INTERIM AGREEMENT ON TRADE BETWEEN THE EUROPEAN UNION AND THE REPUBLIC OF CHILE

PREAMBLE

THE EUROPEAN UNION,

and

THE REPUBLIC OF CHILE, hereinafter referred to as "Chile", hereinafter jointly referred to as "the Parties",

CONSIDERING the strong cultural, political, economic and cooperation ties which unite them,

MINDFUL of the significant contribution to the strengthening of those ties made by the Association Agreement establishing an association between the European Community and its Member States, of the one part, and the Republic of Chile, of the other part, signed in Brussels on 18 November 2002 ("Association Agreement"),

EMPHASISING the comprehensive nature of their relationship,

CONSIDERING their commitment to modernise the existing Association Agreement to reflect new political and economic realities and the advancements made in their partnership,

ACKNOWLEDGING the importance of a strong and effective multilateral system, based upon international law, in preserving peace, preventing conflicts and strengthening international security and in tackling common challenges,

AFFIRMING their commitment to strengthen cooperation on bilateral, regional and global issues of common concern and to use all available tools to promote activities designed to develop an active and reciprocal international cooperation,

RECOGNISING the interim nature of this Agreement, which will strengthen bilateral economic and trade relations between the Parties, and which will cease to have effect and will be replaced by the Advanced Framework Agreement upon the entry into force of that Agreement,

WELCOMING the adoption and calling for the implementation of the Sendai Framework for Disaster Risk Reduction 2015-2030, adopted at the Third UN World Conference in Sendai on 18 March 2015, the Addis Ababa Action Agenda of the Third International Conference on

Financing for Development, adopted at Addis Ababa on 13 to 16 July 2015, the Resolution 70/1 adopted by the General Assembly of the United Nations ("UN General Assembly") on 25 September 2015, containing the outcome document "Transforming our world: the 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals" ("2030 Agenda"), the Paris Agreement under the United Nations Framework Convention on Climate Change, done at Paris on 12 December 2015 ("Paris Agreement"), the New Urban Agenda, adopted during the UN Conference on Housing and Sustainable Urban Development (Habitat III) in Quito on 20 October 2016 ("New Urban Agenda") and the World Humanitarian Summit Commitments, adopted at the World Humanitarian Summit in Istanbul on 23 and 24 May 2016,

REAFFIRMING their commitment to promote sustainable development in its economic, social and environmental dimensions, their commitment to the development of international trade in such a way as to contribute to sustainable development in those three dimensions, which are recognised as deeply interlinked and mutually reinforcing, and their commitment to promote the achievement of the objectives of the 2030 Agenda,

REAFFIRMING their commitment to expand and diversify their trade relations in conformity with the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh on 15 April 1994, and the specific objectives and provisions set out in this Agreement,

DESIRING to strengthen their economic relations, in particular their trade and investment relations, by strengthening and improving market access, and contributing to economic growth, while remaining mindful of the need to raise awareness of the economic and social impact of environmental damage, unsustainable patterns of production and consumption and their associated impact on human well-being,

CONVINCED that this Agreement will create a climate conducive to the growth of sustainable economic relations between them, in particular in the trade and investment sectors, which are essential to the realisation of economic and social development, technological innovation and modernisation,

RECOGNISING that the provisions of this Agreement are intended to stimulate mutually beneficial economic activity without undermining the right of each Party to regulate in the public interest within its territory,

RECOGNISING the close relationship between innovation and trade, as well as the relevance of innovation for economic growth and social development, and

RECALLING the importance of the various agreements signed by the European Union and Chile, which have fostered cooperation across the sectoral areas of the relationship between the Parties, and increased trade and investment,

HAVE AGREED AS FOLLOWS:

Chapter 1. GENERAL PROVISIONS

Article 1.1. Establishment of a Free Trade Area

The Parties hereby establish a free trade area, in conformity with Article XXIV of GATT 1994 and Article V of GATS.

Article 1.2. Objectives

The objectives of this Agreement are:

(a) the expansion and the diversification of trade in goods, in conformity with Article XXIV of GATT 1994, between the Parties through the reduction or elimination of tariff and non-tariff barriers to trade;

(b) the facilitation of trade in goods, in particular through the provisions regarding customs and trade facilitation, standards, technical regulations, conformity assessment procedures, and sanitary and phytosanitary measures, while preserving the right of each Party to regulate to achieve public policy objectives;

(c) the liberalisation of trade in services, in conformity with Article V of GATS;

(d) the development of an economic climate which is conducive to increased investment flows, the improvement of the conditions of establishment on the basis of the principle of non- discrimination while preserving the right of each Party to adopt and enforce measures necessary to pursue legitimate policy objectives;

(e) the facilitation of trade and investment between the Parties, including through the free transfer of current payments and capital movements;

(f) the effective and reciprocal opening of public procurement markets of the Parties;

(g) the promotion of innovation and creativity by ensuring the adequate and effective protection of intellectual property rights in accordance with the international obligations applicable between the Parties;

(h) the promotion of conditions fostering undistorted competition, in particular with regard to trade and investment between the Parties;

(i) the development of international trade in a manner that contributes to sustainable development in its economic, social and environmental dimensions; and

(j) the establishment of an effective, fair and predictable dispute settlement mechanism to resolve disputes regarding the interpretation and application of this Agreement.

Article 1.3. Definitions of General Application

For the purposes of this Agreement:

(a) "Advanced Framework Agreement" means the Advanced Framework Agreement between the European Union and its Member States, of the one part, and the Republic of Chile, of the other part, to be concluded;

(b) "Agreement on Agriculture" means the Agreement on Agriculture in Annex 1A to the WTO Agreement;

(c) "Anti-Dumping Agreement" means the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade in Annex 1A to the WTO Agreement;

(d) "Association Agreement" means the Agreement establishing an association between the European Community and its Member States, of the one part, and the Republic of Chile, of the other part, signed in Brussels on 18 November 2002;

(e) "customs duty" means any duty or charge of any kind imposed on or in connection with the importation of a good, not including any:

(i) charge equivalent to an internal tax imposed in accordance with Article 2.4 of this Agreement;

(ii) anti-dumping, special safeguard, countervailing or safeguard duty applied in conformity with GATT 1994, the Anti-Dumping Agreement, the Agreement on Agriculture, the SCM Agreement and the Safeguards Agreement, as appropriate; and

(iii) fee or other charge imposed on or in connection with the importation that is limited in amount to the approximate cost of services rendered;

(f) "CPC" means the Provisional Central Product Classification (Statistical Papers

Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991);

(g) "days" means calendar days, including weekends and holidays;

(h) "existing" means in effect on the date of entry into force of this Agreement;

(i) "GATS" means the General Agreement on Trade in Services in Annex 1B to the WTO Agreement;

(j) "GATT 1994" means the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

(k) "good of a Party" means a domestic good as that is understood in GATT 1994, and includes originating goods of that Party;

(l) "Harmonized System" or "HS" means the Harmonized Commodity Description and Coding System, including its General Rules of Interpretation, Section Notes, Chapter Notes and Subheading Notes, developed by the World Customs Organization;

(m) "heading" means the first four digits in the tariff classification number under the Harmonized System;

(n) "juridical person" means any legal entity duly constituted or otherwise organised under applicable law, whether for profit or otherwise, and whether privately owned or publicly owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association;

(o) "measure" means any measure in the form of a law, regulation, rule, procedure, decision, administrative action, requirement, practice or any other form;

(p) "measure of a Party" means any measure adopted or maintained by (1):

(1) For greater certainty, "measure" includes omissions of a Party to take actions that are necessary to fulfil its obligations under this Agreement.

(i) governments and authorities at all levels;

(ii) non-governmental bodies in the exercise of powers delegated by governments or authorities at all levels (2); or

(2) For greater certainty, the obligations of a Party under this Agreement shall apply to a State-owned enterprise or another person when it exercises any regulatory or administrative authority or other governmental authority delegated to it by that Party, such as the authority to expropriate, issue licences, approve commercial transactions or impose quotas, fees or other charges.

(iii) any entity which is in fact acting on the instructions of or under the direction or the control of a Party with regard to the measure (3);

(3) For greater certainty, if a Party claims that an entity is acting as referred to in subparagraph (iii), that Party bears the burden of proof and must at least provide solid indicia.

(q) "Member State" means a Member State of the European Union;

(r) "natural person" means:

(i) for the European Union, a national of a Member State, according to its law (1); and

(1) For the purposes of Chapters 10 to 20, the definition of a "natural person" also includes a natural person permanently residing in the Republic of Latvia who is not a citizen of the Republic of Latvia or any other State but who is entitled, under the law of the Republic of Latvia, to receive a non-citizen passport.

(ii) for Chile, a national of Chile, according to its law;

(s) "originating good" means a good qualifying under the rules of origin set out in Chapter 3;

(t) "person" means a natural person or a juridical person;

(u) "personal data" means any information relating to an identified or identifiable natural person;

(v) "Safeguards Agreement" means the Agreement on Safeguards in Annex 1A to the WTO Agreement;

(w) "sanitary or phytosanitary measure" means any measure referred to in paragraph 1 of Annex A to the SPS Agreement;

(x) "SCM Agreement" means the Agreement on Subsidies and Countervailing Measures in Annex 1A to the WTO Agreement;

(y) "SPS Agreement" means the Agreement on the Application of Sanitary and Phytosanitary Measures in Annex 1A to the WTO Agreement;

(z) "TBT Agreement" means the Agreement on Technical Barriers to Trade in Annex 1 to the WTO Agreement;

(aa) "third country" means a country or territory outside the territorial scope of application of this Agreement as set out in Article 33.8;

(ab) "TRIPS Agreement" means the Agreement on Trade-Related Aspects of Intellectual Property Rights in Annex 1C to the WTO Agreement;

(ac) "Vienna Convention on the Law of Treaties" means the Vienna Convention on the Law of Treaties, done at Vienna on 23 May 1969; and

(ad) "WTO Agreement" means the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh on 15 April 1994.

Article 1.4. Relation to the WTO Agreement and other Existing Agreements

1. The Parties affirm their rights and obligations with respect to each other under the WTO Agreement and other existing agreements to which they are party.

2. Nothing in this Agreement shall be construed as requiring either Party to act in a manner which is inconsistent with its obligations under the WTO Agreement.

3. In the event of any inconsistency between this Agreement and any existing agreement other than the WTO Agreement to which both Parties are party, the Parties shall immediately consult with each other with a view to finding a mutually satisfactory solution.

Article 1.5. References to Laws and other Agreements

1. Unless otherwise provided, where reference is made in this Agreement to the laws and regulations of a Party, those laws and regulations shall be understood to include any amendments thereto.

2. Unless otherwise provided for in this Agreement, where international agreements are referred to or incorporated, in whole or in part, into this Agreement, they shall be understood to include any amendments thereto or successor

agreements which enter into force for both Parties on or after the date of signature of this Agreement.

3. If any matter arises regarding the implementation or application of this Agreement as a result of any amendment or successor agreement as referred to in paragraph 2, the Parties may, on request of either Party, consult with each other with a view to finding a mutually satisfactory solution.

Article 1.6. Fulfilment of Obligations

1. Each Party shall take any general or specific measures required to fulfil its obligations under this Agreement.

2. If either Party considers that the other Party has failed to fulfil any of the obligations that are described as essential elements in Article 1.2(2) or 2.2(1) of the Advanced Framework Agreement, it may take appropriate measures. Appropriate measures shall be taken in full respect of international law and shall be proportionate to the failure to fulfil the obligations referred to in this paragraph. Priority must be given to those measures which least disturb the functioning of this Agreement. For the purposes of this paragraph, "appropriate measures" may include the suspension, in part or in full, of this Agreement.

3. The measures referred to in paragraph 2 may be taken irrespective of whether the relevant provisions of the Advanced Framework Agreement are being provisionally applied.

Chapter 2. TRADE IN GOODS

Article 2.1. Objective

The Parties shall progressively and reciprocally liberalise trade in goods in accordance with this Agreement.

Article 2.2. Scope

Except as otherwise provided for in this Agreement, this Chapter applies to trade in goods of a Party.

Article 2.3. Definitions

For the purposes of this Chapter and Annex 2:

(a) "Agreement on Import Licensing Procedures" means the Agreement on Import Licensing Procedures in Annex 1A to the WTO Agreement;

(b) "consular transactions" means the procedure for obtaining from a consul of the importing Party in the territory of the exporting Party, or in the territory of a third country, a consular invoice or a consular visa for a commercial invoice, certificate of origin, manifest, shipper's export declaration or any other customs documentation in connection with the importation of a good;

(c) "Customs Valuation Agreement" means the Agreement on Implementation of Article VII of GATT 1994 in Annex 1A to the WTO Agreement;

(d) "export licensing procedure" means an administrative procedure requiring the submission of an application or other documentation other than that generally required for customs clearance purposes, to the relevant administrative body or bodies as a prior condition for exportation from the territory of the exporting Party;

(e) "import licensing procedure" means an administrative procedure requiring the submission of an application or other documentation, other than that generally required for customs clearance purposes, to the relevant administrative body or bodies as a prior condition for importation into the territory of the importing Party;

(f) "remanufactured good" means a good classified in HS Chapters 84 to 90 or under heading 94.02, except for a good classified under HS headings 84.18, 85.09, 85.10, 85.16 and 87.03 or subheadings 8414.51, 8450.11, 8450.12, 8508.1 and 8517.11, that:

(i) is entirely or partially comprised of parts obtained from goods that have been used;

(ii) has a similar performance and working condition compared to an equivalent good in new condition; and

(iii) is given the same warranty as an equivalent good in new condition;

(g) "repair" means any processing operation undertaken on a good to remedy operating defects or material damage and entailing the re-establishment of the good to its original function, or to ensure compliance with technical requirements for its use, without which the good could no longer be used in the normal way for the purposes for which it was intended; repair of a good includes restoration and maintenance, but does not include an operation or process that:

(i) destroys the essential characteristics of a good, or creates a new or commercially different good;

(ii) transforms an unfinished good into a finished good; or

(iii) is used to improve or upgrade the technical performance of a good;

(h) "staging category" means the timeframe for the elimination of customs duties ranging from zero to seven years, after which a good is free of customs duty, unless otherwise specified in the schedules in Annex 2.

Article 2.4. National Treatment on Internal Taxation and Regulation

Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of GATT 1994, including its Notes and Supplementary Provisions. To that end, Article III of GATT 1994 and its Notes and Supplementary Provisions are incorporated into and made part of this Agreement, mutatis mutandis.

Article 2.5. Reduction or Elimination of Customs Duties

1. Unless otherwise provided for in this Agreement, each Party shall reduce or eliminate customs duties on goods originating in the other Party in accordance with its schedule in Annex 2.

2. For the purposes of paragraph 1, the base rate of customs duties shall be the one specified for each good in the schedules in Annex 2.

3. If a Party reduces its applied most-favoured-nation customs duty rate ("MFN rate"), the schedule in Annex 2 of that Party shall apply to the reduced rates. If a Party lowers its applied MFN rate to a level below the base rate in relation to a particular tariff line, that Party shall calculate the preferential applicable rate effecting the tariff reduction on the lowered applied

MFN rate, maintaining the relative margin of preference for that particular tariff line for as long as the applied MFN rate is lower than the base rate. The relative margin of preference for any given tariff line in each staging period corresponds to the difference between the base rate set out in the schedule in Annex 2 of that Party and the applied duty rate for that tariff line in accordance with that schedule, divided by that base rate, and expressed in percentage terms.

4. On request of a Party, the Parties shall consult each other in order to consider accelerating the reduction or elimination of customs duties set out in the schedules in Annex 2. Having regard to such consultation, the Trade Council may adopt a decision to amend Annex 2 to accelerate that tariff reduction or elimination.

Article 2.6. Standstill

1. Unless otherwise provided for in this Agreement, a Party shall not increase any customs duty that is set as the base rate in Annex 2 or adopt any new customs duty on a good originating in the other Party.

2. For greater certainty, a Party may increase a customs duty to the level set out in Annex 2 for the respective staging period following a unilateral reduction.

Article 2.7. Export Duties, Taxes and other Charges

1. A Party shall not introduce or maintain any duty, tax or other charge of any kind imposed on, or in connection with, the exportation of a good to the other Party, or any internal tax or other charge on a good exported to the other Party that is in excess of the tax or charge that would be imposed on like goods when destined for domestic consumption.

2. Nothing in this Article shall prevent a Party from imposing on the exportation of a good a fee or charge that is permitted pursuant to Article 2.8.

Article 2.8. Fees and Formalities

1. Fees and other charges imposed by a Party on, or in connection with, the importation or exportation of a good of the

other Party shall be limited in amount to the approximate cost of the services rendered, and shall not represent an indirect protection of domestic goods or taxation of imports or exports for fiscal purposes.

2. A Party shall not levy fees or other charges on, or in connection with, importation or exportation on an ad valorem basis.

3. Each Party may impose charges or recover costs only where specific services are rendered, including the following:

(a) attendance, where requested, by customs staff outside official office hours or at premises other than customs premises;

(b) analyses or expert reports on goods and postal fees for the return of goods to an applicant, in particular in respect of decisions relating to binding information or the provision of information concerning the application of customs legislation;

(c) the examination or sampling of goods for verification purposes, or the destruction of goods, where costs other than the cost of using customs staff are involved; or

(d) exceptional control measures, where such measures are necessary due to the nature of the goods or a potential risk.

4. Each Party shall promptly publish all fees and charges that it imposes in connection with importation or exportation in such a manner as to enable governments, traders and other interested parties to become acquainted with them.

5. A Party shall not require consular transactions, including related fees and charges, in connection with the importation of any good of the other Party.

Article 2.9. Repaired Goods

1. A Party shall not apply a customs duty to a good, regardless of its origin, that re-enters its customs territory after that good has been temporarily exported from its customs territory to the customs territory of the other Party for repair.

2. Paragraph 1 does not apply to a good imported in bond, into free-trade zones, or in a similar status, that is then exported for repair and is not re-imported in bond, into free-trade zones, or in a similar status.

3. A Party shall not apply a customs duty to a good, regardless of its origin, imported temporarily from the customs territory of the other Party for repair (1).

(1) In the European Union, the inward processing procedure as laid down in Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ EU L 269, 10.10.2013, p. 1) is used for the purposes of this paragraph.

Article 2.10. Remanufactured Goods

1. Unless otherwise provided for in this Agreement, a Party shall not accord to remanufactured goods of the other Party treatment that is less favourable than that which it accords to like goods in new condition.

2. For greater certainty, Article 2.11 applies to import and export prohibitions or restrictions on remanufactured goods. If a Party adopts or maintains import and export prohibitions or restrictions on used goods, it shall not apply those measures to remanufactured goods.

3. A Party may require that remanufactured goods be identified as such for distribution or sale in its territory and that such goods meet all applicable technical requirements that apply to like goods in new condition.

Article 2.11. Import and Export Restrictions

Article XI of GATT 1994 and its Notes and Supplementary Provisions are incorporated into and made part of this Agreement, mutatis mutandis. Accordingly, a Party shall not adopt or maintain any prohibition or restriction on the importation of any good of the other Party or on the exportation or sale for export of any good destined for the territory of the other Party, except in accordance with Article XI of GATT 1994, including its Notes and Supplementary Provisions.

Article 2.12. Origin Marking

If Chile applies mandatory country-of-origin marking requirements to goods of the European Union, the Trade Committee may decide that goods marked "Made in EU", or bearing a similar marking in the local language, fulfil such requirements upon importation into Chile. This Article does not affect either Party's right to specify the type of products for which country-

of-origin marking requirements are mandatory. Chapter 3 does not apply to this Article.

Article 2.13. Import Licensing Procedures

1. Each Party shall ensure that all import licensing procedures applicable to trade in goods between the Parties are neutral in application and are administered in a fair, equitable, non- discriminatory and transparent manner.

2. A Party shall only adopt or maintain import licensing procedures as a condition for importation into its territory from the territory of the other Party if no other appropriate procedure to achieve an administrative purpose is reasonably available.

