

AGREED MINUTE

EFTA-CHILE JOINT COMMITTEE

SECOND MEETING

Santiago, 7 and 8 of April, 2008

Introduction

The Second Joint Committee meeting under the EFTA – Chile Free Trade Agreement (FTA) took place in Santiago on 7 and 8 April 2008. Minister Mr. Martin Zbinden, Head of Free Trade Agreements, EFTA Division, State Secretariat for Economic Affairs, acted as the EFTA Chairman, while Mr. Andrés Rebolledo, Director for Bilateral Economic Affairs, Directorate General for International Economic Relations, Ministry of Foreign Affairs, headed the Chilean delegation. A list of participants is attached at Annex I.

1 Adoption of the Agenda

The agenda of the meeting, as set out at Annex II, was adopted.

2 Examination of the EFTA-Chile FTA in the WTO (CRTA)

The parties reported that the examination process of the EFTA - Chile FTA finished during 2007. The Chairman of EFTA thanked Chile for the good cooperation in that respect.

3 EFTA and Chile Export Promotion Seminar

The parties exchanged information regarding the EFTA and Chile Export Promotion Seminar. Chile reported that this activity is the first seminar organized in Chile regarding the FTA and also with the participation of the private sector. Chile also informed that the seminar will last two days, and will have the participation of around of two hundred people. The Chairman of EFTA thanked the collaboration of Direcon and of the Embassies of the EFTA States in the organization.

4. Exchange of information:

a. Developments of trade between the EFTA States and Chile

The Parties exchanged data on bilateral trade between Chile and EFTA, and took note that figures show an increase in trade. Finally, both Parties agreed on the positive evolution of trade in goods between the EFTA States and Chile.

b. External economic relations:

- i. EFTA's ongoing negotiations
- ii. Chile's ongoing negotiations and accession to OECD

The parties exchanged information on the ongoing negotiations. The Chairman of EFTA informed that currently EFTA is negotiating with Colombia and Peru, Algeria, Thailand and the Gulf Cooperation Council.

In addition bilateral negotiations are under way between Iceland and China and Switzerland and Japan. Norway and China finalized a bilateral feasibility study, and Switzerland and China are also exploring the feasibility of a bilateral free trade agreement.

The Chilean Chairperson reported that Chile is negotiating with Malaysia, Vietnam, Turkey. Also, it was that negotiations with Australia concluded in the past week.

With regard to the ongoing negotiations in the OECD, Chile reported about the process to accede the OECD which is currently taking place. The Chairman of EFTA congratulated to Chilean delegation by the invitation of OECD

5. Report of the Sub-Committee on Customs and Origin Matters

The Chairperson of the Sub-Committee on Customs and Origin Matters reported the main points of the agenda.

The report of the Sub Committee is annexed to this Agreed Minute

6 Implementation and review of Chile – EFTA FTA

a. Status of Joint Committee Decisions:

- i. Decision N° 1 of 2006: Establishing the Rules of Procedure of the EFTA - Chile
- ii. Decision N° 2 of 2006: Explanatory Notes of Annex I (Update)
- iii. Decision N° 3 of 2006: Direct Transport
- iv. Decision N° 4 of 2006: Annex III (Products not covered by the Agreement): status of ratifications

The parties exchanged information on the status of decisions 1, 2, 3 and 4 of 2006.

Regarding Decision N° 2 of 2006 adopted in the I JCM in 2006 on “Explanatory Notes” regarding the interpretation, application and administration of Annex I“ the Joint Committee agreed to adopt the corrected version of Decision N° 2 of 2006, included as annex III of this agreed minute.’

Regarding Decision N° 4, EFTA informed the ratification by Norway. Chile informed that internal procedures will be completed in the next months and that will notify EFTA according to the usual procedures.

b. Possible future developments of the Chile-EFTA free trade relations:

EFTA informed about the agreement with Korea which entered into force in 2006, and the effects regarding article 24.2 of the Agreement. Chile took note of EFTA proposal on financial services and informed of the services chapters agreed.

The parties exchanged information on the methodology used in the services chapters in the FTAs signed.

The parties agreed to instruct the experts to explore internally further ways for a future negotiation on services.

- i. Industrial products (Annex VI)
- ii. Processed agricultural products (Annex IV)
- iii. Fish and other Marine Products (Annex V)
- iv. Basic agricultural products (Bilateral agricultural agreements, article 5)

After exchanging each party's views on points i, iv, and vi of the agenda (reference also to EFTAs position paper dated 21.JAN.2008), EFTA States inform about their present possibilities to negotiate additional concessions for basic agricultural products. Chile indicated that was not in a position to accept EFTA's proposals for industrial goods and financial services on that basis.

