criteria.
(2) Consistency with APEC Principles to Enhance Competition Policy and Deregulation and efforts to become consistent with the Principles	Some	Most,	<p><b>Non Discrimination and Comprehensiveness</b> Chilean Competition Act considers no exemptions, i.e. the law is applicable to any private or public entity. In addition, there is a broad application of the law: it applies to any market (i.e., goods, services, public, private, professional associations, government branches, regulated sectors). Finally, private enforcement of the law is expressly considered in the Competition Act.</p> <p><b>Transparency:</b> <u>Access to information:</u> Both competition authorities have developed websites as their main tool to ensure community access to information: - By browsing the investigative agency website (www.fne.cl), the community can consult in detail all of the FNE activities, such as claims and technical reports submitted to the TDLC, the closing of cases and the National Economic Prosecutor's agenda. Additionally, this page includes information on the competition legal framework and legal decisions, the Competition System's structure, the rules affecting markets and the institutional annual report. An electronic newsletter can also be consulted. - By browsing TDLC's website (www.tdlc.cl), the public can consult not only the rulings of the TDLC but also the current state and the electronic documents of any contentious and non-contentious cases at the Tribunal.</p> <p><u>Certainty about procedures</u> With no doubt, predictability has augmented in the community regarding competition matters (see previous comments on Guidelines). Likewise important efforts have been made to make available as much information as possible on the FNE's Website</p> <p><b>Accountability</b> Since 1996 up to now, significant progress has been made in two areas, namely the management of institutional resources and decisions made on competition cases. <u>Review of the management of institutional resources</u> The Public Sector's Budget Law establishes that fiscal annual contributions made by the Ministry of Finance by means of its Budget Office are the main source of financing of the Central Government and the decentralized public institutions, including the FNE. Accordingly, the FNE's budget is approved by law, known by all and sundry and posted on the Budget Office's Website</p>

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
			<p>(www.dipres.cl). In addition, in the Chilean system, the General Comptroller Office is in charge of auditing all administrative processes by any public institution, thus guaranteeing that all public procurement is in accordance to the law. Any private person has access to the National Comptroller's Bureau. Another relevant initiative is the "Transparent Government" web portal, which allows public scrutiny of each public institution's spending. In this web portal every agency discloses its legal framework, procurements and contracts, human resources and transfers. This information can be accessed through the Transparent Government's banner at the FNE's website.</p> <p><u>About decisions and the due process</u> Both competition authorities currently provide access to the information they consider for reviewing competition cases, and on the procedures they follow to ensure due process. The competition agency publishes on its Website information on complaints that lead to investigations or that are dismissed.</p> <p>Another reassurance for the public opinion concerning due process is the dual nature of the Chilean Competition System. Investigations and prosecutions are led by the FNE, while the TDLC, a court of law, hears the case in an adversarial procedure. This means that the competition agency stands on an equal basis with its counterpart (the defendant) providing the opportunity for both sides to argue their point of view and submit evidence to the TDLC. Finally, the Competition System includes a higher body, the Supreme Court of Justice, before which parties can appeal against the rulings of the Competition Tribunal, on considerations of both merit and due process.</p>
(3) International cooperation on Competition law/policy	no	Yes	<p>The FNE has an active role in several international fora, such as:</p> <ul style="list-style-type: none"> <li>- OECD Competition Committee (observer)</li> <li>- International Competition Network</li> <li>- APEC Economic Committee – Competition Policy and Law Group</li> <li>- United Nations Conference on Trade and Development</li> </ul> <p>In addition, several free trade agreements that Chile has signed include a chapter on competition policy, promoting cooperation between competition agencies [Japan, EFTA, Australia, Korea, European Community, Mexico, United States, MERCOSUR and Trans-Pacific SEP (New Zealand, Singapore and Brunei Darussalam)]. Besides, the FNE has sought international cooperation by signing memoranda of understanding or cooperation agreements with foreign competition agencies. In this context, the FNE has signed agreements with Canada, Costa Rica, Mexico, Brazil, Ecuador, Spain and El Salvador, and is considering initiating</p>

