

FIRST MEETING OF THE EUROPEAN UNION - CHILE NEGOTIATIONS COMMITTEE

10-11 APRIL 2000
SANTIAGO DE CHILE
CHILE

CONCLUSIONS

Negotiators from Chile and the European Union met for the first time in the context of the EU-Chile Negotiations Committee during 10-11 April 2000 in Santiago. This meeting formed the first round of negotiations between the EU and Chile, aiming at the conclusion of an Association Agreement between the EU and the Chile. The negotiators established the following conclusions.

1. GENERAL PRINCIPLES AND OBJECTIVES

The EU and Chile negotiators recalled the following general principles and objectives for the negotiations:

On 28 June 1999 in Rio de Janeiro the EU and Chile Heads of State and Government decided to reaffirm their determination to continue to strengthen their relations, which are based on deep historical, political, economic and cultural links, as well as on common values. To this end they decided to attach renewed priority to their relations in the political, economic, trade, cultural and co-operation fields, aiming at **building a deeper and fuller partnership**, which should be based on democracy, sustainable development and economic growth with social justice.

The Heads of State and Government 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.

With this purpose, they agreed to launch negotiations between Chile and the European Union aiming at bilateral, gradual and reciprocal trade liberalisation, without **excluding any sector** and **in accordance with WTO rules**.

It was agreed that the results of the Chile-European Union negotiations should **constitute a single undertaking** to be implemented by the Parties as an **indivisible whole**.

The first meeting of the EU-Chile Joint Council on 24 November 1999 in Brussels received the conclusions reached by EU and Chile negotiators as regards the **structure, methodology and calendar** of the negotiations.

During the recent EU-Mercosur and Chile ministerial meeting in Vilamoura, Portugal, on 23 February 2000 the ministers underlined the importance of the first meeting of the EU-Chile Negotiations Committee, emphasizing the need to achieve progress in this process. The ministers stated that this process should be comprehensive, encompassing all areas of their political, economic, trade and co-operation relations, and that negotiations should be **concluded at the earliest possible time**.

The ministers also underlined the **importance** of the contribution of new actors, partners and resources from **civil society** and reaffirmed the importance of encouraging mutual exchanges and co-operation of civil society between the Parties.

During their meeting in Santiago the Parties also established that the negotiations between the European Union and Chile aiming at an **Association Agreement** shall create rights and obligations both for Chile and the European Union as well as for its Member States.

They also decided that the **negotiations** as regards an Association Agreement shall be **comprehensive** and yield **balanced results**.

The Parties decided that the various topics, to be dealt with during the association negotiations, will be put on the agenda of the Negotiations Committee for **discussions based on mutual agreement**.

The Parties also agreed to reinforce the process of their consultations on WTO matters.

The Parties meeting in Santiago discussed a variety of issues related to the political dialogue, co-operation and trade issues between the European Union and Chile. The following chapters reflect their particular **conclusions** on these topics dealing with the objectives, the principles, the methodology, the structure and the working programme for these issues.

The Parties agreed that the next meeting of the Negotiations Committee will take place in the month of June 2000 in Brussels.

2. NEGOTIATIONS ON POLITICAL DIALOGUE

2.1. Objectives

One of the objectives of the negotiations is the reinforcement of the Political Dialogue between the EU and Chile within the framework of an Association Agreement as foreseen between the Parties. This agreement will have a strong political component. Up to the present moment, the legal basis for the Political Dialogue has been the 1996 Framework Co-operation Agreement between the EU and Chile and the Joint Declaration on Political Dialogue: This negotiation will aim at deepening and broadening the level and the topics of the political dialogue in view of the consolidation of a strategic partnership.

2.2. Working methodology

The current political dialogue will continue to be conducted through the mechanism on political dialogue already agreed between the Parties and the working methodology contained in the Joint Declaration on Political Dialogue.

To ensure the coherence of the negotiations on a future Association Agreement, there should be a regular update with information to the Negotiations Committee (NC), in order for the NC to elaborate, in accordance with internal procedures of the Parties, the political chapters in the future Agreement, which shall take fully into account the evolution and contents of the current political dialogue.

2.3. Content of the political dialogue.

Political co-operation between the Parties should cover the aspects of mutual interest and any other international issue the Parties should consider appropriate to discuss in their Political Dialogue: Particularly, on the grounds of peace and stability, prevention of conflicts, confidence and security building measures, promotion and protection of human rights, human security, democracy and the rule of law, sustainable development taking into account economic, social and environmental dimensions, common action against drug traffic and related felonies, arms traffic, organized crime and international terrorism:

The principles and content related to Political Dialogue in the Association Agreement will incorporate the progress made during the implementation of the current mechanism based on the Framework Co-operation Agreement of 1996, at the time of the signature of the Association agreement.

3. NEGOTIATIONS ON CO-OPERATION

Co-operation entails the strengthening of existing relations between the parties on the basis of reciprocity and mutual interest.

3.1. Objectives.

The objective of the negotiations is to up-grade the level and to improve the quality and the scope of the co-operation between Chile and the European Community and its Member States.

The Framework Co-operation Agreement of 1996 already settled a series of areas of interest, which may be retained in the Association agreement. On the basis of the rich experience of that agreement and on the new issues that could possibly have arisen, the parties could work on the deepening of specific areas of mutual interest and on the identification of further ones.