Under this consideration, the Parties agree to maintain this issues under review up to the next JCM, Regarding points ii and iii of the agenda, the Parties agreed to adopt Decisions modifying Annexes IV (Processed agricultural products) and V (Fish), which are annexed to this agreed minute (Annexes IV and V to the Agreed Minute)..

- v. Adaptations to HS 2007

The parties agreed to maintain the original version of the Agreement.

- vi. Trade in services and financial services

See page 2.

- vii. Establishment

The Chairman of EFTA informed Chile about a change in Switzerland's corporations law (Code of obligations).

There is no longer a requirement that the majority of the board of director of a swiss corporation (société anonyme S.A. - AKTIENGESELLSCHAFT) must be swiss citizens residing in Switzerland. According to the new aw it is sufficient if at last on member of the governing body of the legal person or another person with the right to represent the legal person is domiciled in Switzerland.

Chile took note of the subject and indicated that there was no change in the relevant Chilean legislation.

- viii. Protection of Intellectual Property Rights

Regarding this point of the agenda, the JC agrees to instruct IPR experts of each part to continue the dialogue to reach a better understanding with respect to their differing views on the Chilean system for protecting undisclosed information in the light of the provisions of the Free Trade Agreement.

ix. Government Procurement

The EFTA Chairman pointed out that according with Article 71 of the FTA, the Joint Committee should review the implementation of the government procurement chapter every two years. On the EFTA side no difficulties or problems regarding the implementation of the Chapter have been registered.

The parties also exchanged information on the current GPA negotiations in WTO.

7. AOB

Nothing was reported under this point.

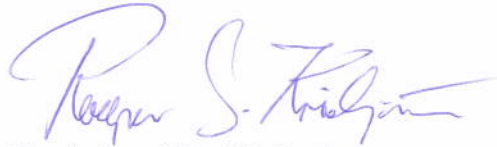
8. Next meeting

As regards the date for the next meeting, the parties agreed to come back to this through the appropriate channels, not least in light of the discussions and the future work to be undertaken. EFTA offered to host the next Joint Committee meeting.-

Signed in Santiago on april 8, in two originals



For the Republic of Chile



For the Republic of Iceland



For the Principality of Liechtenstein



For the Kingdom of Norway

For the Swiss Confederation



ANNEX I

LIST OF EFTA PARTICIPANTS

	CHILEAN DELEGATION	EFTA DELEGATION
1	Mr. Andrés Rebolledo Director for Bilateral Economic Affairs, Directorate General for International Economic Relations, Ministry of Foreign Affairs	Mr Martin Zbinden Minister, Head of Free Trade Agreements / EFTA Division State Secretariat for Economic Affairs SWITZERLAND
2	Ms. Carmen Gloria Vivanco Market Access Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	LIECHTENSTEIN Ms Doris Frick Minister Deputy Permanent Representative Geneva
3	Ms. Lexy Orozco Head of Europe, Africa and Middle East Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	NORWAY Ms Eugenia Tapia Higher Executive Officer Ministry of Trade and Industry
4	Mr. Patricio Barrueco Market Access Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	Mr Lars Aage Gulbjørnrud Advisor Norwegian Agriculture Authority
5	Mr. Ignacio Fernández Legal Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	Ms Cecile Alnaes Advisor The Norwegian Customs Authority
6	Ms. Macarena Rodriguez Legal Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	Mr. Ole Reidar Bergum First secretary The Norwegian Embassy in Santiago
7	Ms. Sandra Ramos Government Procurement, Directorate General for International Economic Relations, Ministry of Foreign Affairs	ICELAND Mr Ragnar G. Kristjánsson Counsellor Deputy Permanent Representative to EFTA Permanent Mission, Geneva
8	Ms. Eliana Merlet Europe, Africa and Middle East Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	SWITZERLAND Mr Max Schweizer Minister, Deputy Head Permanent Mission of Switzerland to EFTA and WTO
9	Ms. Carla Henriquez Europe, Africa and Middle East Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	Mr Arthur Müller Delegate for Free Trade Agreements General Directorate of Customs SWITZERLAND
10	Ms. María Helena Lee Europe, Africa and Middle East Department, Directorate General for International Economic	Mr Gabriel Spaeti Free Trade Agreements / EFTA Division Foreign Economic Affairs Directorate State Secretariat for Economic Affairs