3. A Party shall not adopt or maintain any non-automatic import licensing procedure as a condition for importation into its territory from the territory of the other Party unless it is necessary to implement a measure that is consistent with this Agreement. A Party adopting such a non- automatic import licensing procedure shall indicate clearly to the other Party the measure being implemented through that procedure.

4. Each Party shall adopt and administer any import licensing procedures in accordance with Articles 1, 2 and 3 of the Agreement on Import Licensing Procedures. To that end, Articles 1, 2 and 3 of that Agreement are incorporated into and made part of this Agreement, mutatis mutandis.

5. A Party that adopts new import licensing procedures, or modifies existing import licensing procedures, shall notify the other Party within 60 days of the date of publication of such new import licensing procedures or modifications of existing import licensing procedures. The notification shall include the information specified in paragraph 3 of this Article and in Article 5(2) of the Agreement on Import Licensing Procedures. A Party shall be deemed to be in compliance with this provision if it has notified the relevant new import licensing procedure, or any modifications to existing import licensing procedures, to the Committee on Import Licensing established in accordance with Article 4 of the Agreement on Import Licensing Procedures, including the information specified in Article 5(2) of that Agreement.

6. On request of a Party, the other Party shall promptly provide any relevant information, including the information specified in Article 5(2) of the Agreement on Import Licensing Procedures, regarding any import licensing procedure that it intends to adopt, has adopted or maintains, or any modification to existing import licensing procedures.

Article 2.14. Export Licensing Procedures

1. Each Party shall publish any new export licensing procedure, or any modification to an existing export licensing procedure, in such a manner as to enable governments, traders and other interested parties to become acquainted with them. Such publication shall take place, where practicable, 30 days before the procedure or modification takes effect, and in any event no later than the date on which such procedure or modification takes effect.

2. Each Party shall ensure that the publication of export licensing procedures includes the following information:

(a) the texts of its export licensing procedures, or of any modifications that it makes to those procedures;

(b) the goods subject to each export licensing procedure;

(c) for each export licensing procedure, a description of the process for applying for an export licence and any criteria that an applicant must fulfil in order to be eligible to apply for an export licence, such as possessing an activity licence, establishing or maintaining an investment, or operating through a particular form of establishment in a Party's territory;

(d) one or more contact points from which interested persons can obtain further information on the conditions for obtaining an export licence;

(e) the administrative body or bodies to which an application or other relevant documentation must be submitted;

(f) a description of any measure or measures that the export licensing procedure is designed to implement;

(g) the period during which each export licensing procedure will be in effect, unless the procedure remains in effect until withdrawn or revised in a new publication;

(h) if the Party intends to use an export licensing procedure to administer an export quota, the overall quantity and, if applicable, the value of the quota and the opening and closing dates of the quota; and

(i) any exemptions or exceptions that replace the requirement to obtain an export licence, information on how to request or use those exemptions or exceptions, and the criteria for granting them.

3. Within 30 days of the date of entry into force of this Agreement, each Party shall notify the other Party of its existing export licensing procedures. A Party that adopts new export licensing procedures, or modifies existing export licensing procedures, shall notify the other Party within 60 days of the date of publication of those new export licensing procedures or modifications to existing export licensing procedures. The notification shall include the reference to the source or sources where the information required pursuant to paragraph 2 is published and include, where appropriate, the address of the relevant government website or websites.

4. For greater certainty, nothing in this Article shall be construed as requiring a Party to grant an export licence or preventing a Party from implementing its obligations or commitments under United Nations Security Council Resolutions, or under multilateral non-proliferation regimes and export control arrangements.

Article 2.15. Customs Valuation

Each Party shall determine the customs value of goods of the other Party that are imported into its territory in accordance with Article VII of GATT 1994 and the Customs Valuation Agreement. To that end, Article VII of GATT 1994, including its Notes and Supplementary Provisions, and Articles 1 to 17 of the Customs Valuation Agreement, including its Interpretative Notes, are incorporated into and made part of this Agreement, mutatis mutandis.

Article 2.16. Preference Utilisation

1. For the purpose of monitoring the functioning of the Agreement and calculating preference utilisation rates, the Parties shall annually exchange import statistics for a period starting one year after the entry into force of this Agreement and expiring 10 years after the tariff elimination is completed for all goods according to the schedules in Annex 2. Unless the Trade Committee decides otherwise, that period shall be automatically extended for five years. The Trade Committee may decide to extend it further.

2. The exchange of import statistics referred to in paragraph 1 shall cover data pertaining to the most recent year available, including value and, where applicable, volume, at the tariff line level for imports of goods of the other Party benefitting from preferential duty treatment under this Agreement and for imports of those goods that received non-preferential treatment.

Article 2.17. Specific Measures Concerning the Management of Preferential Treatment

1. The Parties shall cooperate in preventing, detecting and combating breaches of customs legislation related to the preferential treatment granted under this Chapter, in accordance with their obligations under Chapter 3 and the Protocol to this Agreement on Mutual Administrative Assistance in Customs Matters.

2. A Party may, in accordance with the procedure laid down in paragraph 3, temporarily suspend the relevant preferential treatment of the goods concerned when that Party has made a finding, based on objective, compelling and verifiable information, that the other Party has committed large- scale systematic breaches of customs legislation in order to obtain the preferential treatment granted under this Chapter, and has made a finding of:

(a) a systematic lack or inadequacy of action by the other Party in verifying the originating status of goods and the fulfilment of the other requirements of the Protocol to this Agreement on Mutual Administrative Assistance in Customs Matters, when identifying or preventing contravention of the rules of origin;

(b) a systematic refusal by the other Party to carry out subsequent verification of the proof of origin on request of the Party, or to communicate its results in time, or undue delay in carrying out such verification or communication; or

(c) a systematic refusal or failure by the other Party to cooperate or assist in compliance with its obligations under the Protocol to this Agreement on Mutual Administrative Assistance in Customs Matters in relation to the preferential treatment.

3. The Party which has made a finding as referred to in paragraph 2 shall, without undue delay, notify the Trade Committee thereof and enter into consultations with the other Party within the Trade Committee with a view to reaching a solution acceptable to both Parties.

If the Parties fail to agree on a mutually acceptable solution within three months of the date of notification, the Party which has made the finding may decide to temporarily suspend the relevant preferential treatment of the goods concerned. That Party shall notify the temporary suspension to the Trade Committee without undue delay.

Temporary suspensions shall apply only for the period necessary to protect the financial interests of the Party concerned, and for no longer than six months. However, where the conditions that gave rise to the initial suspension persist at the

expiry of the six-month period, the Party concerned may decide to renew the suspension. Any temporary suspension shall be subject to periodic consultations within the Trade Committee.

4. Each Party shall publish, in accordance with its internal procedures, notices to importers about any notification or decision concerning temporary suspensions as referred to in paragraph 3.

Article 2.18. Sub-Committee on Trade In Goods

The Sub-Committee on Trade in Goods established pursuant to Article 33.4(1) shall:

(a) monitor the implementation and administration of this Chapter and Annex 2;

(b) promote trade in goods between the Parties, including through consultations on improving market-access tariff treatment pursuant to Article 2.5(4) and other issues, as appropriate;

(c) provide a forum to discuss and resolve any issues related to this Chapter;

(d) promptly address barriers to trade in goods between the Parties, especially those related to the application of non-tariff measures, and, if appropriate, refer such matters to the Trade Committee for its consideration;

(e) recommend to the Parties any modification or addition to this Chapter;

(f) coordinate the exchange of data for preference utilisation or of any other information on trade in goods between the Parties;

(g) review any future amendments to the Harmonized System to ensure that each Party's obligations under this Agreement are not altered, and consult to resolve any related conflict;

(h) perform the functions set out in Article 8.17.

Chapter 3. RULES OF ORIGIN AND ORIGIN PROCEDURES

Section A. RULES OF ORIGIN

Article 3.1. Definitions

For the purposes of this Chapter and Annexes 3-A to 3-E:

(a) "classification" means the classification of a product or material under a particular chapter, heading or sub-heading of the Harmonized System;

(b) "consignment" means products which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;

(c) "customs authority" means:

(i) for Chile, the National Customs Service; and

(ii) for the European Union, the services of the European Commission responsible for customs matters and the customs administrations and any other authorities of the Member States responsible for the application and enforcement of customs law;

(d) "exporter" means a person located in a Party who, in accordance with the laws and regulations of that Party, exports or produces the originating product and makes out a statement on origin;

(e) "identical products" means products which in every respect correspond to those described in the product description; the product description on the commercial document used for making out a statement on origin for multiple shipments must be precise enough to clearly identify that product and also the identical products to be subsequently imported based on that statement;

(f) "importer" means a person who imports the originating product and claims preferential tariff treatment for it;

(g) "material" means any substance used in the production of a product, including any ingredients, raw materials,

components or parts;

(h) "product" means the result of production, even if it is intended for later use as a material in the production of another product; and

(i) "production" means any kind of working or processing, including assembly.

Article 3.2. General Requirements

1. For the purposes of applying the preferential tariff treatment by a Party to an originating good of the other Party in accordance with this Agreement, provided that the product meets all other applicable requirements set out in this Chapter, the following products shall be considered as originating in the other Party:

(a) products wholly obtained in that Party as provided for in Article 3.4;

(b) products produced exclusively from materials originating in that Party; and

(c) products produced in that Party using non-originating materials, provided that they meet the requirements set out in Annex 3-B.

2. If a product has acquired originating status in accordance with paragraph 1, the non-originating materials used in the production of that product shall not be considered non-originating when that product is incorporated as a material in another product.

3. The acquisition of originating status shall be fulfilled without interruption in the territory of a Party.

Article 3.3. Cumulation of Origin

1. A product originating in a Party shall be considered as originating in the other Party if used as a material in the production of another product in that other Party, provided that the working and processing carried out goes beyond one or more of the operations referred to in Article 3.6.

2. Materials classified in Chapter 3 of the Harmonized System originating in the countries referred to in subparagraph (b) of paragraph 4 and used in the production of canned tuna products classified in subheading 1604.14 of the Harmonized System may be considered as originating in a Party provided that the conditions in subparagraphs (a) to (e) of paragraph 3 are fulfilled, and that that Party sends a notification for examination by the Sub-Committee referred to in Article 3.31.

3. The Trade Committee may decide, following a recommendation by the Sub-Committee referred to in Article 3.31, that certain materials originating in the third countries1 referred to in paragraph 4 of this Article may be considered as originating in a Party if they are used in the production of a product in that Party provided that:

(a) each Party has a trade agreement in force that forms a free trade area with that third country (1), within the meaning of Article XXIV of GATT 1994;

(1) For reference, "third country" is defined in subparagraph (aa) of Article 1.3.

(b) the origin of the materials referred to in this paragraph is determined in accordance with the rules of origin applicable under:

(i) the European Union's trade agreement forming a free trade area with that third country, if the material concerned is used in the production of a product in Chile; and

(ii) Chile's trade agreement forming a free trade area with that third country, if the material concerned is used in the production of a product in the European Union;

(c) an arrangement is in force between that Party and that third country on adequate administrative cooperation ensuring full implementation of this Chapter, including provisions on the use of appropriate documentation on the origin of materials, and that that Party notifies the other Party of that arrangement;

(d) the production or processing of the materials undertaken in that Party goes beyond one or more of the operations referred to in Article 3.6; and

(e) the Parties agree on any other applicable conditions.

4. The third countries referred to in paragraph 3 are:

(a) the Central American countries of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama; and

(b) the Andean countries of Colombia, Ecuador and Peru.

Article 3.4. Wholly Obtained Products

1. The following products shall be considered as wholly obtained in a Party:

(a) plants and vegetable products grown or harvested there;

(b) live animals born and raised there;

(c) products obtained from live animals raised there;

(d) products obtained from hunting, trapping, fishing, gathering or capturing there, but not beyond the outer limits of that Party's territorial sea;

(e) products obtained from slaughtered animals born and raised there;

(f) products obtained from aquaculture there, if aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, are born or raised from seed stock such as eggs, roes, fry, fingerlings or larvae, by intervention in the rearing or growth processes to enhance production, such as regular stocking, feeding or protection from predators;

(g) minerals or other naturally occurring substances, not included in subparagraphs (a) to (f), extracted or taken there;

(h) products of sea fishing and other products taken from the sea outside any territorial sea by a vessel of that Party;

(i) products made aboard a factory ship of that Party exclusively from products referred to in subparagraph (h);

(j) products extracted by a Party or a person of that Party from marine soil or subsoil outside any territorial sea provided that they have rights to work that soil or subsoil;

(k) waste or scrap derived from production there or from used products collected there, provided that those products are fit only for the recovery of raw materials; and

(l) products produced there exclusively from the products referred to in subparagraphs (a) to (k).

2. The terms "vessel of a Party" and "factory ship of a Party" in subparagraphs (h) and (i) of paragraph 1 mean a vessel and a factory ship, respectively, which:

(a) is registered in a Member State or in Chile;

(b) sails under the flag of a Member State or of Chile; and

(c) meets one of the following conditions:

(i) it is more than 50 % owned by natural persons of a Member State or of Chile; or

(ii) it is owned by a juridical person which:

(A) has its head office and its main place of business in a Member State or in Chile; and

(B) is more than 50 % owned by persons of one of those Parties.

Article 3.5. Tolerances

1. If a non-originating material used in the production of a product does not meet the requirements set out in Annex 3-B, that product shall be considered as originating in a Party, provided that:

(a) for all products (1) except those classified under Chapters 50 to 63 of the Harmonized System, the total value of non-originating materials does not exceed 10 % of the ex-works price of the product;

(b) for products classified under Chapters 50 to 63 of the Harmonized System, tolerances apply as stipulated in Notes 6 to 8 of Annex 3-A.

2. Paragraph 1 does not apply if the value or weight of non-originating materials used in the production of a product exceeds any of the percentages for the maximum value or weight of non-originating materials as specified in the requirements set out in Annex 3-B.

3. Paragraph 1 does not apply to products wholly obtained in a Party within the meaning of Article 3.4. If it is required pursuant to Annex 3-B that the materials used in the production of a product are wholly obtained, paragraphs 1 and 2 of this Article apply.

(1) Chapters 1 to 24 of the Harmonized System, in accordance with Note 9 of Annex 3-A.

Article 3.6. Insufficient Working or Processing

1. Notwithstanding subparagraph (c) of Article 3.2(1), a product shall not be considered as originating in a Party if solely one or more of the following operations are carried out on non-originating materials in that Party:

(a) preserving operations such as drying, freezing, keeping in brine or other similar operations, if the sole purpose is to ensure that the product remains in good condition during transport and storage;

(b) breaking-up and assembly of packages;

(c) washing, cleaning, removing dust, oxide, oil, paint or other coverings;

(d) ironing or pressing of textiles and textile articles;

(e) simple painting and polishing operations;

(f) husking and partial or total milling of rice, polishing and glazing of cereals and rice;

(g) operations to colour or flavour sugar or form sugar lumps, partial or total milling of crystal sugar in solid form;

(h) peeling, stoning and shelling of fruits, nuts and vegetables;

(i) sharpening, simple grinding or simple cutting;

(j) sifting, screening, sorting, classifying, grading or matching;

(k) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;

(l) affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;

(m) simple mixing of products, whether or not of different kinds, including mixing of sugar with any material;

(n) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;

(o) simple addition of water or dilution or dehydration or denaturation of products; or

(p) slaughter of animals.

2. For the purposes of paragraph 1, an operation shall be considered simple if no special skills or machines, or apparatus or equipment specially produced or installed are needed for carrying out that operation.

Article 3.7. Unit of Qualification

1. For the purposes of this Chapter, the unit of qualification shall be the product which is considered as the basic unit when classifying the product under the Harmonized System.

2. If a consignment consists of a number of identical products classified under the same heading of the Harmonized System, each individual product shall be taken into account when applying this Chapter.

Article 3.8. Accessories, Spare Parts and Tools

1. Accessories, spare parts and tools dispatched with a piece of equipment, machine, apparatus or vehicle, which are part of

the normal equipment and included in the price thereof or which are not separately invoiced, shall be regarded as one with the piece of equipment, machine, apparatus or vehicle in question.

2. The accessories, spare parts and tools referred to in paragraph 1 shall be disregarded in determining the origin of the product, except for the purposes of calculating the maximum value of non-originating materials, if a product is subject to a maximum value of non-originating materials as set out in Annex 3-B.

Article 3.9. Sets

Sets, as defined in General Rule 3 for the Interpretation of the Harmonized System, shall be regarded as originating in a Party if all their components are originating products. If a set is composed of originating and non-originating products, the set as a whole shall be regarded as originating in a Party, provided that the value of the non-originating products does not exceed 15 % of the ex-works price of the set.

Article 3.10. Neutral Elements

In order to determine whether a product qualifies as originating in a Party, it is not necessary to determine the origin of the following elements, which might be used in the production of the product:

(a) fuel, energy, catalysts and solvents;

(b) equipment, devices and supplies used for testing or inspecting the products;

(c) machines tools, dies and moulds;

(d) spare parts and materials used in the maintenance of equipment and buildings;

(e) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings;

(f) gloves, glasses, footwear, clothing, safety equipment and supplies;

(g) any other material that is not incorporated into the product but the use of which can be demonstrated to be part of the production of the product.

Article 3.11. Packaging and Packing Materials and Containers

1. If, under General Rule 5 for the Interpretation of the Harmonized System, packaging materials and containers in which a product is packed for retail sale are classified together with the product, those packaging materials and containers shall be disregarded in determining the origin of the product, except for the purposes of calculating the maximum value of non-originating materials if a product is subject to a maximum value of non-originating materials in accordance with Annex 3-B.

2. Packing materials and containers that are used to protect a product during transportation shall be disregarded in determining whether a product is originating in a Party.

Article 3.12. Accounting Segregation for Fungible Materials

1. Fungible originating and non-originating materials shall be physically segregated during storage in order for them to maintain their originating or non-originating status, as the case may be. Those materials may be used in the production of a product without being physically segregated during storage provided that an accounting segregation method is used.

2. The accounting segregation method referred to in paragraph 1 shall be applied in conformity with a stock management method under accounting principles which are generally accepted in the Party. The accounting segregation method shall ensure that at any time the number of products which could be considered as originating in a Party does not exceed the number that would have been obtained by physical segregation of the stocks during storage.

3. For the purposes of paragraph 1, "fungible materials" means materials that are of the same kind and commercial quality, with the same technical and physical characteristics, and which cannot be distinguished from one another once they are incorporated into the finished product.

Article 3.13. Returned Products

If a product originating in a Party is exported from that Party to a third country and returns to that Party, it shall be considered as non-originating unless it can be demonstrated to the satisfaction of the customs authority of that Party that the returning product:

(a) is the same as that exported; and

(b) has not undergone any operation other than that necessary to preserve it in good condition while in the third country or while being exported.

Article 3.14. Non-alteration

1. An originating product declared for home use in the importing Party shall not, after exportation and prior to being declared for home use, be altered, transformed in any way or subjected to operations other than to preserve it in good condition or to add or affix marks, labels, seals or any other documentation to ensure compliance with specific domestic requirements of the importing Party.

2. Storage or exhibition of a product may take place in a third country provided it remains under customs supervision in that third country.

3. Without prejudice to Section B, the splitting of consignments may take place in the territory of a third country if it is carried out by the exporter or under its responsibility and provided that those consignments remain under customs supervision in the third country.

4. In the case of doubt as to whether the conditions provided for in paragraphs 1 to 3 have been complied with, the customs authority of the importing Party may request the importer to provide evidence of compliance. Such evidence may be given by any means, including contractual transport documents such as bills of lading or factual or concrete evidence based on marking or numbering of packages, or any evidence related to the product itself.

