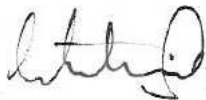


**Common Conclusions and Recommendations of the Joint Study Group
on the Prospective Free Trade Agreement between Chile and Turkey**

Ankara, October 26, 2007

1. In the framework of the bilateral relations on May 17, 2007, in Ankara, authorities of the Republic of Chile headed by Ambassador Carlos Furche, Vice Minister for International Economic Affairs, Ministry of Foreign Affairs, and of the Republic of Turkey headed by Mr. Cemalettin Damlaci, Director General for the EU Affairs, Prime Ministry, Undersecretariat for Foreign Trade, agreed on the need to intensify the Turkey-Chile economic partnership by commencing together a feasibility study to look into a potential Chile-Turkey Free Trade Agreement (FTA).
2. Both countries have conducted two meetings of the Joint Study Group alternatively in Santiago and Ankara since May 2007, reaching a successful conclusion of the work.
3. The Joint Study's main conclusions indicate that an FTA between Chile and Turkey would have a positive impact on the economic relationship of two countries:
 - An FTA between Chile and Turkey would, as a result of the tariff elimination, a significant increase in the bilateral trade. The tariff elimination could make possible to trade goods that at present are "non traded goods" in bilateral terms, but that are part of both countries global trade.
 - An FTA, with disciplines that provide legal certainty would improve the investment environment and would have a positive impact in the export of services including those associated to the increase of trade in goods.
 - An FTA between Chile and Turkey would induce a reduction in the transaction costs of trade between the two countries, due to the inclusion of trade facilitation measures.
 - Both Turkey and Chile have a strong network of economic relations in their respective regions. Chile has commercial and economic agreements with all Latin American countries and with the USA and Canada. On the other hand Turkey has agreements with Mediterranean, Middle East and Balkans economies and is currently negotiating with major trading partners, bilaterally and regionally. Turkey could be a gateway for Chile to the Middle East, Mediterranean and Balkans as Chile could be the gateway for Turkey to Latin America.
4. Both delegations agree to advise their respective Governments on the positive results obtained by the "Joint Study Group on the Prospective Free Trade Agreement between Chile and Turkey", so that appropriate decisions concerning future negotiations between Chile and Turkey can be taken.



Carlos FURCHE
For the Republic of Chile



Cemalettin DAMLACI
For the Republic of Turkey