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			negotiations for the adoption of new agreements with several other countries. All of these agreements include provisions about cooperation, information exchange and technical assistance.
<b>9. Government Procurement</b>			
(1) Increasing transparency of laws, regulations, bidding system, and how to determine bidding qualifications and bid winners	Chile lacks a single procurement system or procedure for the public sector. In general, public procurement should observe the principles of non-discrimination, efficiency, transparency and integrity embodied in constitutional and legal standards. The Office of the Comptroller-General, an independent agency, is responsible for ensuring that these principles are observed. Public entities and municipalities (local governments) are responsible for their own procurement and, according to the authorities, more autonomy has been granted to these entities. Two State institutions, the State Directorate of Procurement (DAE), and the National Health Supplies Centre (CENABAS) are in charge of acquiring, storing and distributing movable goods (bienes muebles) necessary for the functioning of the Public Administration. The Directorate will purchase a domestically produced good rather than a foreign good, if the national good is of equal price and quality to the foreign one. The authorities noted that it is not mandatory for public entities to purchase from these two institutions; only 2-3 per cent of total public procurement was	Chile has significantly reformed its regime for government procurement of goods and services since 2003 in order to make it more transparent and efficient, <i>inter alia</i> , through the use of an electronic procurement platform. The reforms were envisaged as practical improvements and they have expanded participation by suppliers and buyers in the government procurement market. There is no discrimination whatsoever as regards products, services and suppliers according to their origin. The main reforms introduced by Law No. 19.886 (on July 2003), include the creation of the <i>Dirección de Compras y Contratación Pública</i> - DCCP (Directorate of Purchasing and Government Procurement) of the Ministry of Finance, which is responsible for implementing the relevant government policy, as well as the creation of an electronic information system for purchasing and government procurement (ChileCompra), through which all entities covered by Law No. 19.886 must quote prices, invite bids, source contractors, award contracts and carry out procurement procedures for goods, services and public works (even though the latter are not subject to the law). This electronic procurement information system is open to the public and free of charge and is managed by the DCCP. Law No. 19.886 also set up the <i>Registro Nacional de Proveedores de la Administración Pública</i> (National Register of Public Administration Suppliers) <sup>1</sup> and the Government Procurement Tribunal There is no provision in the legislation for margins of preference for national suppliers and no discrimination among products, services and suppliers according to their origin. Nor is there any provision for offsets as a condition for awarding a contract. There is no unified regulatory framework for public works and the procurement procedures are governed by the individual organic laws pertaining to government and municipal authorities. Nevertheless, the regulations of the Ministry of Public Works (MOP) establish the guidelines followed by other entities. A World Bank study in 2004 found that the	During 2008 a modification of the law No. 19.886 and its related regulation was proposed to congress with the objective of increasing transparency, via facilitating access to information to both citizens and suppliers. These modifications entered into force on October 2009. In January 2005, new MOP regulations on public works contracts came into force, introducing changes aimed <i>inter alia</i> at improving transparency, simplifying and streamlining the management of public works contracts, making the register of contractors more efficient and specifying the channels for appeals.

<sup>1</sup> The Register of Suppliers (ChileProveedores) website is: [www.chileproveedores.cl](http://www.chileproveedores.cl)