Article 3.15. Exhibitions

1. Originating products sent for exhibition in a third country and sold after the exhibition for importation in a Party shall benefit on importation in accordance with this Agreement provided that it is shown to the satisfaction of the customs authorities that:

(a) an exporter has consigned those products from a Party to the third country in which the exhibition was held and has exhibited them there;

(b) the products have been sold or otherwise disposed of by that exporter to a person in a Party;

(c) the products have been consigned during the exhibition or immediately thereafter in the state to which they were sent for exhibition; and

(d) the products have not, since their consignment for exhibition, been used for any purpose other than demonstration at the exhibition.

2. A statement on origin shall be made out in accordance with Section B and submitted to the customs authorities in accordance with the customs procedures of the importing Party. The name and address of the exhibition shall be indicated thereon.

3. Paragraph 1 applies to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display, which is not organised for private purposes in shops or business premises with a view to the sale of foreign products, and during which the products remain under customs control.

4. The customs authorities of the importing Party may require evidence that the products have remained under customs control in the country of exhibition, as well as additional documentary evidence of the conditions under which they have been exhibited.

Section B. ORIGIN PROCEDURES

Article 3.16. Claim for Preferential Tariff Treatment

1. The importing Party shall grant preferential tariff treatment to a product originating in the other Party within the meaning

of this Chapter on the basis of a claim by the importer for preferential tariff treatment. The importer shall bear the responsibility for the correctness of the claim for preferential tariff treatment and for compliance with the requirements set out in this Chapter.

2. The claim for preferential tariff treatment shall be based on one of the following:

(a) a statement on origin made out by the exporter in accordance with Article 3.17;

(b) the importer's knowledge subject to the conditions set out in Article 3.19.

3. The claim for preferential tariff treatment and the basis for that claim as referred to in paragraph 2 shall be included in the customs declaration, in accordance with the laws and regulations of the importing Party.

4. An importer making a claim for preferential treatment based on a statement on origin in accordance with subparagraph (a) of paragraph 2 shall keep the statement and shall present it to the customs authority of the importing Party upon request.

Article 3.17. Statement on Origin

1. An exporter of a product shall make out a statement on origin on the basis of information demonstrating that the product is originating, including, if applicable, information on the originating status of materials used in the production of the product.

2. The exporter shall be responsible for the correctness of the statement on origin made out and the information provided pursuant to paragraph 1. If the exporter has reason to believe that the statement on origin contains or is based on incorrect information, the exporter shall immediately notify the importer of any change affecting the originating status of the product. In that event, the importer shall correct the import declaration and pay any applicable customs duty owing.

3. The exporter shall make out a statement on origin in one of the linguistic versions included in Annex 3-C on an invoice or on any other commercial document that describes the originating product in sufficient detail so as to enable its identification in the Harmonized System nomenclature. The importing Party shall not require the importer to submit a translation of the statement on origin.

4. A statement on origin shall be valid for one year from the date it was made out.

5. A statement on origin may be made out for:

(a) a single shipment of one or more products into a Party; or

(b) multiple shipments of identical products into a Party within the period specified in the statement on origin not exceeding 12 months.

6. The importing Party shall, on request of the importer and subject to any requirements imposed by the importing Party, allow a single statement on origin to be used for unassembled or disassembled products, within the meaning of General Rule 2(a) of the Harmonized System, classified under Sections XV to XXI of the Harmonized System if imported in instalments.

Article 3.18. Minor Discrepancies and Minor Errors

The customs authority of the importing Party shall not reject a claim for preferential tariff treatment due to minor discrepancies between the statement on origin and the documents submitted to the customs office, or minor errors in the statement on origin.

Article 3.19. Importer's Knowledge

1. The importing Party may, in its laws and regulations, set conditions to determine which importers may base a claim for preferential tariff treatment on the importer's knowledge.

2. Notwithstanding paragraph 1, the importer's knowledge that a product is originating shall be based on information demonstrating that the product effectively qualifies as originating and meets the requirements set out in this Chapter to obtain originating status.

Article 3.20. Record-keeping Requirements

1. An importer claiming preferential tariff treatment for a product imported into a Party shall:

(a) if the claim for preferential treatment is based on a statement on origin, keep the statement on origin made out by the exporter for a minimum of three years from the date of the claim of preference of the product; and

(b) if the claim for preferential treatment is based on the importer's knowledge, keep the information demonstrating that the product meets the requirements set out in this Chapter to obtain originating status for a minimum of three years from the date of the claim for preferential treatment.

2. An exporter who made out a statement on origin shall, for a minimum of four years following the making out of that statement on origin, keep copies of the statement on origin and all other records demonstrating that the product meets the requirements set out in this Chapter to obtain originating status.

3. The records to be kept in accordance with this Article may be held in electronic form in accordance with the laws and regulations of the importing or exporting Party, as appropriate.

Article 3.21. Exemptions from the Requirements Regarding Statements on Origin

1. Products sent as packages from private persons to private persons or forming part of the personal luggage of travellers shall be admitted as originating products without a statement on origin being required, provided that such products are not imported by way of trade and have been declared as meeting the requirements of this Chapter, and that there is no doubt as to the veracity of that declaration.

2. Imports which are occasional and consist solely of products for the personal use of the recipients or travellers or their families shall not be considered as imports by way of trade if it is evident from the nature and quantity of the goods that no commercial purpose is intended, provided that the importation does not form part of a series of importations that may reasonably be considered to have been made separately for the purpose of avoiding the requirement for an statement on origin.

3. The total value of the products referred to in paragraph 1 shall not exceed EUR 500 or its equivalent amount in the currency of the Party in the case of packages, or EUR 1 200 or its equivalent amount in the currency of the Party in the case of products forming part of the personal luggage of travellers.

Article 3.22. Verification

1. The customs authority of the importing Party may verify the originating status of a product or whether the other requirements set out in this Chapter are met on the basis of risk assessment methods, which may include random selection. For the purposes of such verification, the customs authority of the importing Party may send a request for information to the importer who made the claim for preferential treatment pursuant to Article 3.16.

2. The customs authority of the importing Party sending a request pursuant to paragraph 1 shall not request more than the following information in relation to the origin of a product:

(a) the statement on origin if the claim for preferential treatment was based on a statement on origin; and

(b) information pertaining to the fulfilment of origin criteria, which is:

(i) if the origin criterion is "wholly obtained", the applicable category (such as harvesting, mining, fishing) and place of production;

(ii) if the origin criterion is based on a change in tariff classification, a list of all the non- originating materials including their tariff classification (in 2-, 4- or 6-digit format, depending on the origin criteria);

(iii) if the origin criterion is based on a value method, the value of the final product as well as the value of all the non-originating materials used in the production;

(iv) if the origin criterion is based on weight, the weight of the final product as well as the weight of the relevant non-originating materials used in the final product; and

(v) if the origin criterion is based on a specific production process, a description of that specific process.

3. When providing the requested information, the importer may add any other information that it considers relevant for the purposes of verification.

4. If the claim for preferential tariff treatment is based on a statement on origin in accordance with subparagraph (a) of Article 3.16(2) issued by the exporter, the importer shall provide that statement on origin but may reply to the customs authority of the importing Party indicating that the information referred to in subparagraph (b) of paragraph 2 of this Article cannot be provided.

5. Where the claim for preferential tariff treatment is based on the importer's knowledge referred to in subparagraph (b) of Article 3.16(2), the customs authority of the importing Party conducting the verification may, after having requested information pursuant to paragraph 1 of this Article, send an additional request for information to the importer if that customs authority considers that additional information is required in order to verify the originating status of the product or whether the other requirements set out in this Chapter are met. The customs authority of the importing Party may request specific documentation and information from the importer, if appropriate.

6. If the customs authority of the importing Party decides to suspend the granting of preferential tariff treatment to the products concerned while awaiting the results of a verification, it may offer the importer the possibility to release the products. As a condition for such release, the importing Party may require a guarantee or other appropriate precautionary measure. Any suspension of preferential tariff treatment shall be terminated as soon as possible after the customs authority of the importing Party has ascertained the originating status of the products concerned, or that the other requirements set out in this Chapter have been met.

Article 3.23. Administrative Cooperation

1. In order to ensure the proper application of this Chapter, the Parties shall cooperate with each other, through their respective customs authorities, in order to verify the originating status of a product or whether the other requirements set out in this Chapter have been met.

2. If a claim for preferential tariff treatment is based on a statement on origin in accordance with subparagraph (a) of Article 3.16(2), the customs authority of the importing Party conducting the verification may, after having requested information from the importer pursuant to Article 3.22(1), send a request for information to the customs authority of the exporting Party within a period of two years following the date of the claim for preferential treatment, if the customs authority of the importing Party considers that additional information is needed in order to verify the originating status of the product or whether the other requirements set out in this Chapter have been met. The customs authority of the importing Party may request specific documentation and information from the customs authority of the exporting Party, if appropriate.

3. The customs authority of the importing Party shall include the following information in the request referred to in paragraph 2:

(a) the statement on origin or a copy thereof;

(b) the identity of the customs authority issuing the request;

(c) the name of the exporter to be verified;

(d) the subject and scope of the verification; and

(e) if applicable, any relevant documentation.

4. The customs authority of the exporting Party may, in accordance with the laws and regulations of that Party, conduct its verification by requesting documentation from the exporter and calling for any evidence, or by visiting the premises of the exporter to review records and observe the facilities used in the production of the product.

5. Following the request referred to in paragraph 2, the customs authority of the exporting Party shall provide the customs authority of the importing Party with the following information:

(a) the requested documentation, if available;

(b) an opinion regarding the originating status of the product;

(c) the description of the product subject to verification and the tariff classification relevant to the application of the rules of origin;

(d) a description and explanation of the production process to support the originating status of the product;

(e) information on the manner in which the verification of the originating status of the product pursuant to paragraph 4 was conducted; and

(f) supporting documentation, if appropriate.

6. The customs authority of the exporting Party shall not transmit information to the customs authority of the importing Party referred to in subparagraph (a) or (f) of paragraph 5 without the consent of the exporter.

7. All the information requested, including any supporting documents and all other related information regarding verification should preferably be exchanged electronically between the customs authorities of the Parties.

8. The Parties shall, via the coordinators designated in accordance with this Agreement, provide each other with the contact details of their respective customs authorities and any modification thereto within 30 days of such modification.

Article 3.24. Mutual Assistance In the Fight Against Fraud

In case of a suspected breach of this Chapter, the Parties shall provide each other with mutual assistance, in accordance with the Protocol to this Agreement on Mutual Administrative Assistance in Customs Matters.

Article 3.25. Denial of Claims for Preferential Tariff Treatment

1. Subject to the requirements set out in paragraphs 3 to 5, the customs authority of the importing Party may deny a claim for preferential tariff treatment if:

(a) within a period of three months following the request for information pursuant to Article 3.22(1):

(i) no reply is provided by the importer;

(ii) in cases where the claim for preferential tariff treatment is based on a statement on origin in accordance with subparagraph (a) of Article 3.16(2), the statement on origin was not provided; or

(iii) in cases where the claim for preferential tariff treatment is based on the importer's knowledge as referred to in subparagraph (b) of Article 3.16(2), the information provided by the importer is inadequate to confirm the originating status of the product;

(b) within a period of three months following the request for additional information pursuant to Article 3.22(5):

(i) no reply is provided by the importer; or

(ii) the information provided by the importer is inadequate to confirm that the product is originating;

(c) within a period of 10 months following the request for information pursuant to of Article 3.23(2):

(i) no reply is provided by the customs authority of the exporting Party; or

(ii) the information provided by the customs authority of the exporting Party is inadequate to confirm the originating status of the product.

2. The customs authority of the importing Party may deny a claim for preferential tariff treatment if the importer which has made that claim fails to comply with requirements set out in this Chapter other than those relating to the originating status of products.

3. If the customs authority of the importing Party has sufficient justification to deny a claim for preferential tariff treatment in accordance with paragraph 1 of this Article and where the customs authority of the exporting Party has provided an opinion pursuant to subparagraph (b) of

Article 3.23(5) confirming the originating status of the products, the customs authority of the importing Party shall notify the customs authority of the exporting Party of its intention to deny the claim for preferential treatment within two months of the receipt of that opinion.

4. If the notification referred to in paragraph 3 has been made, consultations shall be held on request of either Party, within three months of the date of that notification. The time period for consultation may be extended on a case-by-case basis by mutual agreement between the customs authorities of the Parties. The consultation may take place in line with the procedure set by the Sub-Committee referred to in Article 3.31.

5. Upon the expiry of the time period for consultation, the customs authority of the importing Party shall deny the claim for preferential tariff treatment only if it is not able to confirm the originating status of the product and after having granted the importer the right to be heard.

Article 3.26. Confidentiality

1. Each Party shall maintain, in accordance with its laws and regulations, the confidentiality of information provided to it by the other Party pursuant to this Chapter, and shall protect that information from disclosure.

2. Information obtained by the authorities of the importing Party shall only be used by those authorities for the purposes of this Chapter.

3. Each Party shall ensure that confidential information collected pursuant to this Chapter is not used for purposes other than the administration and enforcement of decisions and determinations relating to the origin of products and customs matters, except with the permission of the person or Party who provided the confidential information.

4. Notwithstanding paragraph 3, a Party may allow information collected pursuant to this Chapter to be used in any administrative, judicial or quasi-judicial proceedings initiated for failure to comply with customs-related laws and regulations implementing this Chapter. A Party shall notify the person or Party that provided the information concerned of any such use in advance.

Article 3.27. Refunds and Claims for Preferential Tariff Treatment after Importation

1. Each Party shall provide that an importer may make, after importation, a claim for preferential tariff treatment and for a refund of any excess duties paid for a product if:

(a) the importer did not make a claim for preferential tariff treatment at the time of importation;

(b) the claim is made no later than two years after the date of importation; and

(c) the product concerned was eligible for preferential tariff treatment when it was imported into the territory of the Party.

2. As a condition for preferential tariff treatment on the basis of a claim made pursuant to paragraph 1, the importing Party may require that the importer:

(a) makes a claim for preferential tariff treatment in accordance with the laws and regulations of the importing Party;

(b) provides the statement on origin, as appropriate; and

(c) satisfies all other applicable requirements set out in this Chapter in the same manner as if preferential tariff treatment had been claimed at the time of importation.

Article 3.28. Administrative Measures and Sanctions

1. A Party shall impose administrative measures and sanctions where appropriate, in accordance with its respective laws and regulations, on a person that draws up a document, or causes a document to be drawn up, which contains incorrect information for the purposes of obtaining preferential tariff treatment for a product, or that does not comply with the requirements set out in:

(a) Article 3.20;

(b) Article 3.23(4) by not providing evidence or refusing a visit; or

(c) Article 3.17(2) by not correcting a claim for preferential tariff treatment made in the customs declaration and paying the custom duty as appropriate, if the initial claim for preference was based on incorrect information.

2. The Party shall take into account paragraph 3.6 of Article 6 of the Agreement on Trade Facilitation in Annex 1A to the WTO Agreement in cases where an importer voluntarily discloses a correction to a claim for preferential treatment prior to receiving a verification request, in accordance with the laws and regulations of that Party.

Section C. FINAL PROVISIONS

Article 3.29. Ceuta and Melilla

1. For the purposes of this Chapter, for the European Union, the term "Party" does not include Ceuta and Melilla.

2. Products originating in Chile shall, when imported into Ceuta and Melilla, in all respects be granted the same customs

treatment under this Agreement as that which is granted to products originating in the customs territory of the European Union under Protocol 2 of the Act of Accession of the Kingdom of Spain and the Portuguese Republic to the European Union. Chile shall grant to imports of products covered by this Agreement and originating in Ceuta and Melilla the same customs treatment as that which is granted to products imported from and originating in the European Union.

3. The rules of origin and origin procedures under this Chapter apply mutatis mutandis to products exported from Chile to Ceuta and Melilla and to products exported from Ceuta and Melilla to Chile.

4. Ceuta and Melilla shall be considered as a single territory.

5. Article 3.3 applies to import and exports of products between the European Union, Chile and Ceuta and Melilla.

6. The exporter shall enter "Chile" and "Ceuta and Melilla" in field 3 of the text of the statement on origin in Annex 3-C, depending on the origin of the product.

7. The customs authority of the Kingdom of Spain shall be responsible for the application of this Article in Ceuta and Melilla.

Article 3.30. Amendments

The Trade Council may adopt decisions to amend this Chapter and Annexes 3-A to 3-E, pursuant to subparagraph (a) of Article 33.1(6).

Article 3.31. Sub-Committee on Customs, Trade Facilitation and Rules of Origin

1. The Sub-Committee on Customs, Trade Facilitation and Rules of Origin ("Sub-Committee"), established pursuant to Article 33.4(1), shall be composed of representatives of the Parties with responsibility for customs.

2. The Sub-Committee shall be responsible for the effective implementation and application of this Chapter.

3. For the purposes of this Chapter, the Sub-Committee shall have the following functions:

(a) reviewing and making appropriate recommendations, as necessary, to the Trade Committee on:

(i) the implementation and application of this Chapter; and

(ii) any amendments to this Chapter and Annexes 3-A to 3-E proposed by a Party;

(b) making suggestions to the Trade Committee concerning the adoption of explanatory notes to facilitate the implementation of this Chapter; and

(c) considering any other matter related to this Chapter as agreed by the Parties.

Article 3.32. Products In Transit or Storage

The Parties may apply this Agreement to products which comply with this Chapter and which, on the date of entry into force of this Agreement, are in transit or are in temporary storage in bonded warehouse or in free zones in the European Union or in Chile, subject to the submission of a statement on origin to the customs authorities of the importing Party.

Article 3.33. Explanatory Notes

Explanatory notes regarding the interpretation, application and administration of this Chapter are set out in Annex 3-E.

Chapter 4. CUSTOMS AND TRADE FACILITATION

Article 4.1. Objectives

1. The Parties recognise the importance of customs and trade facilitation in the evolving global trading environment.

2. The Parties recognise that international trade and customs instruments and standards are the basis for import, export and transit requirements and procedures.

3. The Parties recognise that customs laws and regulations shall be non-discriminatory and that customs procedures shall be based upon the use of modern methods and effective controls to combat fraud, protect consumer health and safety and

promote legitimate trade. Each Party should periodically review its customs laws, regulations and procedures. The Parties also recognise that their customs procedures shall be no more administratively burdensome or trade restrictive than necessary to achieve legitimate objectives and that they shall be applied in a manner that is predictable, consistent and transparent.

4. The Parties agree to reinforce their cooperation with a view to ensuring that the relevant customs laws, regulations and procedures, as well as the administrative capacity of the relevant administrations, fulfil the objectives of promoting trade facilitation while ensuring effective customs control.

Article 4.2. Definitions

For the purposes of this Chapter "customs authority" means:

(a) for Chile, the Servicio Nacional de Aduanas (National Customs Service), or its successor; and

(b) for the European Union, those services of the European Commission responsible for customs matters and the customs administrations and any other authorities in the Member States responsible for the application and enforcement of customs laws and regulations.

Article 4.3. Customs Cooperation

1. The Parties shall cooperate on customs matters between their respective customs authorities in order to ensure that the objectives set out in Article 4.1 are attained.