	Relations, Ministry of Foreign Affairs	
11	Mr. Juan Araya International Affairs Department, Ministry of Finance	EFTA SECRETARIAT Mr Ivo Kaufmann Director, Trade Relations Division
12	Ms. Marcela Klein International Affairs Department, Ministry of Finance	Mr Eivind Skjulestad Desk Officer Chile Trade Relations Division
13	Ms. Pilar Jimenez Europe Export promotion Department General Directorate for International Economic Relations, Ministry of Foreign Affairs	Ms Ingibjörg Ólöf Vilhjálmisdóttir Officer, Trade Relations Division
15	Mr. Raúl Opitz International Affairs Department Ministry of Agriculture	Mr Geir Ulle Officer, Trade Relations Division

ANNEX II

SECOND MEETING EFTA-CHILE JOINT COMMITTEE

**Santiago, 7th april 15H30-18H00 and
8th April 09H30 – 13H00 / 15H30 – 18H00**

Venue: Ministry of Foreign Affairs
Edificio José Miguel Carrera, Teatinos 180, 17th floor
Santiago, Chile

Agenda

1. Adoption of the Agenda
2. Examination of the EFTA-Chile FTA in the WTO (CRTA)
3. Seminar: EFTA and Chile Export Promotion Seminar
4. Exchange of information:
 - a. Developments of trade between the EFTA States and Chile
 - b. External economic relations:
 - i. EFTA's ongoing negotiations
 - ii. Chile's ongoing negotiations and accession to OECD
5. Report of the Sub-Committee on Customs and Origin Matters
6. Implementation and review of Chile – EFTA FTA
 - a. Status of Joint Committee Decisions:
 - i. Decision N° 1 of 2006: Establishing the Rules of Producers of the EFTA - Chile
 - ii. Decision N° 2 of 2006: Explanatory Notes of Annex I (Update)
 - iii. Decision N° 3 of 2006: Direct Transport
 - iv. Decision N° 4 of 2006: Annex III (Products not covered by the Agreement): status of ratifications
 - b. Possible future developments of the Chile-EFTA free trade relations:
 - i. Industrial products (Annex VI)
 - ii. Processed agricultural products (Annex IV)
 - iii. Fish and other Marine Products (Annex V)
 - iv. Basic agricultural products (Bilateral agricultural agreements, article 5)
 - v. Adaptations to HS 2007
 - vi. Trade in services and financial services
 - vii. Establishment

viii. Protection of Intellectual Property Rights

ix. Government Procurement

7. AOB

8. Next meeting

JOINT EFTA-CHILE COMMITTEE
SUB-COMMITTEE ON CUSTOMS AND ORIGIN MATTERS

Second meeting, Santiago, 7 April 2006

JOINT REPORT

1. Introduction and adoption of the Agenda

1.1 The Agenda adopted is attached in Annex I and the List of Participants of the meeting is attached in Annex II. The Parties agreed to move point 4 (**Import and export regimes**) to the agenda for the Joint Committee.

2. Designation of a Chairperson for the current meeting

2.1 Carmen Gloria Vivanco, Chile, was elected as the Chairperson for the meeting.

3. General information concerning the implementation of the Agreement

3.1 Chile proposed a date for the exchange of the Customs tariff through electronics means (Chapter I thru 97).

3.2 EFTA agreed to provide Chile with its customs tariffs and agreed on an email address to exchange related information.

3.3 Switzerland stated that its customs tariff is accessible at www.tares.ch.

3.4 The Norwegian customs tariff is accessible at www.toll.no

3.5 The EFTA Secretariat stated that the Icelandic customs tariff is accessible in English on www.tollur.is.

5. Annex I (Rules of origin)

(a) Update to HS 2007

5.a EFTA stated the importance of amending the rules of origin of the Agreement to HS 2007. Iceland, Norway and Switzerland have already changed their HS as of January 1, 2007.

EFTA provided Chile with a draft decision amending Annex 1 in line with HS 2007 update. Chile informed that they would like EFTA to resend this decision and they would consider the proposal and revert. .

(b) Direct Transport

The Parties agreed that there has not been any problem in this area since the entry into force of Decision N° 3.

(c) Explanatory Notes

The Parties agree to recommend to the Joint Committee to adopt decision N° 2.

(d) Co-operation in the field of rules of origin and certification of origin

In this area the Parties agreed that no problems have encountered.

(e) Simplified procedures

Chile regreted to inform that the customs expert is not present.

Switzerland reported that 2500 firms have the approved exporter status.

Norway reported that there are approximately 1500 approved exporters.

Chile stated that it is very difficult to get authorization in Chile and only 4 exporters are authorized. In addition, Chile only grants big companies the approved export status. The companies in Chile need to demonstrate that they fulfill the requirements and there must be no doubt according to the rules of origin. .