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
	undertaken by the DAE in the past three years.	MOP's bid evaluation and contract award procedures were open and transparent.	
(2) Restrictions on foreign goods, services or suppliers, or preferences to domestic suppliers	Some	None	
(3) Reciprocity requirements in providing access to government procurement markets	not existing	not existing	
(4) Consistency with the APEC Non-binding Principles on Government Procurement	Most	All	Under Law No. 19.886, in September 2005 the Government Procurement Tribunal was set up as a specialized and independent jurisdictional body of the State Administration. The Tribunal is empowered to hear and decide on action taken to challenge any illegal or arbitrary act or omission that may have occurred between the approval of the tender specifications and the award of the contract in procurement procedures by government entities, including those concerning public works. Any natural or legal person having a proven interest in a procurement procedure may submit an application to the Tribunal challenging the award within ten working days from the time when the contested act or omission became known or after its publication.
(5) Introduction of electronic means for government procurement	Not introduced	Introduced,	The electronic platform has been greatly improved since 2005 (See <a href="http://www.chilecompra.cl">www.chilecompra.cl</a> )
<b>10. Deregulation/ Regulatory Reform</b>			
(1) Reviews of existing regulations	Some	Most	
(2) Reviews of new or proposed regulations	Some	Most	Several modification in the regulation of electricity, starting with regulations of transmission in 2004; regulation in generation (2005) and, currently there is a new proposed bill under discussion on electric distribution.
(3) Consistency with APEC Principles to Enhance Competition and Regulatory Reform	Some	Most	New regulation that strengthen prosecution and creates criminal sanctions in the case of cartels; New proposed bill on consumer protection that facilitates compensation in the case of infringement.
(4) Improving transparency in regulatory regimes	Information regarding price fixing processes in telecom, electricity and water are available only at the offices of the regulatory agencies. Public participation during the processes is rare. The same availability condition applies to information regarding anti trust cases and jurisprudence.	All the relevant information is immediately available on web pages of the agencies. Some of the procedures allow public consultation and participation. A general principle of transparency for every decision of public agencies, its foundations, and the mechanisms to make it enforceable, are in rule.	A new law about transparency for the government passed on 2008. Briefly explained in the box on the left. With the creation of the antitrust tribunal on 2004, in replacement of an antitrust commission, the availability of relevant information increased significantly. Actually, this tribunal has been specially recognized for its transparency standards. A new law on electricity regulation established a procedure for transmission tolls that allows public participation on every stage of the process. This procedure should become the new standard for other regulated industries.
<b>11. WTO Obligation/ Rules of Origin</b>			
(1) WTO/UR Agreements not yet fully	None. Chile has fully	None. Chile has fully implemented all its WTO obligations	

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
implemented	implemented all its WTO obligations		
(2) Ensuring application of rules of origin in an impartial, transparent and neutral manner	None. Chile has fully implemented all its WTO obligations	Chile through our FTA's guarantees the correct and fair application of the rules of the origin.	
<b>12. Dispute Mediation</b>			
(1) Dispute mediation methods, process and bodies are available to foreign businesses		<p>Litigation, Arbitration and Mediation (domestic and international).</p> <p>As a general rule, any person is allowed to file a claim before a national court. On a regular basis, the first instance sentence can be appealed before the Appeal Court of the respective jurisdiction. (Chile has 17 Appeal Courts). Finally, a sentence can be revised by the Supreme Court of Chile.</p> <p>Law 19.971 on international commercial arbitration regulates any dispute between a national of Chile and a foreign party or between two foreign parties. This law is based on the UNCITRAL model law. Law 19.971 is available at <a href="http://www.leychile.cl/Navegar?idNorma=230697">http://www.leychile.cl/Navegar?idNorma=230697</a></p> <p>Chile has two main private arbitration centres, namely: An Arbitration and Mediation Centre belonging to the Santiago Chamber of Commerce.</p> <p>This centre was established in order to facilitate the settlement of commercial disputes between private parties. The arbitration centre operates since 1993. Since September 1996 a mediation service is available at the Chamber. A roster of highly qualified arbitrators is available at the Centre.</p> <p>The National Centre of Arbitration. Established in 2007, it was set up in order to modernise the arbitration, widen its scope of application and foster the use of alternative disputes resolution. A roster of highly qualified arbitrators is available at the Centre.</p> <p>Chile has in forced the following conventions: The Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID) The New York Convention on the Recognition &amp; Enforcement of Foreign Arbitral Awards. The Panama Convention on Inter-American Convention</p>	

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
		<p>on International Commercial Arbitration.</p> <p>Under the FTAs signed by Chile, the investment chapter establishes an investor-State dispute settlement mechanism. This mechanism allows the investor to file a claim before an international arbitral tribunal. The investor chooses the procedure either the ICSID rules or UNCITRAL rules.</p>	
<b>13. Mobility of Business People</b>			
(1) Number of visa free or visa waiver arrangements	67 Arrangements	87 Arrangements	
----- Visa free or visa waiver arrangements with APEC member economies	Australia Canada Hong Kong Indonesia Japan Malaysia Mexico Peru Singapore USA	Australia Canada Hong Kong Japan Korea Malaysia Mexico New Zealand Peru Singapore Thailand USA	
(2) Participation in the APEC Business Travel Card scheme	No	Yes	<p>Chile has fully implemented the ABTC scheme for Chilean (since 2001) and foreigners (since 1998) applicants.</p> <p>Signed a Collaboration Agreement between the Chilean Government and the National Chambers of Commerce, more representative Chilean business community. They are in charge of qualifying business persons.</p> <p>Special lanes for ABTC cardholders are well signed on entry and exit points of the Main International Airport in Santiago</p> <p>Chile is facilitating the entry of ABTC holders through other entry points.</p> <p>Chile is facilitating the entry through special lanes located in the International Airport for accompanying persons of ABTC holders.</p> <p>The ABTC application is available on the Government web site and national Chambers of Commerce web site.</p>
(3) Other efforts to facilitate mobility of business people than the above	Chile is negotiating its first free trade agreements with Canada and Mexico which contains a chapter on Temporary Entry to facilitate entry of business persons to the	In the FTAs negotiated by Chile, a Chapter on Temporary Entry for Business People, or disposition that rules some of this category has been included.	