2. The Parties shall develop cooperation, including by:

(a) exchanging information concerning customs laws and regulations and their implementation, and customs procedures, particularly in the following areas:

(i) simplification and modernisation of customs procedures;

(ii) enforcement of intellectual property rights by the customs authorities;

(iii) facilitation of transit movements and transhipment;

(iv) relations with the business community; and

(v) supply chain security and risk management;

(b) working together on the customs-related aspects of securing and facilitating international trade supply chains in accordance with the SAFE Framework of Standards to Secure and Facilitate Global Trade of the World Customs Organization (hereinafter referred to as "WCO") adopted in June 2005;

(c) considering the development of joint initiatives relating to import, export and other customs procedures, including the exchange of best practices and technical assistance, and ensuring the provision of an effective service to the business community; such cooperation may include exchanges on customs laboratories, the training of customs officers and on new technologies for customs controls and procedures;

(d) strengthening their cooperation in the field of customs in international organisations such as the WTO and the WCO;

(e) establishing, if relevant and appropriate, the mutual recognition of authorised economic operator programmes, including equivalent trade facilitation measures;

(f) carrying out exchanges on risk-management techniques, risk standards and security controls, in order to establish, to the extent practicable, minimum standards for risk-management techniques and related requirements and programmes;

(g) endeavouring to harmonise their data requirements for import, export and other customs procedures, by implementing common standards and data elements in accordance with the WCO Data Model;

(h) sharing their respective experiences in developing and deploying their single window systems, and, if appropriate, developing common sets of data elements for those systems;

(i) maintaining a dialogue between their respective policy experts to promote the utility, efficiency, and applicability of advance rulings for customs authorities and traders; and

(j) exchanging, if relevant and appropriate, through a structured and recurrent communication between their customs authorities, certain categories of customs-related information for specific purposes, namely improving risk management and the effectiveness of customs controls, targeting goods at risk in terms of revenue collections or safety and security, and facilitating legitimate trade; such exchange shall be without prejudice to exchanges of information that may take place between the Parties in accordance with the Protocol to this Agreement on Mutual Administrative Assistance in Customs Matters.

3. Any exchange of information between the Parties under this Chapter shall be subject, mutatis mutandis, to the confidentiality of information and personal data protection requirements set out in Article 12 of the Protocol to this Agreement on Mutual Administrative Assistance in Customs Matters, as well as to any confidentiality and privacy requirements set out in the laws and regulations of the Parties.

Article 4.4. Mutual Administrative Assistance

The Parties shall provide each other with mutual administrative assistance in customs matters in accordance with the Protocol to this Agreement on Mutual Administrative Assistance in Customs Matters.

Article 4.5. Customs Laws, Regulations and Procedures

1. Each Party shall ensure that its customs laws, regulations and procedures are:

(a) based upon international instruments and standards in the area of customs and trade, including the International Convention on the Harmonized Commodity Description and Coding System done at Brussels on 14 June 1983, as well as the SAFE Framework of Standards to Secure and Facilitate Global Trade of the WCO and the WCO Data Model, and if applicable, the substantive elements of the Revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures, done at Kyoto on the 18 May 1973 and adopted by the World Customs Organization Council in June 1999;

(b) based upon the protection and facilitation of legitimate trade through effective enforcement of and compliance with legislative requirements; and

(c) proportionate and non-discriminatory to avoid unnecessary burdens on economic operators, provide for further facilitation for operators with high levels of compliance, including favourable treatment with respect to customs controls prior to the release of goods, and ensure safeguards against fraud and illicit or damaging activities.

2. In order to improve working methods, as well as to ensure non-discrimination, transparency, efficiency, integrity and accountability in custom operations, each Party shall:

(a) simplify and review requirements and formalities, if possible, with a view to the rapid release and clearance of goods;

(b) work towards the further simplification and standardisation of data and documentation required by customs and other agencies in order to reduce the time and costs burdens for operators, including small and medium-sized enterprises; and

(c) ensure that the highest standards of integrity be maintained through the application of measures reflecting the principles of the relevant international conventions and instruments in this field.

Article 4.6. Release of Goods

Each Party shall ensure that its customs authorities, border agencies or other competent authorities:

(a) provide for the prompt release of goods within a period no longer than required to ensure compliance with its customs and other trade-related laws and regulations and formalities;

(b) provide for advance electronic submission and processing of documentation and any other required information prior to the arrival of the goods;

(c) allow for the release of goods prior to the final determination of customs duties, taxes, fees and charges, subject to the provision of a guarantee, if required by its laws and regulations, in order to secure their final payment; and

(d) give appropriate priority to perishable goods when scheduling and performing any examinations that may be required.

Article 4.7. Simplified Customs Procedures

Each Party shall adopt or maintain measures allowing operators that are fulfilling criteria specified in its laws and regulations to benefit from further simplification of customs procedures. Such measures may include customs declarations containing reduced sets of data or supporting documents, or periodical customs declarations for the determination and payment of customs duties and taxes covering multiple imports within a given period after the release of those imported goods, or other procedures that provide for the expedited release of certain shipments.

Article 4.8. Authorised Economic Operators

1. Each Party shall establish or maintain a trade facilitation partnership programme for economic operators who meet specified criteria (hereinafter referred to as "authorised economic operators").

2. The specified criteria to qualify as authorised economic operators shall be related to compliance, or the risk of non-compliance, with requirements specified in laws, regulations or procedures of each Party. The specified criteria shall be published and may include:

(a) the absence of any serious infringement or repeated infringements of customs legislation and taxation rules, including no record of serious criminal offences relating to the economic activity of the applicant;

(b) the demonstration by the applicant of a high level of control of its operations and of the flow of goods by means of a system of managing commercial and, where appropriate, transport records, which allows appropriate customs controls;

(c) financial solvency, which shall be deemed to be proven if the applicant has good financial standing, which enables it to fulfil its commitments, with due regard to the characteristics of the type of business activity concerned;

(d) proven competences or professional qualifications directly related to the activity carried out; and

(e) appropriate security and safety standards.

3. The specified criteria referred to in paragraph 2 shall not be designed or applied so as to afford or create arbitrary or unjustifiable discrimination between economic operators where the same conditions prevail, and shall allow the participation of small and medium-sized enterprises.

4. The trade facilitation partnership programme referred to in paragraph 1 shall include the following benefits:

(a) low documentary and data requirements, as appropriate;

(b) lower rate of physical inspections or expedited examinations, as appropriate;

(c) simplified release procedures and rapid release time, as appropriate;

(d) use of guarantees, including, if applicable, comprehensive guarantees or reduced guarantees; and

(e) control of the goods at the premises of the authorised economic operator or another place authorised by customs authorities.

5. The trade facilitation partnership programme referred to in paragraph 1 may also include additional benefits, such as:

(a) deferred payment of duties, taxes, fees and charges;

(b) a single customs declaration for all imports or exports in a given period; or

(c) availability of a dedicated contact point to provide assistance in customs matters.

Article 4.9. Data and Documentation Requirements

1. Each Party shall ensure that import, export and transit formalities, data and documentation requirements are:

(a) adopted and applied with a view to the rapid release of goods, provided that the conditions for the release are fulfilled;

(b) adopted and applied in a manner that aims to reduce the time and cost of compliance for traders or operators;

(c) the least trade-restrictive alternative, if two or more alternatives were reasonably available for fulfilling the policy objective or objectives in question; and

(d) not maintained, including parts thereof, if no longer required.

2. Each Party shall apply common customs procedures and use uniform customs documents for the release of goods throughout its customs territory.

Article 4.10. Use of Information Technologies and Electronic Payment

1. Each Party shall use information technologies that expedite procedures for the release of goods in order to facilitate trade between the Parties.

2. Each Party shall:

(a) make available, by electronic means, a customs declaration that is required for the import, export or transit of goods;

(b) allow a customs declaration to be submitted in electronic format;

(c) establish a means of providing for the electronic exchange of customs information with its trading community;

(d) promote the electronic exchange of data between operators and customs authorities, as well as other related agencies; and

(e) use electronic risk-management systems for assessment and targeting that enable its customs authorities to focus their inspections on high-risk goods and that facilitate the release and movement of low-risk goods.

3. Each Party shall adopt or maintain procedures allowing the option of electronic payment for duties, taxes, fees and charges collected by customs authorities incurred upon importation and exportation.

Article 4.11. Risk Management

1. Each Party shall adopt or maintain a risk-management system for customs control.

2. Each Party shall design and apply risk management in a manner as to avoid arbitrary or unjustifiable discrimination, or disguised restrictions on international trade.

3. Each Party shall concentrate customs control and other relevant border controls on high-risk consignments and expedite the release of low-risk consignments. Each Party may also select, on a random basis, consignments for those controls as part of its risk management.

4. Each Party shall base risk management on assessment of risk through appropriate selectivity criteria.

Article 4.12. Post-clearance Audit

1. With a view to expediting the release of goods, each Party shall adopt or maintain post-clearance audit to ensure compliance with its customs and other trade-related laws and regulations.

2. Each Party shall conduct post-clearance audits in a risk-based manner.

3. Each Party shall conduct post-clearance audits in a transparent manner. If an audit is conducted and conclusive results have been achieved, the Party shall, without delay, notify the person whose record has been audited of the results, the reasons for the results and the rights and obligations of that person.

4. The Parties acknowledge that the information obtained in a post-clearance audit may be used in further administrative or judicial proceedings.

5. Each Party shall, wherever practicable, use the result of post-clearance audit in applying risk management.

Article 4.13. Transparency

1. The Parties recognise the importance of timely consultations with trade representatives on legislative proposals and general procedures related to customs and trade matters. To that end, each Party shall provide for appropriate consultations between administrations and the business community.

2. Each Party shall ensure that their respective customs and customs-related requirements and procedures continue to meet the needs of the business community, follow best practices, and remain the least trade restrictive possible.

3. Each Party shall provide for appropriate regular consultations between border agencies and traders or other stakeholders

within its territory.

4. Each Party shall publish promptly in a non-discriminatory and accessible manner, including online, and prior to their application, new laws and regulations related to customs and trade facilitation matters, as well as amendments to, and interpretations of, those laws and regulations. Such laws and regulations, as well as their amendments and interpretations, shall include those relating to:

(a) importation, exportation and transit procedures, including port, airport, and other entry-point procedures, and required forms and documents;

(b) applied rates of duties and taxes of any kind imposed on, or in connection with, importation or exportation;

(c) fees and charges imposed by or for governmental agencies on or in connection with importation, exportation or transit;

(d) rules for the classification or valuation of products for customs purposes;

(e) laws, regulations and administrative rulings of general application relating to rules of origin;

(f) import, export or transit restrictions or prohibitions;

(g) penalty provisions against breaches of import, export or transit formalities;

(h) agreements or parts thereof with any country or countries relating to importation, exportation or transit;

(i) procedures related to the administration of tariff quotas;

(k) contact points for information enquiries; and

(l) other relevant notices of an administrative nature in relation to subparagraphs (a) to (k).

5. Each Party shall ensure that there is a reasonable period of time between the publication (1) and the entry into force of new or amended laws, regulations and procedures and fees or charges.

6. Each Party shall establish or maintain one or more enquiry points to respond to reasonable enquiries from governments, operators and other interested parties on customs and other trade-related matters. The enquiry points shall respond to enquiries within a reasonable period of time set by each Party, which may vary depending on the nature or complexity of the request. A Party shall not require the payment of a fee for responding to enquiries or providing required forms and documents.

(1) For greater certainty, "publication" refers to making laws and regulations publicly available.

Article 4.14. Advance Rulings

1. For the purposes of this Article, an "advance ruling" means a written decision provided to an applicant prior to the importation of a good covered by the application that sets out the treatment that the Party is to provide to the good at the time of importation with regard to:

(a) the tariff classification of the good;

(b) the origin of the good; and

(c) any other matters as the Parties may agree.

2. Each Party shall issue an advance ruling through its customs authorities. That advance ruling shall be issued in a reasonable and time-limited manner to the applicant that has submitted a written request, including in electronic format, containing all necessary information in accordance with the laws and regulations of the issuing Party.

3. The advance ruling shall be valid for a period of at least three years from the date in which it takes effect, unless the law, facts or circumstances supporting the original advance ruling have changed.

4. A Party may decline to issue an advance ruling if the facts and circumstances which form the basis of the advance ruling are under administrative or judicial review or if the application does not relate to any intended use of the advance ruling. If a Party declines to issue an advance ruling, it shall promptly notify the applicant in writing, setting out the relevant facts and the basis for its decision.

5. Each Party shall publish, at least:

(a) the requirements for the application for an advance ruling, including the information to be provided and the format;

(b) the time period by which it will issue an advance ruling; and

(c) the length of time for which the advance ruling is valid.

6. If a Party revokes or modifies or invalidates an advance ruling, it shall provide written notice to the applicant setting out the relevant facts and the basis for its decision. A Party shall only revoke, modify or invalidate an advance ruling with retroactive effect if the ruling was based on incomplete, incorrect, false or misleading information provided by the applicant.

7. An advance ruling issued by a Party shall be binding on that Party with respect to the applicant. The advance ruling shall also be binding on the applicant.

8. Each Party shall provide, upon written request of the applicant, a review of the advance ruling or of the decision to revoke, modify or invalidate that advance ruling.

9. Subject to confidentiality requirements in its laws and regulations, each Party shall make publicly available, including online, the substantive elements of its advance rulings.

Article 4.15. Transit and Transhipment

1. Each Party shall ensure the facilitation and effective control of transit movements and transhipment operations through its territory.

2. Each Party shall promote and implement regional transit arrangements with a view to facilitating trade.

3. Each Party shall ensure cooperation between, and coordination of, its authorities and relevant agencies concerned to facilitate traffic in transit.

4. Each Party shall allow goods intended for import to be moved within its territory under customs control from a customs office of entry to another customs office in its territory from where the goods are to be released or cleared, provided all regulatory requirements are met.

Article 4.16. Customs Brokers

1. A Party shall not introduce the mandatory use of customs brokers as a requirement for operators to fulfil their obligations with respect to the importation, exportation and transit of goods.

2. Each Party shall publish its measures on the use of customs brokers.

3. The Parties shall apply transparent, non-discriminatory and proportionate rules when licensing customs brokers.

Article 4.17. Pre-shipment Inspections

The Parties shall not require the use of pre-shipment inspections, as defined in the Agreement on Pre-shipment Inspection in Annex 1A to the WTO Agreement, or any other inspection activity performed at destination, before customs clearance, by private companies.

Article 4.18. Appeals

1. Each Party shall provide effective, prompt, non-discriminatory and easily accessible procedures to guarantee the right of appeal against the administrative actions, rulings and decisions of customs authorities or other competent authorities affecting import or export of goods or goods in transit.

2. Appeal procedures may include administrative review by the supervising authority and judicial review of decisions taken at the administrative level in accordance with the laws and regulations of a Party.

3. Any person who has applied to the customs authorities or other competent authorities for a decision and has not obtained a decision on that application within the relevant time limit shall also be entitled to exercise the right of appeal.

4. Each Party shall ensure that its customs authorities or other competent authorities provide to persons to whom

administrative decisions are issued, the reasons for those decisions in order to facilitate, where necessary, recourse to appeal procedures.

Article 4.19. Penalties

1. Each Party shall ensure that its customs laws and regulations provide that any penalties imposed for breaches of customs laws, regulations or procedural requirements are proportionate and non-discriminatory.

2. Each Party shall ensure that any penalty imposed for a breach of its customs laws, regulations, or procedural requirements is imposed only on the person legally responsible for the breach.

3. Each Party shall ensure that the penalty imposed is based on the facts and circumstances of the case and is commensurate with the degree and severity of the breach. Each Party shall avoid incentives for, or conflicts of interest in, the assessment and collection of penalties.

4. Each Party is encouraged to consider prior disclosure to a customs authority of the circumstances of a breach of customs laws, regulations, or procedural requirements as a potential mitigating factor when establishing a penalty.

5. If a Party imposes a penalty for a breach of its customs laws, regulations, or procedural requirements, it shall provide an explanation in writing to the person upon whom it imposes the penalty, specifying the nature of the breach and the applicable laws, regulations, or procedures pursuant to which the amount or range of penalty for the breach has been imposed.

Article 4.20. Sub-Committee on Customs, Trade Facilitation and Rules of Origin

1. The Sub-Committee on Customs, Trade Facilitation and Rules of Origin ("Sub-Committee") is established pursuant to Article 33.4(1).

2. The Sub-Committee shall ensure the proper implementation of this Chapter, the border enforcement of intellectual property rights by competent authorities in accordance with

Sub-Section 2 of Section C of Chapter 25, the Protocol to this Agreement on Mutual Administrative Assistance in Customs Matters and any additional customs-related provisions agreed between the Parties, and examine all matters arising from their application.

3. The functions of the Sub-Committee shall include:

(a) monitoring the implementation and administration of this Chapter and of Chapter 3;

(b) providing a forum to consult and discuss all matters concerning customs, including, in particular, customs procedures, customs valuation, tariff regimes, customs nomenclature, customs cooperation and mutual administrative assistance in customs matters;

(c) providing a forum to consult and discuss issues relating to rules of origin and administrative cooperation, and border measures for intellectual property rights; and

(d) enhancing cooperation on the development, application and enforcement of customs procedures, mutual administrative assistance in customs matters, rules of origin and administrative cooperation.

4. The Sub-Committee may make recommendations on the matters covered by paragraph 2. The Trade Council or the Trade Committee shall have the power to adopt decisions on mutual recognition of risk-management techniques, risk standards, security controls and trade facilitation partnership programmes, including aspects such as data transmission and mutually agreed benefits.

Article 4.21. Temporary Admission

1. For the purposes of this Article, "temporary admission" means the customs procedure under which certain goods, including means of transport, can be brought into a customs territory conditionally relieved from payment of import duties and taxes and without application of import prohibitions or restrictions of economic character. Those goods must be imported for a specific purpose and must be intended for re-exportation within a specified period of time and without having undergone any change except normal depreciation due to the use made of them.

2. Each Party shall grant temporary admission, with total conditional relief from import duties and taxes and without

application of import restrictions or prohibitions of economic character (1), as provided for in its laws and regulations, to the following goods:

(1) For greater certainty, the temporary admission of goods referred to in paragraphs 1 and 2 of this Article and brought into Chile from the European Union, shall not be subject to payment of the fee established in Article 107 of the Customs Ordinance of Chile (Ordenanza de Aduanas) contained in Decree 30 of the Ministry of Finance, Official Gazette, 4 June 2005, (Decreto con Fuerza de Ley 30 del Ministerio de Hacienda, Diario Oficial, 04 de junio de 2005).

(a) goods for display or use at exhibitions, fairs, meetings or similar events, which means goods intended for display or demonstration at an event, goods intended for use in connection with the display of foreign products at an event, and equipment including interpretation equipment, sound and image recording apparatus and films of an educational, scientific or cultural character intended for use at international meetings, conferences or congresses, and goods obtained at such events from goods placed under temporary admission; each Party may require a governmental authorisation or a guarantee or deposit to be issued before the event takes place;

(b) professional equipment, which means: equipment for the press or for sound or television broadcasting which is necessary for representatives of the press or of broadcasting or television organisations visiting the territory of another country for the purposes of reporting or in order to transmit or record material for specified programmes; cinematographic equipment necessary for a person visiting the territory of another country in order to make a specified film or films; any other equipment necessary for the exercise of the calling, trade or profession of a person visiting the territory of another country to perform a specified task, insofar as it is not to be used for the industrial manufacture or packaging of goods or, except in the case of hand tools, for the exploitation of natural resources, for the construction, repair or maintenance of buildings or for earth moving and like projects; ancillary apparatus for the equipment mentioned above, and accessories therefor; and component parts imported for repair of professional equipment temporarily admitted;

(c) goods imported in connection with a commercial operation where the importation does not in itself constitute a commercial operation, such as: packings which are imported filled for re- exportation empty or filled, or are imported empty for re-exportation filled; containers, whether or not filled with goods, and accessories and equipment for temporarily admitted containers, which are either imported with a container to be re-exported separately or with another container, or are imported separately to be re-exported with a container, and component parts intended for the repair of containers granted temporary admission; pallets; samples; advertising films;

(d) goods imported exclusively for educational, scientific or cultural purposes, such as scientific equipment, pedagogic material, welfare material for seafarers, and any other goods imported in connection with educational, scientific or cultural activities; spare parts for scientific equipment and pedagogic material which has been granted temporary admission; and tools specially designed for the maintenance, checking, gauging or repair of such equipment;

(e) personal effects, which means: all articles, new or used, which a traveller may reasonably require for his or her personal use during the journey, taking into account all the circumstances of the journey, but excluding any goods imported for commercial purposes; and goods imported for sports purposes, such as sports requisites and other articles for use by travellers in sports contests or demonstrations or for training in the territory for which temporary admission is granted;

(f) tourist publicity material, which means goods imported for the purpose of encouraging the public to visit a foreign country, in particular in order to attend cultural, religious, touristic, sporting or professional meetings or demonstrations held there; each Party may require a guarantee or deposit to be provided for such goods;

(g) goods imported for humanitarian purposes, which means medical, surgical and laboratory equipment and relief consignments, such as vehicles and other means of transport, blankets, tents, prefabricated houses or other goods of prime necessity, forwarded as aid to those affected by natural disaster and similar catastrophes; and

(h) animals imported for specific purposes, such as police dogs or horses, detector dogs, dogs for the blind, rescue dogs, animals for the purposes of participation in shows, exhibitions, contests, competitions or demonstrations, animals for the purposes of entertainment, such as animals for circus, touring (including pet animals of travellers), performance of work or transport, or for medical purposes, such as delivery of snake poison.

