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PRESS RELEASE

Subject :

FIRST MEETING OF THE EUROPEAN UNION - CHILE

JOINT COUNCIL

Brussels, 24 November 1999

JOINT PRESS RELEASE

The European Union and Chile start negotiations on the future association agreement

On 24 November 1999, in the city of Brussels, the first meeting of the Joint Council was held as foreseen in the Framework Co-operation Agreement, which had been signed by the European Community and its Member States and the Republic of Chile on 21 June 1996 in Florence, Italy, and which entered into force on 1 February 1999, after the completion of the respective requirements for ratification. The meeting was presided over by the Finnish Minister of Foreign Affairs, Mrs. Tarja Halonen, in her capacity as President of the Council of the EU. The Chile delegation was lead by the Minister of Foreign Affairs, Dr. Juan Gabriel VALDES. The Secretary General of the Council, High Representative for CFSP of the EU, Dr. Javier SOLANA, also took part in the meeting. The Commission was represented by Mr. Chris PATTEN, Member of this Institution.

The Parties agreed on pointing out the good state and promising perspectives of their bilateral relations.

The Joint Council recalled that, during the Summit of Heads of State and Government of the European Union, Mercosur and Chile held in Rio de Janeiro on 28 June 1999:

- The Heads of State and Government of the European Union and Chile reaffirmed the commitment set out in the Framework Co-operation Agreement, of forging closer relations with the aim of encouraging the increase and diversification of trade, by means of gradual and reciprocal liberalization of trade and promoting conditions which are conducive to the establishment of a political and economic association, taking into account, in conformity with WTO rules, the sensitivity of certain goods and services.

- The Heads of State and Government of the European Union and Chile decided to launch negotiations aiming at bilateral, gradual and reciprocal trade liberalization, without excluding any sector and in accordance with WTO rules. It was agreed that the results of the negotiations would constitute a single undertaking to be implemented by the Parties as an indivisible whole. They also agreed that the expansion of trade, through the development of free trade between Chile and the European Union, constitutes a central element in the construction of a more dynamic relationship, in the promotion of their integration processes and in the strengthening of the multilateral trading system.

- The Heads of State and Government of the European Union and Chile decided that a meeting of the EU-Chile Joint Council should be held in November 1999, during which proposals should be formulated regarding the definition of the structure, methodology and calendar of the negotiations.

Therefore, the Joint Council welcomed the conclusions reached by the European Union and Chile representatives as regards the structure, methodology and calendar. Within the limits of and in conformity with each side's internal procedures and dispositions, these conclusions (see Annex II) will be used during the negotiations. The EU recalls its position, i.e. these negotiations will begin with non-tariff issues. Chile, while not taking position on this possibility, understands that this last question should be discussed in the Negotiations Committee.

In this way, negotiations on a political and economic association between Chile and the European Community and its Member States have

been launched. The Negotiations Committee will meet next March/April in Santiago.

The Joint Council reaffirmed its desire to continue to realise a regular political dialogue between the Parties based on the Framework Co-operation Agreement and on the Joint Declaration on Political Dialogue.

Afterwards the ministers of the EU and of Chile held a joint meeting with Mercosur in which they examined the political and economic situation of the Parties and the evolution of their integration processes, dealt with the outlook for the WTO negotiations, realised a follow-up to the implementation of the initiatives coming forth from the Meeting of Heads of State and Government of Latin America, the Caribbean and the EU, held in Rio de Janeiro in the month of June, and realised consultations on topics of a mutual interest based on the international agenda. This exchange of points of view also took place during the lunch offered by the Finnish Presidency of the Council of the EU, which was held on the same day. The Parties agreed that the strengthening of the dialogue between the European countries and Mercosur and Chile will favour a better co-ordination on issues from the international agenda.

ANNEX I

PARTICIPANTS

EUROPEAN UNION

Belgium :

Mr Frans VAN DAELE Ambassador, Permanent Representative

Denmark :

Mr Christian OLDENBURG Head of Latin America Department, Ministry of Foreign Affairs

Germany :

Mr Wilhelm SCHÖNFELDER Ambassador, Permanent Representative

Greece :

Mr Loucas TSILAS Ambassador, Permanent Representative

Spain :

Mr Abel MATUTES Minister for Foreign Affairs

France :

Mr Pierre VIMONT Ambassador, Permanent Representative

Ireland :

Mr Ciaran MADDEN First Secretary, Permanent Representation to the EU

Italy :

Mr Luigi Guidobono CAVALCHINI GAROFOLI Ambassador, Permanent Representative

Luxembourg :

Mr Nicolas SCHMIT Ambassador, Permanent Representative

Netherlands :

Mr Bernard R. BOT Ambassador, Permanent Representative

Austria :