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
	territory of both parties.	<p>Chile confirms its compromise to enhance and streamline the application and processing procedures for temporary residency for business people (intra-company transfers of executives and managers and specialists) on a best endeavours basis and according internal legislation.</p> <p>Since May of 2002, Chile through Civil Registry and Identification Service began issuing new (version) passport for Chileans and new identity cards for Chileans citizens and aliens residents, which comply with the international regulations for passports contained in ICAO document 9303.</p> <p>The Immigration Department has made significant progress on advertising and access to immigration information relevant to business people.</p> <p>It is maintain a dialogue on mobility issues with the business community.</p>	<p>Chile has streamline arrangements for Intra - Company Transferees and Specialists in accordance with the agreed APEC 30 days processing standard.</p> <p>Department of Migration published a web page to consult about the status of the residence application.</p> <p>The approval criteria and requirements of entry visas (short term and long term) are published on the Government web site and APEC Travel Handbook web site.</p>
(4) Average time to approve for short term business visit visa	N/A	15 days on average in the Chilean Consulates. However Chile request visa to only 6 APEC economies.	
<b>14. Trade Facilitation</b>			
(1) Consistency with APEC Principles on Trade Facilitation	N/A	Most	Chile has achieved an impressive record of implementing the APEC Principles on Trade Facilitation, and is encouraged to complete pending items.
(2) Implementation of Trade Facilitation Action and Measures (approved in 2002)	N/A	Number of items implemented as of 2006 (Chile IAP Study 2008). Customs Procedures: N° of items implemented: 46.	Since 2001, APEC has been committed to a clear goal of achieving a 5 per cent reduction in transaction costs by 2006. Chile has submitted its report on the Trade Facilitation Action Plan (TFAP) by identifying from a menu of options in the four areas of Customs,

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
		Standards and Conformance: N° of items implemented: 44 Business Mobility: N° of items implemented: 4 Electronic Commerce: N° of items implemented: 8	Standards, Business Mobility and E-Commerce, and indicating the progress in each option. They are: <b><u>MOST SIGNIFICANT CHILE'S ADVANCES TRADE FACILITATION on BUSINESS MOBILITY:</u></b> In terms of business mobility, our country has taken important steps towards trade facilitation, in compliance with most of the action set as instruments to achieve effective facilitation, either in secure travel documents with international standards, detection of fraudulent documentation, arrangements for streamline procedures to obtain visas for skilled personnel and intra company transferees in accordance with the agreed APEC 30 days processing standard, as well as implementing mechanisms for the elimination of visas, as is the system of the APEC Business Travel Card (ABTC). Specific actions: In relation with Travel Document security, since May of 2002, Chile began issuing new (version) passport for Chileans and new identity cards for Chileans citizens and aliens residents, which comply with the international regulations contained in ICAO document 9303. In relation with travel documentation examination Chile developed technologic authentication systems of face it control and finger print. Chile implemented FIND system (ICPO), at the two major border checkpoints. So, is sending data of lost and stolen passports to ICPO database. Chile has fully implemented the ABTC scheme for Chilean and foreigners applicants.  Moreover, our country has made significant progress in access to information and use of information technology to facilitate the procedures related to mobility of business people. The Immigration Department has more than 3 years ago a website with all information on current immigration law, requirements for applying for a residence, application forms, statistics, information about International Agreements, etc. In addition, an online site to review the state of processing an application for residence, and has fully implemented Information Office, virtual and phone. It is currently undergoing trial run digital file, which stores all documentation for the Migration Department, which second stage is to enable the application for a residence electronically. Finally, we have pending the introduction of the Advanced Passenger Information System, reaching the stage of feasibility studies, on 2004, but is not currently planning to incorporate, for a budgetary issue given the high cost of this system.