3. Each Party shall accept, in accordance with its laws and regulations (1), the temporary admission of the goods referred to in paragraph 2 as well as, regardless of their origin, ATA carnets issued in the other Party in accordance with the Convention on temporary admission, done at Istanbul on 26 June 1990, endorsed in the other Party and guaranteed by an association forming part of the international guarantee chain, certified by the competent authorities and valid in the customs territory of the importing Party.

(1) For greater certainty, in the case of Chile, the ATA carnets shall be accepted as established by the Decree N° 103 of 2004 of the Ministry of Foreign Affairs (Decreto N° 103 de 2004 del Ministerio de Relaciones Exteriores), that enacts the "Convention on Temporary Admission" and its Annexes A, B1, B2 and B3, with the reservations duly indicated, and its amendments thereof.

Article 4.22. Repaired Goods

1. For the purposes of this Article, "repair" means any processing operation undertaken in respect of a good to remedy an operating defect or material damage and entailing the re- establishment of the good to its original function or to ensure compliance with technical requirements for its use, without which the good could no longer be used in the normal way for the purposes for which it was intended. Repair includes restoration and maintenance but does not include an operation or process that:

(a) destroys the essential characteristics of a good, or creates a new or commercially different good;

(b) transforms an unfinished good into a finished good; or

(c) is used to improve or upgrade the technical performance of a good.

2. A Party shall not apply a customs duty to a good, regardless of its origin, that re-enters its customs territory, after that good has been temporarily exported from its customs territory to the customs territory of the other Party for repair.

3. Paragraph 2 does not apply to a good, imported in bond, into free trade zones, or in a similar status, which is thereafter exported for repair and is not re-imported in bond, into free trade zones, or in a similar status.

4. A Party shall not apply a customs duty to a good, regardless of its origin, imported temporarily from the customs territory of the other Party for repair.

Article 4.23. Fees and Formalities

1. Fees and other charges that a Party imposes on or in connection with the importation or exportation of a good of the other Party shall be limited in amount to the approximate cost of services rendered, and shall not represent an indirect protection in respect of domestic goods or taxation of imports or exports for fiscal purposes.

2. A Party shall not levy fees or other charges on or in connection with the importation or exportation of a good of the other Party on an ad valorem basis.

3. Each Party may impose charges or recover costs only if specific services are rendered, including the following:

(a) attendance, where requested, by customs staff outside official office hours or at premises other than customs premises;

(b) analyses or expert reports on goods and postal fees for the return of goods to an applicant, particularly in respect of decisions relating to binding information or the provision of information concerning the application of customs legislation;

(c) examination or sampling of goods for verification purposes, or the destruction of goods, where costs other than the cost of using customs staff are involved; or

(d) exceptional control measures, where such measures are necessary due to the nature of the goods or to a potential risk.

4. Each Party shall promptly publish all fees and charges it might impose in connection with importation or exportation in such a manner as to enable governments, traders and other interested parties to become acquainted with them.

5. A Party shall not require consular transactions, including related fees and charges, in connection with the importation of any good of the other Party.

Chapter 5. TRADE REMEDIES

Section A. ANTI-DUMPING AND COUNTERVAILING DUTIES

Article 5.1. General Provisions

1. The Parties affirm their rights and obligations under the Anti-Dumping Agreement and the SCM Agreement.

2. For the purposes of this Section, the preferential rules of origin under Chapter 3 do not apply.

Article 5.2. Transparency

1. Anti-dumping and anti-subsidy investigations and measures should be used in full compliance with the relevant WTO requirements set out in the Anti-Dumping Agreement and the SCM Agreement and should be based on a fair and transparent system.

2. Each Party shall ensure, as soon as practicable after any imposition of provisional measures and in any case before a final determination is made, full disclosure of all essential facts and considerations on which it bases a decision to apply definitive measures. Such disclosure is without prejudice to Article 6.5 of the Anti-Dumping Agreement and Article 12.4 of the SCM Agreement. Each Party shall disclose such essential facts and considerations in writing, and allow interested parties sufficient time to submit comments thereon.

3. Each interested party shall be granted the possibility to be heard in order to express its views during an anti-dumping or anti-subsidy investigation, provided that this does not unnecessarily delay the conduct of the investigation.

Article 5.3. Consideration of Public Interest

Each Party shall take into account the situation of its domestic industry, importers and their representative associations, representative users and representative consumer organisations to the extent that they have provided relevant information to the investigating authorities within the relevant timeframe. A Party may decide not to apply anti-dumping or countervailing measures on the basis of such information.

Article 5.4. Lesser Duty Rule

If a Party imposes an anti-dumping duty on the goods of the other Party, the amount of such duty shall not exceed the margin of dumping. Whenever possible, the anti-dumping duty should be less than that margin if such lesser duty would be adequate to remove the injury to the domestic industry.

Article 5.5. Non-application of Dispute Settlement

Chapter 31 does not apply to this Section.

Section B. GLOBAL SAFEGUARD MEASURES

Article 5.6. General Provisions

The Parties affirm their rights and obligations pursuant to Article XIX of GATT 1994, the Safeguards Agreement and Article 5 of the Agreement on Agriculture.

Article 5.7. Transparency and Imposition of Definitive Measures

1. Notwithstanding Article 5.6, the Party initiating a global safeguard investigation or intending to apply global safeguard measures shall, on request of the other Party and provided that the latter has a substantial interest, immediately provide a written notification containing all pertinent information leading to the initiation of a global safeguard investigation or the application of global safeguard measures, including on the provisional findings, if relevant. Such notification is without prejudice to Article 3(2) of the Safeguards Agreement.

2. When imposing definitive global safeguard measures, each Party shall endeavour to impose them in a way that least affects bilateral trade, provided that the Party affected by the measures has a substantial interest as defined in paragraph 4.

3. For the purposes of paragraph 2, if a Party considers that the legal requirements for the imposition of definitive global safeguard measures are met, and intends to apply such measures, it shall notify the other Party and grant the possibility of holding bilateral consultations, provided that the other Party has a substantial interest as defined in paragraph 4. If no satisfactory solution has been reached within 15 days of the notification, the importing Party may adopt the appropriate global safeguard measures to remedy the problem.

4. For the purposes of this Article, a Party shall be considered to have a substantial interest when it is among the five largest suppliers of the imported good during the most recent three-year time period, measured in terms of either absolute volume

or value.

Article 5.8. Non-application of Dispute Settlement

Chapter 31 does not apply to this Section.

Section C. BILATERAL SAFEGUARD MEASURES

Subsection 1. GENERAL PROVISIONS

Article 5.9. Definitions

For the purposes of this Section:

(a) "domestic industry" means, with respect to an imported good, the producers as a whole of like or directly competitive goods operating within the territory of a Party, or the producers whose collective output of like or directly competitive goods constitutes a major proportion of the total domestic production of those goods;

(b) "transition period" means:

(i) a period of seven years from the date of entry into force of this Agreement; or

(ii) for any good for which the schedule in Annex 2 of the Party applying a bilateral safeguard measure provides for a tariff elimination period of seven years, the tariff elimination period for that good plus two years.

Article 5.10. Application of a Bilateral Safeguard Measure

1. Notwithstanding Section B, if, as a result of the reduction or elimination of a customs duty under this Agreement, a good originating in a Party is being imported into the territory of the other Party in such increased quantities, in absolute terms or relative to domestic production, and under such conditions as to cause or threaten to cause serious injury to domestic producers of like or directly competitive goods, the importing Party may take appropriate bilateral safeguard measures under the conditions and in accordance with the procedures laid down in this Section.

2. If the conditions in paragraph 1 are met, the importing Party may apply one of the following bilateral safeguard measures:

(a) the suspension of any further reduction of the rate of customs duty on the good concerned as provided for in this Agreement; or

(b) the increase in the rate of customs duty on the good concerned to a level which does not exceed the lesser of:

(i) the applied most-favoured-nation rate of customs duty on the good in effect at the time of application of the measure; or

(ii) the applied most-favoured-nation rate of customs duty on the good in effect on the day immediately preceding the date of entry into force of this Agreement.

Article 5.11. Standards for Bilateral Safeguard Measures

1. A bilateral safeguard measure shall not be applied:

(a) except to the extent, and for such time, as may be necessary to prevent or remedy serious injury or threat thereof to the domestic industry;

(b) for a period exceeding two years; the period may be extended by another two years if the competent investigating authority of the importing Party determines, in conformity with the procedures laid down in this Section, that the measure continues to be necessary to prevent or remedy serious injury or threat thereof to the domestic industry, provided that the total period of application of the bilateral safeguard measure, including the period of initial application and any extension thereof, does not exceed four years; or

(c) beyond the expiration of the transition period as defined in subparagraph (b) of Article 5.9.

2. When a Party ceases to apply a bilateral safeguard measure, the rate of customs duty shall be the rate that would have been in effect for the good in accordance with its schedule in Annex 2.

3. In order to facilitate adjustment of the industry concerned in a situation where the expected duration of a bilateral safeguard measure exceeds one year, the Party applying the measure shall progressively liberalise it at regular intervals during the period of application.

Article 5.12. Provisional Bilateral Safeguard Measures

1. In critical circumstances where delay would cause damage that would be difficult to repair, a Party may apply a bilateral safeguard measure on a provisional basis without complying with the requirements of Article 5.21(1), subject to a preliminary determination that there is clear evidence that imports of a good originating in the other Party have increased as a result of the reduction or elimination of a customs duty under this Agreement, and that such imports cause or threaten to cause serious injury to the domestic industry.

2. The duration of any provisional bilateral safeguard measure shall not exceed 200 days, during which time the Party applying the measure shall comply with the relevant procedural rules laid down in Sub-Section 2. The Party applying the provisional bilateral safeguard measure shall promptly refund any tariff increases if the investigation described in Sub-Section 2 does not result in a finding that the conditions of Article 5.10(1) have been met. The duration of the provisional bilateral safeguard measure shall be counted as part of the period described in subparagraph (b) of Article 5.11(1).

3. The Party applying a provisional bilateral safeguard measure shall inform the other Party upon taking such provisional measure and shall immediately refer the matter to the Trade Committee for examination if the other Party so requests.

Article 5.13. Compensation and Suspension of Concessions

1. A Party applying a bilateral safeguard measure shall consult with the Party whose products are subject to the measure in order to agree on appropriate trade liberalising compensation in the form of concessions having substantially equivalent trade effects. The Party applying a bilateral safeguard measure shall provide an opportunity for such consultations no later than 30 days after the application of the bilateral safeguard measure.

2. If the consultations referred to in paragraph 1 do not result in an agreement on trade liberalising compensation within 30 days of the start of the consultations, the Party whose goods are subject to the bilateral safeguard measure may suspend the application of concessions having substantially equivalent effects on the trade of the other Party.

3. The Party whose goods are subject to the bilateral safeguard measure shall notify the other Party in writing at least 30 days before it suspends the application of concessions in accordance with paragraph 2.

4. The obligation to provide compensation pursuant to paragraph 1 and the right to suspend the application of concessions pursuant to paragraph 2 shall:

(a) not be exercised for the first 24 months during which a bilateral safeguard measure is in effect, provided that the bilateral safeguard measure has been applied as a result of an absolute increase in imports; and

(b) cease on the date of termination of the bilateral safeguard measure.

Article 5.14. Time Lapse between Two Bilateral Safeguard Measures and Non-parallel Application of Safeguard Measures

1. A Party shall not apply a bilateral safeguard measure as referred to in this Section to the import of a good that has previously been subject to such a measure, unless a period of time equal to half of the time during which the safeguard measure was applied for the immediately preceding period has elapsed. A bilateral safeguard measure that has been applied more than once on the same good may not be extended by another two years as provided for in subparagraph (b) of Article 5.11(1).

2. A Party shall not apply, with respect to the same good and during the same period:

(a) a bilateral safeguard measure or a provisional bilateral safeguard measure under this Agreement; and

(b) a global safeguard measure pursuant to Article XIX of GATT 1994 and the Safeguards Agreement.

Article 5.15. Outermost Regions of the European Union (1)

1. If any good originating in Chile is being imported into the territory of one or more of the outermost regions of the European Union in such increased quantities and under such conditions as to cause or threaten to cause serious deterioration in the economic situation of the outermost region concerned, the European Union, after having examined alternative solutions, may exceptionally apply bilateral safeguard measures limited to the territory of the region concerned.

2. For the purposes of paragraph 1, "serious deterioration" means major difficulties in a sector of the economy producing like or directly competitive goods. The determination of serious deterioration shall be based on objective factors, including the following:

(a) the increase in the volume of imports, in absolute terms or relative to domestic production and to imports from other sources; and

(b) the effect of the imports referred to in paragraph 1 on the situation of the industry or economic sector concerned, including on the levels of sales, production, financial situation and employment.

3. Without prejudice to paragraph 1, other provisions of this Section applicable to bilateral safeguard measures are also applicable to any safeguard measures adopted under this Article. Any reference to "serious injury" in other provisions of this Section shall be understood as "serious deterioration" when applied in relation to outermost regions of the European Union.

(1) On the date of entry into force of this Agreement, the outermost regions of the European Union are: Guadeloupe, French Guiana, Martinique, Réunion, Mayotte, St. Martin, the Azores, Madeira and the Canary Islands. This Article also applies to a country or an overseas territory that changes its status into that of an outermost region by way of a decision of the European Council in accordance with the procedure set out in Article 355(6) of the Treaty on the Functioning of the European Union, as from the date of adoption of that decision. In the event that an outermost region of the European Union, following that procedure, ceases to be an outermost region, this Article shall cease to be applicable to that country or overseas territory as from the date of the decision of the European Council in that regard. The European Union shall notify Chile of any change in the territories considered as outermost regions of the European Union.

Subsection 2. PROCEDURAL RULES APPLICABLE TO BILATERAL SAFEGUARD MEASURES

Article 5.16. Applicable Law

For the application of bilateral safeguard measures, the competent investigating authority of each Party shall comply with the provisions of this Sub-Section. In cases not covered by this Sub-Section, the competent investigating authority shall apply the rules established under the law of the Party of that authority.

Article 5.17. Initiation of a Safeguard Procedure

1. A competent investigating authority of a Party may initiate a procedure regarding bilateral safeguard measures ("safeguard procedure") upon a written application (1) by or on behalf of the domestic industry, or in exceptional circumstances on its own initiative.

(1) For the European Union, that application may be filed by one or more Member States on behalf of the domestic industry.

2. The application shall be considered to have been made by or on behalf of the domestic industry if it is supported by domestic producers whose collective output constitutes more

than 50 % of the total domestic production of the like or directly competitive goods produced by the portion of the domestic industry expressing either support for or opposition to the application.

However, a competent investigating authority shall not initiate an investigation if the domestic producers expressing support for the application account for less than 25 % of the total domestic production of the like or directly competitive goods produced by the domestic industry.

3. Once a competent investigating authority has initiated the investigation, the written application referred to in paragraph 1 shall be made available to interested parties, except for any confidential information contained therein.

4. Upon initiation of a safeguard procedure, the competent investigating authority shall publish a notice of initiation of the safeguard procedure in the official journal of the Party. The notice shall identify:

(a) the entity which filed the written application, if applicable;

(b) the imported good subject to the safeguard procedure;

(c) the subheading and tariff item number under which the imported good is classified;

(d) the type of proposed measure to be applied;

(e) the public hearing pursuant to subparagraph (a) of Article 5.20 or the period within which interested parties may submit a request to be heard pursuant to subparagraph (b) of Article 5.20;

(f) the place where the written application and any other non-confidential documents filed in the course of the proceeding may be inspected; and

(g) the name, address and telephone number of the office to be contacted for more information.

5. With respect to a safeguard procedure initiated pursuant to paragraph 1 on the basis of a written application, the competent investigating authority concerned shall not publish the notice required under paragraph 4 without first assessing carefully whether the written application meets the requirements of its domestic legislation and the requirements of paragraphs 1 and 2, and includes reasonable evidence that imports of a good originating in the other Party have increased as the result of the reduction or elimination of a customs duty under this Agreement, and that those imports cause or threaten to cause the alleged serious injury.

Article 5.18. Investigation

1. A Party shall apply a bilateral safeguard measure only after an investigation has been carried out by its competent investigating authority in accordance with Article 3(1) and subparagraph (c) of Article 4(2) of the Safeguards Agreement; to that end, Article 3(1) and subparagraph (c) of Article 4(2) of the Safeguards Agreement are incorporated into and made part of this Agreement, mutatis mutandis.

2. In the investigation referred to in paragraph 1, the Party shall comply with the requirements of subparagraph (a) of Article 4(2) of the Safeguards Agreement. To that end, subparagraph (a) of Article 4(2) of the Safeguards Agreement is incorporated into and made part of this Agreement, mutatis mutandis.

3. If a Party makes a notification pursuant to paragraph 1 of this Article and Article 3(1) of the Safeguards Agreement that it is applying or extending a bilateral safeguard measure, that notification shall include:

(a) evidence of serious injury or threat thereof caused by increased imports of a good originating in the other Party as a result of the reduction or elimination of a customs duty under this Agreement; the investigation shall demonstrate, on the basis of objective evidence, the existence of a causal link between the increased imports of the good concerned and the serious injury or threat thereof; known factors other than the increased imports shall also be examined to ensure that the serious injury or threat thereof caused by those other factors is not attributed to the increased imports;

(b) a precise description of the originating good subject to the bilateral safeguard measure, including its heading or subheading under the HS Code on which the schedules of tariff commitments in Annex 2 are based;

(c) a precise description of the bilateral safeguard measure;

(d) the date of the introduction of the bilateral safeguard measure, its expected duration and, if applicable, a timetable for progressive liberalisation of the measure in accordance with Article 5.11(3); and

(e) in the event of an extension of the bilateral safeguard measure, evidence that the domestic industry concerned is adjusting.

4. On request of a Party whose good is subject to a safeguard procedure under this Section, the Party conducting that procedure shall enter into consultations with the requesting Party to review a notification under paragraph 1 or any public notice or report that the competent investigating authority has issued in relation to the safeguard procedure.

5. Each Party shall ensure that its competent investigating authority completes any investigation pursuant to this Article within 12 months of the date of its initiation.

Article 5.19. Confidential Information

1. Any information which is by nature confidential or which is provided on a confidential basis shall, upon good cause being shown, be treated as confidential by the competent investigating authority. Such information shall not be disclosed without the permission of the interested party submitting it.

2. Interested parties providing confidential information are requested to furnish non-confidential summaries thereof or, if such parties indicate that the information cannot be summarised, the reasons therefor. The summaries shall be sufficiently detailed to permit a reasonable understanding of the substance of the information submitted in confidence. However, if the competent investigating authority finds that a request for confidentiality is not warranted and if the interested party concerned is either unwilling to make the information public or to authorise its disclosure in generalised or summary form, the competent investigating authority may disregard such information, unless it can be demonstrated to the satisfaction of that authority, in view of information from appropriate sources, that the information is correct.