The future co-operation should in particular focus on measures aiming at making full use of the opportunities created by the Association agreement.

3.2. Working methodology.

In order to guarantee a smooth functioning of the negotiations, the parties could agree on setting up three different sub-groups on co-operation:

Subgroup on Economic Co-operation

Subgroup on Social and Cultural Co-operation and Education

Subgroup on Science and Technology

Every year, each subgroup submits its report to the Sub-Committee on Co-operation, which is responsible towards the Negotiations Committee for the overall co-operation negotiations.

The Sub-Committee on Co-operation meets at least once a year.

3.3. General orientations.

The following **general orientations** for each subgroup shall be applied in an **indicative** manner by the Parties:

Subgroup on Economic Co-operation

Industrial co-operation

Co-operation on technical regulations and conformity assessment

Co-operation in the field of services

Investment promotion

Macro-economic dialogue

Energy co-operation

Transports

Co-operation on agricultural and rural sector

Fisheries
Customs co-operation
Statistic co-operation
Environmental co-operation
Consumer protection
Data protection

Subgroup on Social and Cultural Co-operation and Education

Social co-operation
Education and training
Social dialogue
Drugs and related organised crime
Cultural co-operation

Subgroup on Science and Technology

Scientific and technological co-operation
Telecommunications, information technology and information society

4. NEGOTIATIONS ON TRADE ISSUES

4.1. General principles and objectives of trade negotiations

4.1.1. General principles

Comprehensive negotiations and balanced results.

No sector to be excluded, in conformity with WTO provisions.

The results of negotiations will take into account the sensitivity of certain products and services sectors, in conformity with WTO provisions.

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

4.1.2 Objectives

The bilateral, reciprocal and substantial liberalisation of trade in goods and services within an agreed time frame in conformity with the relevant WTO provisions;

The further improvement of access to government procurement markets for goods, services and public works;

The encouragement of an open and non-discriminatory investment climate;

Ensuring adequate and effective protection of intellectual property rights in accordance with the highest standards.

Ensuring adequate and effective competition policies and a mechanism for co-operation in the field of competition;

Ensuring adequate and effective disciplines in the area of trade defence instruments;

Establishing an effective and binding dispute settlement mechanism.

4.2. Organisation of work

4.2.1. Structure of technical groups

Three technical groups will be created. Whenever appropriate further sub-groups may be created or adjusted.

Technical Group 1: trade in goods, covering both tariffs and non-tariff measures, including inter alia sanitary and phytosanitary measures, standards, technical regulations and conformity assessment procedures; antidumping and counter-vailing duties and safeguards ; rules of origin ; and customs matters.

Technical Group 2: trade in services, capital movements and investment, and intellectual property rights.

Technical Group 3: government procurement, competition and dispute settlement.

4.2.2. Work programme and agenda

Starting in June 2000 and lasting until mid-2001 the work of the Technical Groups will consist of:

Exchange of information in all areas of negotiations;

Discussion on specific objectives and modalities on non-tariff matters;

Whenever possible, exchange of negotiating texts on non-tariff matters; and

Ways of addressing non-tariff obstacles to trade.

Beginning in July 2001, the Parties will discuss and determine the methodology and schedule for the progressive elimination of tariffs in goods and the liberalisation of trade in services.

Each party will appoint a Head of Trade Negotiation which will be responsible for overall coordination of trade issues. At the end of each round they will meet to take stock of the work accomplished, decide on future work and inform the NC accordingly.

At the end of each NC, the Parties will set the specific agenda of the subsequent NC.

4.2.3 The agenda for the second Negotiations Committee (NC)

General exchange of information, including:

Presentation by EU on CAP and on enlargement;

Presentation by both Parties on trade agreements concluded or to be concluded with third parties.

Specific topics for Technical Group 1

Exchange of specific information on the basis of information requested within one month after the first NC. To the extent possible, each side will provide the requested information 2 weeks before the second NC.

¹ EU shall provide information in English and, as far as possible, in Spanish. Chile shall provide information in Spanish and, as far as possible, in English.

Discussion on specific objectives in areas such as sanitary and phytosanitary measures, standards, technical regulations and conformity assessment procedures; rules of origin; customs procedures and mutual assistance in customs matters; antidumping and counter-vailing duties, and safeguards.

Identification of non-tariff obstacles and discussion of approach and principles on how to address these (e.g. covered by general provisions, case-specific solutions, others). Exchange of list of non-tariff obstacles 2 weeks prior to the second NC.

Specific topics for Technical Group 2

Exchange of specific information on the basis of information requested within one month after the first NC. To the extent possible, each side will provide the requested information 2 weeks before the second NC.

Discussion on specific objectives on services, capital movements and investment, and intellectual property rights.

Identification of non-tariff obstacles and discussion of approach and principles on how to address these. Exchange of list of non-tariff obstacles 2 weeks prior to the second NC.

Specific topics for Technical Group 3

Exchange of specific information on the basis of information requested within one month after the first NC. To the extent possible, each side will provide the requested information 2 weeks before the second NC .

Discussion on specific objectives for competition, government procurement and dispute settlement.

Identification of non-tariff obstacles and discussion of approach and principles on how to address these. Exchange of list of non-tariff obstacles 2 weeks prior to the second NC.