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
			<p><b><u>MOST SIGNIFICANT CHILE'S ADVANCES TRADE FACILITATION on Standards and Conformance</u></b></p> <p>Since 2006, Chile has a <b>unique website with all the technical regulations and conformity assessment procedures</b> for products (<a href="http://www.reglamentostecnicos.cl">www.reglamentostecnicos.cl</a>).</p> <p>In the last Free Trade Agreements that Chile has negotiated (Japan, Peru, China, Australia, Turkey and Colombia), specifically in the TBT chapters, an article has been included on international standards, in order to consider the "Decisions on Principles for the Development of International Standards, Guides and Recommendations" adopted by the WTO TBT Committee. On the other hand, it was incorporated an <b>article of "Trade Facilitation" of TBT aspects.</b></p> <p>The <b>National Metrology Network</b>, coordinated by INN, operates as a virtual NMI, using the pre-existent capabilities in the country, endowing them with the necessary technological support to achieve their international technical recognition. In order to disseminate the information from the network, there is a web page <a href="http://www.metrologia.cl">www.metrologia.cl</a>, it is administered by the same servers as the network. The Ministry of Foreign Affairs, through the Decree 196 (2003), trusts the execution of the project (in conjunction with Germany) to the INN to coordinate and supervise the National Metrology Network, in that way has signed several agreements (5 MOU, 2 MRA, 4 Adhesion Acts and 2 Contracts/Other; 4 of them aren't binding and 9 are binding, as for example the Convention du Metre). The system's main characteristic is a "decentralized structure" in which most of the designated laboratories coming from Universities, private and public sectors perform the metrological execution. Currently, the network is working under the recognition of "designated laboratories" in the physical area for the magnitude of Mass, Temperature, Force, Length, Pressure, and Electrical Magnitudes, and in the chemical area for chemical residues in food and mining. These "designated laboratories" are already providing services and give traceability to the "calibration laboratories" and "testing laboratories", which are directly related with the production sector. The process is expected to expand and include as many magnitudes as the Chilean develop require, in order to have a real economic impact.</p> <p>Chile participates in <b>Parts I of the EEMRA</b>. Chile began a process to analyse the legislation related to the possible participation on part II of the EEMRA.</p> <p>Chile participates in the activities related to <b>APEC Food Sectoral MRA</b>.</p>

	Status in 1996	Status in 2009	<b>Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices</b>
			<p>Chile participates at the <b>APEC Food Safety Cooperation Forum</b> and it is a member of the <b>Partnership Training Institute Network (PTIN) steering group</b></p> <p>Chile is part of <b>WWTG (World Wine Trade Group)</b> and support regulatory change in the areas of wine labelling and oenological practices (The use of such industry developed principles/guidelines by Member Economies will facilitate trade, ensure WTO consistency, protect government policy initiatives relating to wine and ensure consumers are protected).</p> <p>A regulation was jointly developed in 2003-2004, with the different Government Agencies, which establishes basic criteria for the development, adoption and application of technical regulations and conformity assessment procedures, including the notification process (<b>Decree 77/2004</b>); <b>it is a Decree of Good Regulatory Practice.</b></p> <p><b><u>Most significant Chile's advances Trade Facilitation on Customs Procedures and Electronic Commerce</u></b></p> <p>Paperless Trading: Electronic Authentication and digital documents: Law 19.799 of 2002, Law which implement the Electronic Authentication and indicates that the digital document has the same value that the paper one</p> <p>Electronic Import Declaration; Electronic Import Declaration; Electronic Manifest (Courier, Air Cargo, Land Cargo and Sea Cargo); Electronic Warehouse Declaration and Electronic Transit Declaration in Pilot Status</p> <p>Single Window: in Pilot Status</p> <p>ATA Convention Member: Implemented by Ruling N° 3.030 from July 7<sup>th</sup> of 2005</p> <p>Advance Ruling System (Classification, Valuation, Origin and other custom matters): Implemented by Ruling N° 9.422 from December 29<sup>th</sup> of 2008</p> <p>Advance Publication and Regulatory Agenda: Approved by Ruling N° 2.217 from April 1<sup>st</sup> of 2009</p> <p>Tax and Customs Courts: Implemented by Law N° 20.322 from January 27<sup>th</sup> of 2009, that fortifies and improves the Tax and Custom</p>