Article 5.20. Hearings

In the course of each safeguard procedure, the competent investigating authority shall:

(a) hold a public hearing, after providing reasonable notice, to allow all interested parties and any representative consumer association to appear in person or to be represented by counsel in order to present evidence and to be heard regarding the alleged serious injury or threat thereof, and the appropriate remedy; or

(b) provide an opportunity to all interested parties to be heard if they have submitted, within the period laid down in the notice of initiation referred to in Article 5.17(4), a written request showing that they are likely to be affected by the outcome of the investigation and that there are special reasons for them to be heard orally.

Article 5.21. Notifications, Examination In the Trade Committee and Publications

1. If a Party considers that one of the circumstances set out in Article 5.10(1) or 5.15(1) exists, it shall immediately refer the matter to the Trade Committee for examination. The Trade Committee may make any recommendation needed to remedy the circumstance which has arisen. If no recommendation has been made by the Trade Committee aimed at remedying the circumstance, or no other satisfactory solution has been reached within 30 days of the date on which the Party refers the matter to the Trade Committee, the importing Party may adopt appropriate bilateral safeguard measures to remedy the circumstance in accordance with this Section.

2. For the purposes of paragraph 1, the importing Party shall provide the exporting Party with all relevant information, including evidence of serious injury or threat thereof to domestic producers of the like and directly competitive good, caused by increased imports, a precise description of the good involved, and the proposed bilateral safeguard measure, its proposed date of imposition and expected duration.

3. The Party that adopts the bilateral safeguard measure shall publish its findings and reasoned conclusions reached on all pertinent issues of fact and law in the official journal of that Party, including the description of the imported good and the situation which has given rise to the imposition of measures in accordance with Article 5.10(1) or 5.15(1), the causal link between such situation and the increased imports, and the form, level and duration of the measures.

Article 5.22. Acceptance of Documents In English In Safeguard Procedures

In order to facilitate the submission of documents in safeguard procedures, the competent investigating authority of the Party in charge of the procedure shall accept documents submitted in English by interested parties, provided that those parties submit later, within a longer deadline set by the competent authority, a translation of the documents into the language of the safeguard procedure.

Chapter 6. SANITARY AND PHYTOSANITARY MEASURES

Article 6.1. Objectives

The objectives of this Chapter are:

(a) to safeguard human, animal and plant health in the territories of the Parties whilst facilitating trade in animals, animal products, plants, plant products and other products covered by sanitary and phytosanitary ("SPS") measures, between the Parties, by:

(i) improving transparency, communication and cooperation on SPS measures between the Parties;

(ii) establishing mechanisms and procedures for trade facilitation; and

(iii) further implementing the principles of the SPS Agreement;

(b) to cooperate in multilateral fora and on food safety, animal health and plant protection science;

(c) to cooperate on other sanitary or phytosanitary matters or in other fora.

Article 6.2. Multilateral Obligations

The Parties reaffirm their rights and obligations under the WTO Agreement and, in particular, the SPS Agreement. Those rights and obligations shall underpin the activities of the Parties under this Chapter.

Article 6.3. Scope

This Chapter applies to:

(a) all SPS measures as defined in Annex A to the SPS Agreement in so far as they affect trade between the Parties;

(b) cooperation in multilateral fora recognised in the framework of the SPS Agreement;

(c) cooperation on food safety, animal health and plant protection science; and

(d) cooperation on any other sanitary or phytosanitary matter in any other fora, as the Parties may agree.

Article 6.4. Definitions

For the purposes of this Chapter and Annexes 6-A to 6-H:

(a) the definitions in Annex A to the SPS Agreement, as well as those in the Codex Alimentarius, within the framework of the World Organisation for Animal Health and in the International Plant Protection Convention, done at Rome on 17 November 1997, apply; and

(b) "protected zone" means, for a specific regulated pest, an officially defined geographical part of the territory of a Party in which that pest is known not to be established in spite of favourable conditions and its presence in other parts of the territory of that Party.

Article 6.5. Competent Authorities

1. The competent authorities of the Parties are the authorities responsible for the implementation of the measures referred to in this Chapter, as set out in Annex 6-A.

2. In accordance with Article 6.12, the Parties shall inform each other of any significant changes in the structure, organisation or division of competences of their competent authorities.

Article 6.6. Recognition of Status In Respect of Animal Diseases and Infections In Animals, and In Respect of Pests

1. The following applies to status in respect of animal diseases and infections in animals, including zoonoses:

(a) the importing Party shall recognise for trade purposes the animal health status of the exporting Party or its regions, as determined by the exporting Party in accordance with subparagraph (a)(i) of paragraph 1 of Annex 6-C, in respect of the animal diseases specified in Appendix 6-B-1;

(b) where a Party considers that its territory or any of its regions has a special status in respect of a specific animal disease other than the animal diseases set out in Appendix 6-B-1, it may request recognition of that status in accordance with the criteria set out in paragraph 3 of Annex 6-C; the importing Party may require guarantees in respect of imports of live animals and animal products which are appropriate with regard to the agreed status of that Party;

(c) the Parties recognise that the status of the territories or regions, or the status of a sector or sub-sector of the Parties, related to the prevalence or incidence of an animal disease other than the animal diseases set out in Appendix 6-B-1, or of infections in animals, or their associated risk, as appropriate, as defined by the international standard-setting organisations recognised in the framework of the SPS Agreement, constitutes the basis of trade between them; the importing Party may, as appropriate, request guarantees in respect of imports of live animals and animal products which are appropriate with regard to the defined status of that Party in accordance with the recommendations of the standard-setting organisations; and

(d) without prejudice to Articles 6.9 and 6.15, and unless the importing Party raises an explicit objection and requests supportive or additional information, consultations or verification in accordance with Articles 6.11 and 6.14, each Party shall adopt, without undue delay, the legislative and administrative measures necessary to allow trade on the basis of subparagraphs (a), (b) and (c) of this paragraph.

2. The following applies to status in respect of pests:

(a) the Parties recognise for trade purposes the pest status in respect of the pests specified in Appendix 6-B-2; and

(b) without prejudice to Articles 6.9 and 6.15, and unless the importing Party raises an explicit objection and requests supportive or additional information, consultations or verification in accordance with Articles 6.11 and 6.14, each Party shall, without undue delay, take the legislative and administrative measures necessary to allow trade on the basis of subparagraph (a) of this paragraph.

Article 6.7. Recognition of Regionalisation Decisions In Respect of Animal Diseases and Infections In Animals and of Pests

1. The Parties recognise the concept of regionalisation, and shall apply it to trade between them.

2. Regionalisation decisions in respect of terrestrial and aquatic animal diseases listed in Appendix 6-B-1 and pests listed in Appendix 6-B-2 shall be adopted in accordance with Annex 6-C.

3. As regards animal diseases, and in accordance with Article 6.14, the exporting Party seeking recognition by the importing Party of a regionalisation decision shall notify its measures establishing regionalisation with a full explanation and supporting data for its determinations and decisions.

4. Without prejudice to Article 6.15, and unless the importing Party raises an explicit objection and requests additional information, consultations or verification in accordance with Articles 6.11 and 6.14 within 15 working days of the receipt of the regionalisation decision, the Parties shall consider that decision as accepted.

5. The consultations referred to in paragraph 4 of this Article shall take place in accordance with Article 6.14(2). The importing Party shall assess the additional information within 15 working days of the receipt of the additional information. The verification referred to in paragraph 4 of this Article shall be carried out in accordance with Article 6.11 and within 25 working days of the receipt of the request for verification.

6. As regards pests, each Party shall ensure that trade in plants, plant products and other products takes account of the pest status recognised by the other Party. The exporting Party seeking recognition of a regionalisation decision by the other Party shall notify the other Party of its measures and decisions, as guided by the relevant International Standards for Phytosanitary Measures of the Food and Agriculture Organisation of the United Nations ("FAO"), including 4 "Requirements for the establishment of pest free areas", 8 "Determination of pest status in an area", and other international standards for phytosanitary measures as the Parties deem appropriate. Without prejudice to Article 6.15, and unless a Party raises an explicit objection and requests additional information, consultations or verification in accordance with Articles 6.11 and 6.14 within three months of the receipt of the regionalisation decision, the Parties shall consider that decision as accepted.

7. The consultations referred to in paragraph 4 of this Article shall take place in accordance with Article 6.14(2). The importing Party shall assess any additional information within three months of the receipt of such additional information. Each Party shall carry out the verification referred to in paragraph 4 of this Article in accordance with Article 6.11 and within 12 months of the receipt of a request for verification, taking into account the biology of the pest and the crop concerned.

8. After finalisation of the procedures set out in paragraphs 2 to 7 of this Article, and without prejudice to Article 6.15, each Party shall, without undue delay, take the legislative and administrative measures necessary to allow trade on that basis.

Article 6.8. Recognition of Equivalence

1. The Parties may recognise equivalence in relation to an individual measure, a group of measures or systems applicable to a sector or sub-sector.

2. For the purpose of the recognition of equivalence, the Parties shall follow the consultation process referred to in paragraph 3. That process shall include an objective demonstration of equivalence by the exporting Party and an objective assessment of that demonstration by the importing Party with a view to the possible recognition of equivalence by the importing Party.

3. The Parties shall, within three months of the receipt by the importing Party of a request by the exporting Party for

recognition of equivalence of one or more measures affecting one or more sectors or sub-sectors, initiate a consultation process which shall include the steps set out in Annex 6-E. In the event of multiple requests by the exporting Party, the Parties shall, on request of the importing Party, agree within the Sub-Committee referred to in Article 6.16 on a time schedule in accordance with which they shall initiate the process referred to in this paragraph.

4. Unless otherwise agreed, the importing Party shall finalise the assessment of equivalence, as set out in Annex 6-E, no later than 180 days after having received from the exporting Party its demonstration of equivalence as set out in that Annex. As an exception in the case of seasonal crops, it is justifiable to finalise the assessment of equivalence at a later time, if necessary in order to allow for the verification of phytosanitary measures during a suitable period of growth of a crop.

5. The priority sectors or sub-sectors of each Party for which a consultation process as referred to in paragraph 3 of this Article may be initiated, are to be set out, where appropriate in order of priority, in Appendix 6-E-1. The Sub-Committee referred to in Article 6.16 may recommend that the Trade Council amend that list, including the order of priority.

6. The importing Party may withdraw or suspend a recognition of equivalence on the basis of an amendment by one of the Parties of measures affecting the equivalence concerned, provided that the following procedures are followed:

(a) in accordance with Article 6.13, the exporting Party shall inform the importing Party of any proposed amendment to a measure of the exporting Party for which equivalence is recognised and the likely effect of the proposed amendment on that equivalence; within 30 working days of the receipt of that information, the importing Party shall inform the exporting Party whether that equivalence would continue to be recognised on the basis of the proposed amendment; and

(b) in accordance with Article 6.13, the importing Party shall inform the exporting Party of any proposed amendment to a measure of the importing Party on which a recognition of equivalence has been based and the likely effect of the proposed amendment on that recognition of equivalence; if the importing Party does not continue to recognise that equivalence, the Parties may jointly establish the conditions for reinitiating the process referred to in paragraph 3 of this Article on the basis of the proposed amendment.

7. Without prejudice to Article 6.15, the importing Party shall not withdraw or suspend a recognition of equivalence before the proposed amendment of either Party enters into force.

8. The recognition of equivalence, or the withdrawal or suspension of a recognition of equivalence, rests solely with the importing Party acting in accordance with its administrative and legislative framework including, as regards plants, plant products and other goods, appropriate communications in accordance with the FAO International Standard for Phytosanitary Measures 13 "Guidelines for the notification of non-compliances and emergency action" and other international standards for phytosanitary measures, as appropriate. The importing Party shall provide the exporting Party with a full explanation in writing and the supporting data in respect of the determinations and decisions covered by this Article. In case of non-recognition of equivalence, or withdrawal or suspension of a recognition of equivalence, the importing Party shall inform the exporting Party of the conditions for reinitiating the process referred to in paragraph 3.

Article 6.9. Transparency and Trade Conditions

1. The Parties shall apply general import conditions. Without prejudice to the decisions taken in accordance with Article 6.7, the import conditions of the importing Party shall be applicable to the territory of the exporting Party. In accordance with Article 6.13, the importing Party shall inform the exporting Party of its SPS import requirements. That information shall include, as appropriate, the models for any official certificates or attestations required by the importing Party.

2. Each Party shall, for the notification of amendments or proposed amendments to the conditions referred to in paragraph 1 of this Article, comply with Article 7 of and Annex B to the SPS Agreement and subsequent decisions adopted by the WTO Committee on Sanitary and Phytosanitary Measures. Without prejudice to Article 6.15, the importing Party shall take into account the transport time between the territories of the Parties when establishing the date of entry into force of any amendments to the conditions referred to in paragraph 1 of this Article.

3. If the importing Party fails to comply with the notification requirements referred to in paragraph 2, it shall continue to accept, for 30 days after the date of entry into force of the amendment concerned, any official certificate or attestation guaranteeing the import conditions applicable prior to that amendment.

4. When Chile grants market access to one or more sectors or sub-sectors of the European Union in accordance with the conditions referred to in paragraph 1, Chile shall approve any subsequent export requests submitted by the Member States on the basis of a comprehensive dossier of information available to the European Commission, known as the Country profile, unless Chile, in limited specific circumstances and when deemed appropriate, requests additional information.

5. Within 90 days of a recognition of equivalence in accordance with Article 6.8, a Party shall take the legislative and

administrative measures necessary to implement that recognition of equivalence in order to allow trade between the Parties in sectors and sub-sectors in which the importing Party recognises all SPS measures of the exporting Party as equivalent. For the animals, animal products, plants, plant products and other products covered by the SPS measures concerned, the model for the official certificate or official document required by the importing Party may be replaced by a certificate as provided for in Annex 6-H.

6. For the products referred to in paragraph 5 in sectors or sub-sectors for which one or some but not all measures are recognised as equivalent, the Parties shall continue trade between them on the basis of compliance with the conditions referred to in paragraph 1. On request of the exporting Party, paragraph 7 shall apply.

7. For the purposes of this Chapter, the importing Party shall not subject imports of products of the other Party to import licences.

8. As regards general import conditions affecting trade between the Parties, the Parties shall, on request of the exporting Party, enter into consultations in accordance with Article 6.14, in order to establish alternative or additional import conditions of the importing Party. The Parties shall, if appropriate, base those alternative or additional import conditions on measures of the exporting Party recognised as equivalent by the importing Party. If the Parties agree on alternative or additional import conditions, the importing Party shall, within 90 days of their establishment, take the legislative or administrative measures necessary to allow imports on that basis.

9. As regards imports of animals, animal products, products of animal origin and animal by-products, the importing Party shall, on request of the exporting Party accompanied by the appropriate guarantees, approve, without prior inspection, and in accordance with Annex 6-D, establishments which are situated on the territory of the exporting Party. Unless the exporting Party requests additional information, the importing Party shall, within 30 working days of the receipt of the request for approval accompanied by the appropriate guarantees, take the legislative or administrative measures necessary to allow imports on that basis.

10. The initial list of establishments shall be approved by a Party in accordance with Annex 6-D.

11. On request of a Party, the other Party shall provide a full explanation and supporting data for the determinations and decisions covered by this Article.

Article 6.10. Certification Procedures

1. For the purposes of certification procedures, the Parties shall comply with the principles and criteria set out in Annex 6-H.

2. A Party shall issue the certificates or official documents referred to in paragraphs 1, 5 and 6 of Article 6.9 as set out in Annex 6-H.

3. The Sub-Committee referred to in Article 6.16 may recommend that the Trade Committee or Trade Council adopt a decision establishing rules to be followed in the case of electronic certification, or withdrawal or replacement of certificates.

Article 6.11. Verification

1. For the purposes of the effective implementation of this Chapter, each Party shall have the right:

(a) to carry out, in accordance with the guidelines set out in Annex 6-F, a verification of all or a part of the total control programme of the competent authorities of the other Party; the expenses of that verification shall be borne by the Party carrying out the verification;

(b) as from a date to be determined by the Parties, to request from the other Party all or a part of that Party's total control programme and a report concerning the results of the controls carried out under that programme; and

(c) for laboratory tests related to products of animal origin, to request the participation of the other Party in the periodical inter-comparative test programme for specific tests organised by the reference laboratory of the requesting Party; the costs related to that participation shall be borne by the participating Party.

2. Each Party may share the results and conclusions of its verifications with third countries and make them publicly available.

3. The Sub-Committee referred to in Article 6.16 may recommend that the Trade Council amends Annex 6-F, taking due account of relevant work carried out by international organisations.

4. The results of the verifications referred to in this Article may contribute to measures by a Party or the Parties referred to in Articles 6.6 to 6.9 and 6.12.

Article 6.12. Import Checks and Inspection Fees

1. Import checks conducted by the importing Party on consignments from the exporting Party shall respect the principles set out in Annex 6-G. The results of those checks may contribute to the verification process referred to in Article 6.11.

2. The frequency rates of physical import checks applied by each Party are set out in Annex 6-G. The Sub-Committee referred to in Article 6.16 may recommend that the Trade Council amend Annex 6-G.

3. A Party may deviate from the frequency rates set out in Annex 6-G, within its competences and in accordance with its laws and regulations, as a result of progress made in accordance with Articles 6.8 and 6.9, or as a result of verifications, consultations or other measures provided for in this Chapter.

4. Inspection fees shall not exceed the costs incurred by the competent authority for performing import checks and shall be equitable in relation to fees charged for the inspection of similar domestic products.

5. The importing Party shall inform the exporting Party of any amendment, including the reasons for that amendment, to the measures affecting import checks and inspection fees and of any significant changes in the administrative procedure for those checks.

6. For the products referred to in Article 6.9(5), the Parties may agree to reciprocally reduce the frequency of physical import checks.

7. The Sub-Committee may recommend to the Trade Council the conditions for approval of each Party's import checks with a view to adapting their frequency or replacing them, to be applicable as of a certain date. Those conditions shall be included in Annex 6-G by a decision of the Trade Council. As from that date, the Parties may approve each other's import checks for certain products with a view to reducing their frequency or replacing them.

Article 6.13. Information Exchange

1. The Parties shall exchange information relevant to the implementation of this Chapter on a systematic basis with a view to developing standards, providing assurance, engendering mutual confidence and demonstrating the effectiveness of the programmes controlled. If appropriate, the exchange of information may include exchange of officials.

2. The Parties shall also exchange information on other relevant topics, including:

(a) significant events concerning products covered by this Chapter, including the information exchange provided for in Articles 6.8 and 6.9;

(b) the results of the verification procedures provided for in Article 6.11;

(c) the results of the import checks provided for in Article 6.12 in the case of rejected or non- compliant consignments of animals and animal products;

(d) scientific opinions relevant to this Chapter and produced under the responsibility of a Party; and

(e) rapid alerts relevant to trade within the scope of this Chapter.

3. A Party shall submit scientific papers or data to the relevant scientific forum to substantiate any views or claims made in respect of a matter arising under this Chapter for evaluation in a timely manner. The results of that evaluation shall be made available to the Parties.

4. When the information referred to in this Article has been made available by a Party by notification to the WTO in accordance with Article 7 of and Annex B to the SPS Agreement, or on its official, publicly accessible and fee-free website, the information provided for in this Article shall be considered as exchanged.

5. For pests of known and immediate danger to a Party, direct communication to that Party shall be made by mail or e-mail. The Parties shall follow the guidance provided by the FAO International Standard for Phytosanitary Measures 17 "Pest reporting".

6. The Parties shall exchange the information referred to in this Article via e-mail, fax or mail.

Article 6.14. Notification and Consultations

1. A Party shall, within two working days of any serious or significant human, animal or plant health risk, including food control emergencies or situations where there is a clearly identified risk of serious health effects associated with the consumption of animal or plant products, notify the other Party of that risk and in particular of the following:

(a) measures affecting regionalisation decisions as referred to in Articles 6.7;

(b) the presence or evolution of an animal disease or pest listed in Annex 6-B;

(c) findings of epidemiological importance or important associated risks with respect to animal diseases and pests which are not listed in Annex 6-B, or which are new animal diseases or pests; and

(d) additional measures beyond the basic requirements of their respective measures taken to control or eradicate animal diseases or pests or to protect public health, and any changes in prophylactic policies, including vaccination policies.