EFTA submitted a paper on "approved exporter system" to Chile.

(f) Value limits expressed in euro

In this field between the Parties no problems have occurred and EFTA stated that the value limits for them are the same.

(g) Stamps and addresses

Chile submitted EFTA with a list of Contact Points on Customs and DIRECON.

EFTA handed over to Chile a new version of stamps used by the EFTA States.

5.g.3 Chile requested EFTA to scan and send the original version of stamps.

6. Free trade relations of the Parties

(a) Situation with the EU

Chile reported that Chile and EU have not raised major problems in the management of the Agreement regarding customs issues.

EFTA reported that EU is the major trade partner and have not had major problems in this area.

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(b) Other free trade relations

Chile reported the new Trade Agreement implemented with Japan, China and India on trade in goods, and also that Chile has finalized recently the negotiation of an Agreement with Australia.

The EFTA States have signed FTA with Korea, Egypt and Canada. It is foreseen that EFTA will have its 3rd Round of Negotiations with Algeria in the beginning of May. The 4th round with Colombia and Peru was just concluded last week in Bogotá. EFTA is currently negotiating with Thailand and the GCC Furthermore EFTA has finalized a Joint Study Group report with Indonesia and India and free trade negotiations were launched with India in January 2008. Last but not least the EFTA States and Russia are carrying out a Joint feasibility study and trade talks have started with Albania.

7. Other questions

There were no further questions.

8. Designation of the Chairperson for the next period

9. Next meeting

Parties decided to come back through appropriate channels.

Draft Agenda
Second meeting of the Chile – EFTA
Sub Committee of Customs and Rules of Origin

Venue: Ministry of Foreign Affairs
Edificio José Miguel Carrera, Teatinos 180,
11th floor (meeting room Bilateral Economic Affairs Direction)
Santiago, Chile

Santiago, 7th April 2008

- 1. Introduction and adoption of the Agenda**
- 2. Designation of a Chairperson for the current meeting**
- 3. General information concerning the implementation of the Agreement**

Delegations may wish to exchange their customs tariffs in force on 1 January 2008 by electronic means or otherwise and to inform each other on the management of the agreement with regard to customs matters.

5. Annex I (Rules of origin)

(a) Update to HS 2007

Delegations may wish to discuss and endorse, from a technical point of view, a draft decision amending Annex I in line with HS 2007 updates.

(b) Direct Transport

Application of Article 12, Annex I and Decision N°3 (Caso madeco – wapro)

(c) Explanatory Notes

Delegations may wish to exchange views on the amendments regarding the Decision 2 – 2006 "Explanatory Notes" adopted on 31 January 2006.

Delegations are furthermore invited to, from a technical point of view, endorse the corrections of Decision 2 – 2006 "Explanatory Notes"

(d) Co-operation in the field of rules of origin and certification of origin

Delegations may wish to exchange views on possible problems concerning the day-to-day application of the rules of origin.

(e) Simplified procedures

Delegations may wish to exchange information on the functioning of the simplified procedures in origin matters.

(f) Value limits expressed in euro

Delegations may wish to confirm the respective figures of the euro calculated in US dollars and in their respective local currencies.

(g) Stamps and addresses

Delegations may wish to confirm their latest notifications on stamps and addresses.

6. Free trade relations of the Parties

(b) Situation with the EU

Delegations may wish to exchange information on their relations with the EU.

(b) Other free trade relations

Delegations are invited to exchange information on their free trade relations with other countries.

7. Other questions

8. Designation of the Chairperson for the next period

9. Next meeting

SUB-COMMITTEE ON CUSTOMS AND ORIGIN MATTERS

SECOND MEETING

Santiago april 7 th 2008

LIST OF PARTICIPANTS

	CHILEAN DELEGATION	EFTA DELEGATION
1	Ms. Carmen Gloria Vivanco Market Access Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	Ms. Cecile Alnaes Advisor The Norwegian Customs Authority
2	Mr. Leonardo Humeres Market Access Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	Mr. Arthur Müller Delegate for Free Trade Agreements General Directorate of Customs SWITZERLAND
3	Ms. Nathaly Ramirez Market Access Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	Ms. Ingibjörg Ólöf Vilhjálmisdóttir Officer, Trade Relations Division EFTA SECRETARIAT
4	Mr. Patricio Caniulao Market Access Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	
5	Ms. María Helena Lee Europe, Africa and Middle East Department, Directorate General for International Economic Relations, Ministry of Foreign Affairs	