Mr Gregor WOSCHNAGG Ambassador, Permanent Representative

Portugal :

Mr Francisco SEIXAS da COSTA State Secretary for European Affairs

Finland :

Ms Tarja HALONEN Minister for Foreign Affairs

Sweden :

Mr Gunnar LUND Ambassador, Permanent Representative

United-Kingdom :

Mr Stephen WALL Ambassador, Permanent Representative

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Commission :

Mr Chris PATTEN

Member

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General Secretariat of the Council :

Mr Javier SOLANA

Secretary General / High Representative for CFSP

CHILE

Mr Juan Gabriel VALDÉS

Minister for Foreign Affairs

ANNEX II**DESCRIPTION OF THE STRUCTURE, METHODOLOGY AND CALENDAR FOR NEGOTIATIONS ON A POLITICAL AND ECONOMIC ASSOCIATION AGREEMENT BETWEEN THE EUROPEAN COMMUNITY AND ITS MEMBER STATES AND THE REPUBLIC OF CHILE.**

In accordance with the decisions of the Heads of State and Government of the European Union and Chile during the Summit meeting in Rio de Janeiro, held in June 1999, and in conformity with the objectives of the Framework Co-operation Agreement, signed on 21 June 1996, the representatives of both Parties agreed on the following elements related to the structure, methodology and calendar of the negotiations aimed at establishing a political and economic association between the EU and Chile.

1. STRUCTURE OF THE NEGOTIATIONS

With a view to reaching the objectives established in the Framework Co-operation Agreement, the negotiations shall be conducted on the basis of the following structure.

A Negotiations Committee shall be established in order to provide general oversight and management of the negotiations on trade matters and co-operation. The Negotiations Committee shall be directly responsible for negotiations on trade matters.

A Subcommittee on Co-operation shall be established in order to conduct negotiations on co-operation, which shall depend directly on the Negotiations Committee.

Within the limits of and in conformity with each side's internal procedures and dispositions, the Negotiations Committee shall be able to create Technical Groups with a view to implementing activities related to the trade negotiations.

The Technical Groups shall depend on the Negotiations Committee and shall report directly to it as regards their activities and results.

Co-ordinating Secretariats shall be established, which will be exercised by representatives of the European Commission and of Chile.

2. METHODOLOGY OF THE NEGOTIATIONS

The negotiations shall be based on the following methodology.

The Negotiations Committee shall be responsible for the general oversight and management of the negotiations. The Negotiations Committee will be directly responsible for the trade negotiations.

It shall ensure the consistency of the trade negotiations with the negotiations on co-operation, which will be conducted by the Subcommittee on Co-operation.

The result of the negotiations will constitute a single undertaking to be implemented by the Parties as an indivisible whole.

The Negotiations Committee shall provide information about its activities to the EU-Chile Joint Council, created on the basis of the Framework Co-operation Agreement. In conformity with this Agreement the EU-Chile Joint Council shall be able to make recommendations and proposals which contribute to the ultimate objective of political and economic association.

The Negotiations Committee shall decide on the terms of reference, the calendar and the working programme of the Committee and of the Technical Groups, as well as of any other subgroup which it considers necessary to create. The Negotiations Committee shall also deal with the institutional aspects of the future agreement and with the organizational aspects of the negotiations.

The meetings of the Negotiations Committee shall take place alternately in Brussels and in Chile, unless the Parties decide to change the place of the meetings by common agreement. In principle they will have a duration of five days.

The Subcommittee on Co-operation shall report about its activities to the Negotiations Committee.

The Co-ordinating Secretariats (European Commission and Chile) shall be responsible for the preparation and organization of meetings, the distribution of official documents and shall ensure good communications between the Parties.

Negotiations shall be conducted in an open and transparent manner. To this end contacts will be maintained in the European Union and Chile with representatives of civil society.

3. CALENDAR OF THE NEGOTIATIONS

The negotiations shall be based on the following calendar.

The Negotiations Committee shall establish its own timing and frequency of meetings, anticipating in principle three meetings a year.

The Subcommittee on Co-operation shall establish its own timing and frequency of meetings, anticipating at least one meeting a year.

The Technical Groups shall meet in conjunction with the meetings of the Negotiations Committee. Between meetings the members of the Technical Groups shall maintain informal contacts with a view to furthering the activities of the Technical Groups.

The first meeting of the Negotiations Committee shall take place during March-April 2000 in Santiago de Chile and will establish the framework and terms of reference for the negotiations. It will also establish the Technical Groups, their indicative calendars of meetings and the terms of reference for each group.

The second meeting of the Negotiations Committee shall take place in June-July of the year 2000 in Brussels, in conjunction with the first meeting of the Technical Groups and of the Subcommittee on Co-operation.

The Negotiations Committee will decide on the further calendar of meetings.