2. Where a Party has serious concerns regarding a risk to human, animal or plant health, that Party may request consultations with the other Party regarding the situation. Those consultations shall take place as soon as possible and, in any case, within 13 working days of the request. In those consultations, each Party shall endeavour to provide all the information necessary to avoid a disruption in trade, and to reach a mutually acceptable solution consistent with the protection of human, animal or plant health.

3. A Party may request that the consultations referred to in paragraph 2 of this Article shall be held by video or audio conference. The requesting Party shall prepare the minutes of the consultations, which shall be subject to approval by the Parties. For the purposes of that approval, Article 6.13(6) applies.

Article 6.15. Safeguard Clause

1. If the exporting Party takes domestic measures to control a cause likely to constitute a serious risk to human, animal or plant health, that Party shall, without prejudice to paragraph 2, take equivalent measures to prevent the introduction of the risk into the territory of the importing Party.

2. The importing Party may, on the grounds of serious risk to human, animal or plant health, take provisional measures necessary for the protection of human, animal or plant health. For consignments that are in transport between the Parties when such provisional measures apply, the importing Party shall consider the most suitable and proportionate solution to avoid unnecessary disruptions to trade.

3. The Party taking measures as referred to in this Article shall notify the other Party thereof within one working day of the decision to implement those measures. Upon request of a Party and in accordance with Article 6.14(2), the Parties shall hold consultations regarding the situation within 13 working days of the notification. The Parties shall take due account of any information provided during those consultations and shall endeavour to avoid unnecessary disruptions to trade, considering, if applicable, the outcome of consultations under Article 6.14(2).

Article 6.16. Sub-Committee on Sanitary and Phytosanitary Measures

1. The Sub-Committee on Sanitary and Phytosanitary Measures ("Sub-Committee"), established pursuant to Article 33.4(1), shall be composed of representatives of the Parties with responsibility for SPS matters.

2. The Sub-Committee shall:

(a) monitor the implementation and consider matters relating to this Chapter, and examine all matters which may arise in relation to its implementation; and

(b) make recommendations to the Trade Council for amendments to Annexes pursuant to subparagraph (a) of Article 33.1(6), in particular in the light of progress made under the consultations and procedures provided for in this Chapter.

3. The Sub-Committee shall agree on the actions to take in pursuing the objectives of this Chapter. The Sub-Committee shall establish objectives and milestones for those actions. The Sub- Committee shall evaluate the results of those actions.

4. The Sub-Committee may recommend that the Trade Council or Trade Committee, pursuant to Article 33.4(2), establish technical working groups, as appropriate, consisting of expert-level representatives of each Party, which shall identify and address technical and scientific issues arising from the application of this Chapter.

5. The Sub-Committee may recommend that the Trade Council or Trade Committee adopt a decision on specific rules of procedures for this Sub-Committee in view of the specificity of SPS matters.

Article 6.17. Cooperation In Multilateral Fora

1. The Parties shall promote cooperation in multilateral fora relevant to SPS matters, in particular in international standard-setting organisations recognised in the framework of the SPS Agreement.

2. The Sub-Committee established in Article 6.16 shall be the relevant forum for exchange of information and cooperation on matters referred to in paragraph 1 of this Article.

Article 6.18. Cooperation on Food Safety, Animal Health and Plant Protection Science

1. The Parties shall endeavour to facilitate scientific cooperation between bodies of the Parties responsible for scientific evaluation in the areas of food safety, animal health and plant protection.

2. The Sub-Committee may recommend that the Trade Council or Trade Committee, pursuant to Article 33.4(2), establish a technical working group on scientific cooperation as referred to in paragraph 1 of this Article ("the working group"), consisting of expert-level representatives of the scientific bodies referred to in paragraph 1 of this Article, appointed by each Party.

3. The Trade Council or Trade Committee establishing the working group shall define the mandate, scope and work programme of that working group.

4. The working group may exchange information, including on:

(a) scientific and technical information; and

(b) data collection.

5. The work carried out by the working group shall not affect the independence of the national or regional agencies of each Party.

6. Each Party shall ensure that the representatives appointed pursuant to paragraph 2 are not affected by conflicts of interest under that Party's law.

Article 6.19. Territorial Application for the European Union

1. By way of derogation from Article 33.8, for the European Union this Chapter applies to the territories of Member States as laid down in Annex I to Regulation (EU) 2017/625 of the European Parliament and of the Council (1), and as regards plants, plant products and other goods, as laid down in Article 1(3) of Regulation (EU) 2016/2031 of the European Parliament and of the Council (2).

2. The Parties understand that as regards the territory of the European Union, its specificity shall be taken into account and the European Union shall be recognised as a single entity.

(1) Regulation (EU) 2017/625 of the European Parliament and of the Council of 15 March 2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products, amending Regulations (EC) No 999/2001, (EC) No 396/2005, (EC) No 1069/2009, (EC) No 1107/2009, (EU) No 1151/2012, (EU) No 652/2014, (EU) 2016/429 and (EU) 2016/2031 of the European Parliament and of the Council, Council Regulations (EC) No 1/2005 and (EC) No 1099/2009 and Council Directives 98/58/EC, 1999/74/EC, 2007/43/EC, 2008/119/EC and 2008/120/EC, and repealing Regulations (EC) No 854/2004 and (EC) No 882/2004 of the European Parliament and of the Council, Council Directives 89/608/EEC, 89/662/EEC, 90/425/EEC, 91/496/EEC, 96/23/EC, 96/93/EC and 97/78/EC and Council Decision 92/438/EEC (Official Controls Regulation) (OJ EU L 95, 7.4.2017, p. 1).

(2) Regulation (EU) 2016/2031 of the European Parliament of the Council of 26 October 2016 on protective measures against pests of plants, amending Regulations (EU) No 228/2013, (EU) No 652/2014 and (EU) No 1143/2014 of the European Parliament and of the Council and repealing Council Directives 69/464/EEC, 74/647/EEC, 93/85/EEC, 98/57/EC, 2000/29/EC, 2006/91/EC and 2007/33/EC (OJ EU L 317, 23.11.2016, p. 4).

Chapter 7. COOPERATION ON SUSTAINABLE FOOD SYSTEMS

Article 7.1. Objective

The objective of this Chapter is to establish close cooperation between the Parties to engage in the transition towards sustainability of their respective food systems. The Parties recognise the importance of strengthening policies and defining programmes that contribute to the development of sustainable, inclusive, healthy and resilient food systems and of the role of trade in pursuing that objective.

Article 7.2. Scope

1. This Chapter applies to cooperation between the Parties to improve the sustainability of their respective food systems.

2. This Chapter sets out provisions for cooperation on specific aspects of sustainable food systems, including:

(a) the sustainability of the food chain and reduction of food loss and waste;

(b) the fight against food fraud in the food chain;

(c) animal welfare;

(d) the fight against antimicrobial resistance; and

(e) the reduction of the use of fertilizers and chemical pesticides for which a risk assessment has shown that they cause unacceptable risks to health or the environment.

3. This Chapter also applies to the cooperation of the Parties in multilateral fora.

4. This Chapter applies without prejudice to the application of other Chapters related to food systems or to sustainability, in particular Chapters 6, 9 and 26.

Article 7.3. Definitions

1. For the purposes of this Chapter:

(a) "food chain" means all the steps from primary production to sale to the final consumer, including production, processing, manufacturing, transport, import, storage, distribution and sale to the final consumer;

(b) "primary production" means the production, rearing or growing of primary products, including harvesting, milking and farm animal production prior to slaughter, as well as hunting and fishing and the harvesting of wild products; and

(c) "sustainable food system" means a food system that provides safe, nutritious and sufficient food for all without compromising the economic, social and environmental bases required to generate food security and nutrition for future generations; such a sustainable food system:

(i) is profitable (economic sustainability);

(ii) has broad-based benefits for society (social sustainability); and

(iii) has a positive or neutral impact on the natural environment, including on climate change (environmental sustainability).

Article 7.4. Sustainability of the Food Chain and Reduction In Food Loss and Waste

1. The Parties recognise the interlinkage between current food systems and climate change. The Parties shall cooperate to reduce the adverse environmental and climate effects of food systems as well as to strengthen their resilience.

2. The Parties recognise that food loss and waste have a negative impact on the social, economic and environmental dimensions of food systems.

3. The Parties shall cooperate in areas which may include:

(a) sustainable food production, including agriculture, the improvement of animal welfare, the promotion of organic farming

and the reduction of the use of antimicrobials, fertilizers and chemical pesticides for which a risk assessment shows that they pose an unacceptable risk to health or the environment;

(b) sustainability of the food chain, including food production, processing methods and practices;

(c) healthy and sustainable diets, reducing the carbon footprint of consumption;

(d) decrease of the greenhouse gas emissions of food systems, increase of carbon sinks, and the reversal of biodiversity loss;

(e) innovation and technologies that contribute to adaptation and resilience to the impacts of climate change;

(f) development of contingency plans to ensure security of food supply in times of crisis; and

(g) reduction of food loss and waste in line with the Sustainable Development Goal 12, target 12.3, as defined in the 2030 Agenda.

4. Cooperation pursuant to this Article may include exchange of information, expertise and experiences, as well as cooperation in research and innovation.

Article 7.5. Fight Against Fraud In the Food Chain

1. The Parties recognise that fraud may affect the safety of the food chain, jeopardise the sustainability of food systems and undermine fair commercial practice, consumer confidence and the resilience of food markets.

2. The Parties shall cooperate to detect and avoid fraud in the food chain by:

(a) exchanging information and experiences to improve the detection and countering of fraud in the food chain; and

(b) providing assistance necessary to gather evidence of practices that are or appear to be non- compliant with their rules, or that pose a risk to human, animal or plant health or to the environment, or that mislead customers.

Article 7.6. Animal Welfare

1. The Parties recognise that animals are sentient beings and that the use of animals in food production systems comes with a responsibility for their wellbeing. The Parties shall respect trade conditions for farmed animals and animal products that are aimed to protect animal welfare.

2. The Parties aim to reach a common understanding on the international animal welfare standards of the World Organisation for Animal Health ("WOAH").

3. The Parties shall cooperate on the development and implementation of animal welfare standards on the farm, during transport, and at slaughter and killing of animals, in accordance with their law.

4. The Parties shall strengthen their research collaboration in the area of animal welfare to further develop science-based animal welfare standards.

5. The Sub-Committee referred to in Article 7.8 may address other matters in the area of animal welfare.

6. The Parties shall exchange information, expertise and experiences in the area of animal welfare.

7. The Parties shall cooperate in WOAH and may cooperate in other international fora, with the aim of promoting further development of animal welfare standards and best practices and their implementation.

8. Pursuant to Article 33.4(2), the Trade Council or Trade Committee may establish a technical working group to support the Sub-Committee referred to in Article 7.8 in the implementation of this Article.

Article 7.7. Fight Against Antimicrobial Resistance

1. The Parties recognise that antimicrobial resistance is a serious threat to human and animal health and that the use, especially the misuse and overuse of antimicrobials in animals, contributes to the overall development of antimicrobial resistance and represents a major risk to public health. The Parties recognise that the nature of the threat requires a transnational approach.

2. Each Party shall phase out the use of antimicrobial medicinal products as growth promoters.

3. Each Party shall, in accordance with the One Health approach:

(a) have regard to existing and future guidelines, standards, recommendations and actions developed in relevant international organisations in the development of initiatives and national plans aiming to promote the prudent and responsible use of antimicrobials in animal production and in veterinary practice;

(b) promote, where the Parties jointly so decide, responsible and prudent use of antimicrobials, including reducing the use of antimicrobials in animal production and phasing out the use of antimicrobials as growth promoters in animal production; and

(c) support the development and implementation of international action plans on the fight against antimicrobial resistance, if the Parties consider that appropriate.

4. Pursuant to Article 33.4(2), the Trade Council or Trade Committee may establish a technical working group to support the Sub-Committee referred to in Article 7.8 in the implementation of this Article.

Article 7.8. Sub-Committee on Sustainable Food Systems

1. The Sub-Committee on Sustainable Food Systems ("Sub-Committee"), established pursuant to Article 33.4(1), shall be composed of representatives of the Parties with responsibility for sustainable food systems.

2. The Sub-Committee shall monitor the implementation of this Chapter and examine all matters which arise in relation to its implementation.

3. The Sub-Committee shall agree on the actions to take in pursuing the objectives of this Chapter. The Sub-Committee shall establish objectives and milestones for those actions and monitor the Parties' progress in establishing sustainable food systems. The Sub-Committee shall every period evaluate the results of the implementation of those actions.

4. The Sub-Committee may recommend to the Trade Council or Trade Committee, pursuant to Article 33.4(2), the establishment of technical working groups consisting of expert-level representatives of each Party in order to identify and address technical and scientific issues arising from the application of this Chapter.

5. The Sub-Committee shall recommend that the Trade Committee establish rules to mitigate potential conflicts of interest for the participants of the meetings of the Sub-Committee and those of any technical working group referred to in this Chapter. The Trade Committee shall adopt a decision establishing those rules.

Article 7.9. Cooperation In Multilateral Fora

1. The Parties shall cooperate, as appropriate, in multilateral fora to foster the global transition towards sustainable food systems that contribute to the achievement of internationally agreed objectives on the environment, nature and climate protection.

2. The Sub-Committee shall be the forum to exchange information and cooperate in the matters covered by paragraph 1 of this Article.

Article 7.10. Additional Provisions

1. The activities of the Sub-Committee shall not affect the independence of the national or regional agencies of the Parties.

2. Nothing in this Chapter shall affect the rights or obligations of each Party to protect confidential information, in accordance with the law of each Party. When a Party submits information considered confidential under its law to the other Party pursuant to this Chapter, that other Party shall treat that information as confidential, unless the submitting Party agrees otherwise.

3. Fully respecting each Party's right to regulate, nothing in this Chapter shall be construed as obliging a Party to:

(a) modify its import requirements;

(b) deviate from domestic procedures on the preparation and adoption of regulatory measures;

(c) take action that would undermine or impede the timely adoption of regulatory measures to achieve public policy objectives; or

(d) adopt any particular regulatory outcome.

Chapter 8. ENERGY AND RAW MATERIALS

Article 8.1. Objective

The objective of this Chapter is to promote dialogue and cooperation in the energy and raw materials sectors to the mutual benefit of the Parties, to foster sustainable and fair trade and investment ensuring a level playing field in those sectors, and to strengthen the competitiveness of related value chains, including value addition, in accordance with this Agreement.

Article 8.2. Principles

1. Each Party retains the sovereign right to determine whether areas within its territory, as well as in the exclusive economic zone, are available for exploration, production and transportation of energy goods and raw materials.

2. In accordance with this Chapter, the Parties reaffirm their right to regulate within their respective territories in order to achieve legitimate policy objectives in the areas of energy and raw materials.

Article 8.3. Definitions

For the purposes of this Chapter and Annexes 8-A and 8-B:

(a) "authorisation" means the permission, licence, concession or similar administrative or contractual instrument by which the competent authority of a Party entitles an entity to exercise a certain economic activity in its territory in compliance with the requirements set out in the authorisation;

(b) "balancing" means all actions and processes, in all timelines, through which system operators ensure, in a continuous way, maintenance of the system frequency within a predefined stability range and compliance with the amount of reserves needed with respect to the required quality;

(c) "energy goods" means the goods from which energy is generated and that are listed by the corresponding HS code in Annex 8-A;

(d) "hydrocarbons" means the goods listed by the corresponding HS code in Annex 8-A;

(e) "raw materials" means: substances used in the manufacture of industrial products, including ores, concentrates, slags, ashes and chemicals; unwrought, processed and refined materials; metal waste; scrap and remelting scrap, listed by the corresponding HS chapter in Annex 8-A;

(f) "renewable energy" means energy produced from solar, wind, hydro, geothermal, biological or ocean sources or other renewable ambient sources;

(g) "renewable fuels" means biofuels, bioliquids, biomass fuels and renewable fuels of non- biological origin, including renewable synthetic fuels and renewable hydrogen;

(h) "standards" means standards within the meaning of Chapter 9;

(i) "system operator" means:

(i) for the European Union: a person that is responsible for operating, and ensuring the maintenance and development of, the electricity distribution or transmission system in a given area, and for ensuring the long-term ability of such systems; and

(ii) for Chile: an independent body responsible for coordinating the operation of interconnected electrical systems, which ensures the efficient economic performance and safety and reliability of the electric system and provides open access to the transmission system; and

(j) "technical regulations" means technical regulations within the meaning of Chapter 9.

Article 8.4. Import and Export Monopolies

A Party shall not designate or maintain a designated import or export monopoly. For the purposes of this Article, the term

"import or export monopoly" means the exclusive right or grant of authority by a Party to an entity to import energy goods or raw materials from, or export energy goods or raw materials to, the other Party (1).

(1) For greater certainty, this Article is without prejudice to Chapters 10, 11 and 22 and the schedules in Annexes 10-A to 10-C and 22, and does not apply to a right that results from granting an intellectual property right.

Article 8.5. Export Pricing (2)

1. A Party shall not impose a higher price for exports of energy goods or raw materials to the other Party than the price charged for such goods when destined for the domestic market, by means of any measure, including licences or minimum price requirements.

2. Notwithstanding paragraph 1 of this Article, Chile may introduce or maintain measures with the objective of fostering value addition by supplying raw materials to industrial sectors at preferential prices so that they can emerge within Chile, provided that such measures satisfy the conditions set out in Annex 8-B.

(2) For greater certainty, this Article is without prejudice to Annex 22.

Article 8.6. Domestic Regulated Prices

1. The Parties recognise the importance of competitive energy markets in delivering a wide choice in the supply of energy goods and in enhancing consumer welfare. The Parties also recognise that regulatory needs and approaches may differ between markets.

2. Further to paragraph 1, each Party shall, in accordance with its laws and regulations, ensure that the supply of energy goods is based on market principles.

3. A Party may only regulate the price charged for the supply of energy goods by imposing a public service obligation.

4. If a Party imposes a public service obligation, it shall ensure that such obligation is clearly defined, transparent and non-discriminatory, and does not go beyond what is necessary to achieve the objectives of the public service obligation.

Article 8.7. Authorisation for Exploration and Production of Energy Goods and Raw Materials

1. Without prejudice to Chapter 13, if a Party requires an authorisation to explore or produce energy goods and raw materials, that Party shall ensure that such authorisation is granted following a public and non-discriminatory procedure (1).

2. That Party shall publish, inter alia, the type of authorisation, the relevant area or part thereof, and the proposed date or time limit for granting the authorisation, in such a manner as to enable potentially interested applicants to submit applications.

3. A Party may derogate from paragraph 2 of this Article and Article 13.3 in any of the following cases relating to hydrocarbons:

(a) the area has been subject to a previous procedure which has not resulted in an authorisation being granted;

(b) the area is available on a permanent basis for the exploration or production of energy goods and raw materials; or

(c) an authorisation granted has been relinquished before its expiration date.

4. Each Party may require an entity which has been granted an authorisation to pay a financial contribution or a contribution in kind. The financial contribution or contribution in kind shall be fixed in such a manner as to not interfere with the management and the decision-making process of such entity.

5. Each Party shall ensure that the applicant, where its application is rejected, is provided with the reasons for the rejection so as to enable that applicant to have recourse to procedures for appeal or review where necessary. The procedures for appeal or review shall be made public in advance.

(1) For greater certainty, in the event of any inconsistency between this Article and Chapters 10 and 11 and Annexes 10-A, 10-B and 10-C, those

Chapters and Annexes shall prevail to the extent of the inconsistency.

Article 8.8. Assessment of Environmental Impact

1. A Party shall ensure that an assessment of environmental impact (1) is carried out prior to granting authorisation for a project or activity relating to energy or raw materials that may have a significant impact on population, human health, biodiversity, land, soil, water, air or climate, or cultural heritage or landscape. That assessment shall identify and assess such significant impacts.