	Status in 1996	Status in 2009	Major Achievements incl. Significant Progress after the Mid-term Stocktake and Example of Best Practices
			Jurisdiction. Decentralized System of Tax and Customs Courts of First Instance, subject to the supervision of the Supreme Court, independent of Internal Tax Service and Customs. )
<b>15. Promotion of High-Quality RTAs/FTAs</b>			
(1) Number of RTAs/FTAs concluded/signed	RTAs/FTAs: 6	RTAs/FTAs: 23 Preferential Trade Agreement: 1	
RTAs/FTAs concluded/signed with APEC member economies	0	- FTA between Australia and Chile - FTA between Canada and Chile - FTA between Mexico and Chile - FTA between USA and Chile - FTA between Japan and Chile - FTA between Korea and Chile - FTA between China and Chile - Trans-Pacific Strategic Economic Partnership (New Zealand, Brunei, Singapore and Chile) - FTA between Peru and Chile	
(2) Number of RTAs/FTAs under negotiation	(Number of agreements)	4 (Malaysia, Vietnam, (China Agreement on Investment) and Nicaragua)	Chile has adopted an exceptionally liberal multi-track approach to advancing trade and investment – even beyond the Asia Pacific – free and regional trade agreements are a key vehicle. In general, Chile's active FTA/RTA policy reflects its advocacy of economic liberalization within each of the regional and multilateral economic fora in which it participates.
RTAs/FTAs being negotiated with APEC member economies	0	4 (Malaysia, Vietnam and (China Agreement on Investment) and TPP).	
(3) Consistency with APEC Model Measures for RTAs and FTAs	(Description of Consistency with APEC Model Measures) In APEC 1996 don't exist model measures	Chile has demonstrated a commitment with the APEC's model measures in all trade agreements, in this regards it is clear Chile has been seeking to align its approach to trade agreements with good practice as reflected in APEC's model measures for trade agreements	Chile as economy that promoted the "Best Practice for RTAs/FTAs in APEC "on 2004 has made considerable effort to achieve high - quality RTAs/FTAs. The "Best Practices" clearly indicate us how a "good FTA" should look like, although no economy will actually be forced to follow them. They are a timely response to this recent phenomenon of FTAs' proliferation.
<b>16. Voluntary Self - Reporting</b>			
(1) Other effort in support of the Bogor Goals: (description)	(Description of illustrative measures)	(Description of illustrative measures)	Since 1995, Chile has incorporated in its FTA's Environmental and Labour provisions, to enhance domestic management of labour and environmental issues.



## Annex 1

### VAP

Priority area	Target standards	NCh (Chilean standard)
Product safety	ISO8124-1 Safety of toys - Part 1: Safety aspects related to mechanical and physical properties	NCh1773.Of2005
	ISO8124-2 Safety of toys - Part 2: Flammability	NCh1775.Of1999
	ISO8124-3 Safety of toys - Part 3: Migration of certain elements	NCh1936.Of1999
Electrical equipment	IEC 60598-2-11 Luminaires for aquarium	-
	ISO 5151 Non-ducted air conditioners and heat pumps -- Testing and rating for performance	NCh2685.Of2002
	ISO 15502 Household refrigerating appliances -- Characteristics and test methods (This standards status: Withdrawn)	-
	IEC 61121 Tumble dryers for household use - Methods for measuring the performance	NCh2723.Of2006
Assistive products	Standards for Wheelchairs ISO 7176-1	NCh2078/1.Of2000
	ISO 7176-2	-
	ISO 7176-3	-
	ISO 7176-4	-
	ISO 7176-5	NCh2078/5.Of2000
	ISO 7176-6	-
	ISO 7176-7	-
	ISO 7176-8	-
	ISO 7176-9	-
	ISO 7176-10	-
	ISO 7176-11	-
	ISO 7176-13	-
	ISO 7176-14	-
	ISO 7176-15	-
	ISO 7176-16	-
	ISO 7176-19	-
	ISO 7176-21	-

<b>Priority area</b>	<b>Target standards</b>	<b>NCh (Chilean standard)</b>
	ISO 7176-22	-
	ISO 7176-23	-
	ISO 7176-24	-
	ISO 7176-26	-
	ISO/TR 13570-1	-