2. Each Party shall ensure that relevant information is available to the public as part of the process for the assessment of environmental impact, and shall provide time and opportunity to the public to participate in that process and to submit comments.

3. Each Party shall publish and take into account the findings of the assessment of environmental impact prior to granting the authorisation for the project or activity.

(1) For Chile, "assessment of environmental impact" means the study of the environmental impact, as defined in Law 19.300 Title 1, Article 2, literal (i), or its successor, and as regulated by Article 11 of the same Law.

Article 8.9. Third-party Access to Energy Transport Infrastructure

1. Each Party shall ensure that system operators in its territory grant non-discriminatory access to the energy infrastructure for the transport of electricity to any entity of a Party. To the furthest extent possible, access to the electricity transport infrastructure shall be granted within a reasonable period of time of the date of the request for access by that entity.

2. Each Party shall enable, in accordance with its laws and regulations, an entity of a Party to access and use the electricity transport infrastructure for the transport of electricity on reasonable and non-discriminatory terms and conditions, including non-discrimination between types of electricity sources, and at cost-reflective tariffs. Each Party shall publish the terms and conditions for the access to, and use of, the electricity transport infrastructure.

3. Notwithstanding paragraph 1, a Party may introduce or maintain in its laws and regulations specific derogations from the right to third-party access on the basis of objective criteria provided that they are necessary to fulfil a legitimate policy objective. Such derogations shall be published before they start to apply.

4. The Parties recognise the relevance of the rules set out in paragraphs 1, 2 and 3 also to gas infrastructure. A Party that does not apply such rules with regard to gas infrastructure shall endeavour to do so, in particular with regard to transport of renewable fuels, while acknowledging differences in market maturity and organisation.

Article 8.10. Access to Infrastructure for Suppliers of Electricity Produced from Renewable Energy Sources

1. Without prejudice to Articles 8.7, 8.9 and 8.11, each Party shall ensure that renewable energy suppliers of the other Party are accorded access to, and use of, the electricity network for renewable electricity generation facilities located within its territory on reasonable and non-discriminatory terms and conditions.

2. For the purposes of paragraph 1, each Party shall ensure, in accordance with its laws and regulations, that its transmission undertakings and system operators, with respect to renewable electricity suppliers of the other Party:

(a) enable a connection between new renewable electricity generation facilities and the electricity network without imposing discriminatory terms and conditions;

(b) enable the reliable use of the electricity network;

(c) provide balancing services; and

(d) ensure that appropriate grid and market-related operational measures are in place in order to minimise the curtailment of electricity produced from renewable energy sources.

3. Paragraph 2 is without prejudice to each Party's legitimate right to regulate within its territory in order to achieve legitimate policy objectives, such as the need to maintain the secure operation and stability of the electricity system, based

on objective and non-discriminatory criteria.

Article 8.11. Independent Body

1. Each Party shall maintain or establish a functionally independent body or bodies that:

(a) fix or approve the terms and conditions and tariffs for access to, and use of, the electricity network; and

(b) resolve disputes regarding appropriate terms and conditions and tariffs for access to, and use of, the electricity network within a reasonable period of time.

2. In performing their duties and exercising their powers set out in paragraph 1, the body or bodies shall act transparently and impartially with regard to users, owners and system operators of the electricity network.

Article 8.12. Cooperation on Standards

1. With a view to preventing, identifying and eliminating unnecessary technical barriers to trade in energy goods and raw materials, Chapter 9 applies to those goods and materials.

2. In accordance with Articles 9.4 and 9.6, the Parties shall, as appropriate, promote cooperation between their relevant regulatory and standardising bodies in areas such as energy efficiency, sustainable energy and raw materials, with a view to contributing to trade, investment, and sustainable development, inter alia, through:

(a) the convergence or harmonisation, if possible, of their respective current standards, based on mutual interest and reciprocity, and in line with modalities to be agreed by the regulators and the standardising bodies concerned;

(b) joint analyses, methodologies and approaches, if possible, to assist and facilitate the development of relevant tests and measurement standards, in cooperation with their relevant standardising bodies;

(c) the development of common standards, if possible, on energy efficiency and renewable energy; and

(d) the promotion of standards on raw materials, renewable energy generation and energy efficiency equipment, including product design and labelling, if appropriate, through existing international cooperation initiatives.

3. For the purposes of implementing this Chapter, the Parties aim to encourage the development and use of open standards and interoperability of networks, systems, devices, applications or components in the energy and raw materials sectors.

Article 8.13. Research, Development and Innovation

The Parties recognise that research, development and innovation are key elements to further develop efficiency, sustainability and competitiveness in the energy and raw materials sectors. The Parties shall cooperate, as appropriate, inter alia, in:

(a) promoting the research, development, innovation and dissemination of environmentally sound and cost-effective technologies, processes and practices in the areas of energy and raw materials;

(b) promoting value addition, to the mutual benefit of the Parties, and enhancement of productive capacity in energy and raw materials; and

(c) strengthening capacity building in the context of research, development and innovation initiatives.

Article 8.14. Cooperation on Energy and Raw Materials

1. The Parties shall cooperate, as appropriate, in the areas of energy and raw materials with a view to, inter alia:

(a) reducing or eliminating measures that in themselves or together with other measures could distort trade and investment, including measures of a technical, regulatory or economic nature affecting energy or raw materials sectors;

(b) discussing, whenever possible, their positions in international fora where relevant trade and investment issues are discussed, and fostering international programmes in the areas of energy efficiency, renewable energy and raw materials; and

(c) promoting responsible business conduct in accordance with international standards that have been endorsed or are

supported by the Parties, such as the OECD Guidelines for Multinational Enterprises and, in particular, Chapter IX thereof on Science and Technology.

Thematic cooperation on energy

2. The Parties recognise the need to accelerate the deployment of renewable and low carbon energy sources, increase energy efficiency and promote innovation, and to ensure access to safe, sustainable and affordable energy. The Parties shall cooperate on any relevant issue of mutual interest, such as:

(a) renewable energy, in particular with regard to technologies, integration into and access to the electricity system, storage and flexibility, and the whole renewable hydrogen supply chain;

(b) energy efficiency, including regulation, best practices, and efficient and sustainable heating and cooling systems;

(c) electromobility and charging infrastructure deployment; and

(d) open and competitive energy markets.

Thematic cooperation on raw materials

3. The Parties recognise their shared commitment to responsible sourcing and sustainable production of raw materials, and their mutual interest in facilitating the integration of raw materials value chains. The Parties shall cooperate on any relevant issue of mutual interest, such as:

(a) responsible mining practices and sustainability of raw materials value chains, including the contribution of raw materials value chains to the fulfilment of the UN Sustainable Development Goals;

(b) raw materials value chains, including value addition; and

(c) identification of areas of mutual interest for cooperation on research, development and innovation activities covering the entire raw materials value chain, including cutting-edge technologies, smart mining and digital mines.

4. When developing cooperation activities, the Parties shall take into account available resources. Activities may be carried out in person or by any technological means available to the Parties.

5. Cooperation activities may be developed and implemented with the participation of international organisations, global fora and research institutions, as agreed between the Parties.

Article 8.15. Energy Transition and Renewable Fuels

1. For the purpose of implementing this Chapter, the Parties recognise the important contribution of renewable fuels, inter alia, renewable hydrogen, including their derivatives, and renewable synthetic fuels, in reducing greenhouse gas emissions to address climate change.

2. In accordance with Article 8.12(2), the Parties shall, as appropriate, cooperate on convergence or harmonisation, if possible, of certification schemes for renewable fuels, such as schemes with regard to lifecycle emissions and safety standards.

3. Regarding renewable fuels, the Parties shall also cooperate with a view to:

(a) identifying, reducing and eliminating, as appropriate, measures that may distort bilateral trade, including measures of a technical, regulatory and economic nature;

(b) fostering initiatives that facilitate bilateral trade to promote the production of renewable hydrogen; and

(c) promoting the use of renewable fuels considering their contribution to the reduction of greenhouse gas emissions.

4. The Parties shall, as appropriate, encourage the development and implementation of international standards and regulatory cooperation with respect to renewable fuels, and cooperate in relevant international fora with a view to developing relevant certification schemes that avoid the emergence of unjustified barriers to trade.

Article 8.16. Exception for Small and Isolated Electricity Systems

1. For the purpose of implementing this Chapter, the Parties recognise that their laws and regulations may provide for special regimes for small and isolated electricity systems.

2. Pursuant to paragraph 1, a Party may maintain, adopt or enforce measures with regard to small and isolated electricity systems that derogate from Articles 8.6, 8.7, 8.9, 8.10 and 8.11, provided that such measures do not constitute disguised restrictions to trade or investment between the Parties.

Article 8.17. Sub-Committee on Trade In Goods

1. The Sub-Committee on Trade in Goods ("Sub-Committee"), established pursuant to Article 33.4(1), shall be responsible for the implementation of this Chapter and Annexes 8-A and 8-B. The functions set out in subparagraphs (a), (c), (d) and (e) of Article 2.18 apply to this Chapter, mutatis mutandis.

2. Consistent with Articles 8.12, 8.13, 8.14 and 8.15, the Sub-Committee may recommend that the Parties establish or facilitate other means of cooperation between them in the areas of energy and raw materials.

3. If mutually agreed by the Parties, the Sub-Committee shall meet in sessions dedicated to the implementation of this Chapter. When preparing such sessions, each Party may consider, as appropriate, inputs from relevant stakeholders or experts.

4. Each Party shall designate a contact point to facilitate the implementation of this Chapter, including by ensuring the appropriate involvement of representatives of a Party, notify the other Party of its contact details and promptly notify the other Party of any changes to those contact details. For Chile, the contact point shall be a representative of the Under-Secretariat of International Economic Relations of the Ministry of Foreign Affairs or its successor.

Chapter 9. TECHNICAL BARRIERS TO TRADE

Article 9.1. Objective

The objective of this Chapter is to enhance and facilitate trade in goods between the Parties by preventing, identifying and eliminating unnecessary technical barriers to trade and by promoting greater regulatory cooperation.

Article 9.2. Scope

1. This Chapter applies to the preparation, adoption and application of all standards, technical regulations and conformity assessment procedures as defined in Annex 1 of the TBT Agreement which may affect trade in goods between the Parties.

2. Notwithstanding paragraph 1, this Chapter does not apply to:

(a) purchasing specifications prepared by governmental bodies for production or consumption requirements of such bodies which are covered by Chapter 21; or

(b) sanitary and phytosanitary measures which are covered by Chapter 6.

Article 9.3. Incorporation of Certain Provisions of the TBT Agreement

Articles 2 to 9 and Annexes 1 and 3 of the TBT Agreement are incorporated into and made part of this Agreement, mutatis mutandis.

Article 9.4. International Standards

1. International standards developed by the organisations listed in Annex 9-A shall be considered to be the relevant international standards within the meaning of Articles 2 and 5 and Annex 3 of the TBT Agreement, provided that in their development those organisations have complied with the principles and procedures set out in the Decision of the WTO Committee on Technical Barriers to Trade on Principles for the Development of International Standards, Guides and Recommendations with Relation to Articles 2, 5 and Annex 3 of the TBT Agreement (1).

2. On request of a Party, the Trade Council may adopt a decision to amend Annex 9-A, pursuant to subparagraph (a) of Article 33.1(6).

(1) G/TBT/9, 13 November 2000, Annex 4.

Article 9.5. Technical Regulations

1. The Parties recognise the importance of carrying out, in accordance with each Party's respective rules and procedures, a regulatory impact assessment of planned technical regulations.

2. Each Party shall assess the available regulatory and non-regulatory alternatives to the proposed technical regulation that may fulfil the Party's legitimate objectives, in accordance with Article 2.2 of the TBT Agreement.

3. Each Party shall use relevant international standards as a basis for its technical regulations except when the Party developing the technical regulation can demonstrate that such international standards would be an ineffective or inappropriate means for the fulfilment of the legitimate objectives pursued.

4. If a Party does not use international standards as a basis for a technical regulation, it shall, on request of the other Party, identify any substantial deviation from the relevant international standard and explain the reasons why such standards have been judged an ineffective or inappropriate means for the fulfilment of the objective pursued, and provide the scientific or technical evidence on which that assessment is based.

5. Further to the obligation of each Party pursuant to Article 2.3 of the TBT Agreement, each Party shall review, in accordance with its respective rules and procedures, its technical regulations with a view to increasing the convergence of those technical regulations with relevant international standards. A Party shall, inter alia, take into account any new development in the relevant international standards and whether the circumstances that have given rise to divergences from any relevant international standard continue to exist.

Article 9.6. Regulatory Cooperation

1. The Parties recognise that a broad range of regulatory cooperation mechanisms exist that can help to eliminate or avoid the creation of technical barriers to trade.

2. A Party may propose to the other Party sector-specific regulatory cooperation activities in areas covered by this Chapter. Those proposals shall be transmitted to the contact point referred to in Article 9.13, and shall consist of:

(a) information exchanges on regulatory approaches and practices; or

(b) initiatives to further align technical regulations and conformity assessment procedures with relevant international standards.

The other Party shall reply to the proposal in a reasonable time.

3. The contact points referred to in Article 9.13 shall inform the Trade Committee about the cooperation activities carried out pursuant to this Article.

4. The Parties shall endeavour to exchange and collaborate on mechanisms to facilitate the acceptance of conformity assessment results in order to eliminate unnecessary technical barriers to trade.

5. The Parties shall encourage cooperation between their respective organisations responsible for technical regulation, standardisation, conformity assessment, accreditation and metrology, whether governmental or non-governmental, with a view to addressing issues covered by this Chapter.

6. Nothing in this Article shall be construed as requiring a Party to:

(a) deviate from its procedures for preparing and adopting regulatory measures;

(b) take actions that would undermine or impede the timely adoption of regulatory measures to achieve its public policy objectives; or

(c) achieve a particular regulatory outcome.

7. For the purposes of this Article and the provisions on cooperation under Annexes 9-A to 9-E, the European Commission shall act on behalf of the European Union.

Article 9.7. Cooperation on Market Surveillance, Compliance and Safety of Non-food Products

1. The Parties recognise the importance of cooperation on market surveillance, compliance and the safety of non-food products for the facilitation of trade and for the protection of consumers and other users, and the importance of building

mutual trust based on shared information.

2. For the purposes of this Article:

(a) "consumer products" means goods intended for or likely to be used by consumers, with the exception of food, medical devices and medicinal products; and

(b) "market surveillance" means activities conducted and measures taken by public authorities, including activities conducted and measures taken in cooperation with economic operators, on the basis of procedures of a Party which enable that Party to monitor or address compliance of products with the requirements set out in its laws and regulations or their safety.

3. To guarantee independent and impartial functioning of market surveillance, each Party shall ensure:

(a) the separation of market surveillance functions from conformity assessment functions; and

(b) the absence of any interest that would affect the impartiality of market surveillance authorities in the performance of control or supervision of economic operators.

4. The Parties may cooperate and exchange information in the area of non-food product safety and compliance, in particular with respect to the following:

(a) market surveillance and enforcement activities and measures;

(b) risk assessment methods and product testing;

(c) coordinated product recalls or other similar actions;

(d) scientific, technical and regulatory matters, aiming to improve non-food product safety and compliance;

(e) emerging issues of significant health and safety relevance;

(f) standardisation-related activities; and

(g) exchange of officials.

5. The European Union may provide Chile with selected information from its Rapid Alert System with respect to consumer products as referred to in Directive 2001/95/EC of the European Parliament and of the Council (1) or its successor, and Chile may provide the European Union with selected information on the safety of consumer products and on preventive, restrictive and corrective measures taken with respect to consumer products. The information exchange may take the form of:

(a) non-systematic exchange, in duly justified specific cases, excluding personal data; and

(b) systematic exchange based on an arrangement established by decision of the Trade Council to be set out in Annex 9-D.

6. The Trade Council may adopt a decision to establish an arrangement on the regular exchange of information, including by electronic means, on measures taken with respect to non-compliant non-food products, other than those covered by paragraph 5 of this Article, to be set out in Annex 9-E.

7. Each Party shall use the information obtained pursuant to paragraphs 4, 5 and 6 for the sole purpose of the protection of consumers, health, safety or the environment.

8. Each Party shall treat the information obtained pursuant to paragraphs 4, 5 and 6 as confidential.

9. The arrangements referred to in subparagraph (b) of paragraph 5 and in paragraph 6 shall specify the product scope, the type of information to be exchanged, the modalities for the exchange and the application of confidentiality and personal data protection rules.

10. Pursuant to subparagraph (a) of Article 33.1(6), the Trade Council shall have the power to adopt decisions in order to determine or amend the arrangements set out in Annexes 9-D and 9-E.

(1) Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 on general product safety (OJ EC L 11, 15.1.2002, p. 4).

Article 9.8. Standards

1. With a view to harmonising standards on as wide a basis as possible, each Party shall encourage the standardising bodies established within its territory, as well as the regional standardising bodies of which a Party or the standardising bodies established within its territory are members, to:

(a) participate, within the limits of their resources, in the preparation of international standards by relevant international standardising bodies;

(b) use relevant international standards as a basis for the standards they develop, except if such international standards would be ineffective or inappropriate, for example because of an insufficient level of protection, fundamental climatic or geographical factors, or fundamental technological problems;

(c) avoid duplication of, or overlap with, the work of international standardising bodies;

(d) review, at regular intervals, national and regional standards which are not based on relevant international standards, with a view to increasing their convergence with relevant international standards;

(e) cooperate with the relevant standardising bodies of the other Party in international standardisation activities, including in the international standardising bodies or at regional level; and

(f) foster bilateral cooperation between themselves and with the standardising bodies of the other Party.

2. The Parties should exchange information on:

(a) their use of standards in support of technical regulations; and

(b) their standardisation processes and the extent of the use of international, regional or subregional standards as a basis for their national standards.

3. If standards are made mandatory through incorporation or referencing in a draft technical regulation or conformity assessment procedure, the transparency obligations set out in Article 9.10 of this Agreement and in Articles 2 or 5 of the TBT Agreement shall apply.

Article 9.9. Conformity Assessment

1. The provisions of Article 9.5 with respect to the preparation, adoption and application of technical regulations shall also apply, mutatis mutandis, to conformity assessment procedures.

2. If a Party requires conformity assessment as a positive assurance that a product conforms with a technical regulation, it shall:

(a) select conformity assessment procedures that are proportionate to the risks involved;

(b) consider, subject to its laws and regulations, the use of a supplier's declaration of conformity as being one of the possible ways of showing compliance with a technical regulation; and

(c) if requested by the other Party, provide information on the criteria used to select the conformity assessment procedures for specific products.

3. If a Party requires third party conformity assessment as a positive assurance that a product conforms with a technical regulation, and has not reserved that task to a governmental authority as specified in paragraph 4, it shall:

(a) preferentially use accreditation to qualify conformity assessment bodies;

(b) preferentially use international standards for accreditation and conformity assessment, as well as international agreements involving the Parties' accreditation bodies, for example through the mechanisms of the International Laboratory Accreditation Cooperation (hereinafter referred to as "ILAC") and the International Accreditation Forum (hereinafter referred to as "IAF");

(c) join or, as applicable, encourage its conformity assessment bodies to join any functioning international agreements or arrangements for harmonisation or facilitation of acceptance of conformity assessment results;

(d) ensure that, if more than one conformity assessment body has been designated for a particular product or set of products, economic operators can choose which conformity assessment body will carry out the conformity assessment

procedure;

(e) ensure that conformity assessment bodies are independent of manufacturers, importers and economic operators in general and that there are no conflicts of interest between accreditation bodies and conformity assessment bodies;

(f) allow conformity assessment bodies to use subcontractors to perform testing or inspections in relation to the conformity assessment, including subcontractors located in the territory of the other Party; nothing in this subparagraph shall be construed as prohibiting a Party from requiring subcontractors to meet the same requirements that the conformity assessment body to which it is contracted would be required to meet in order to perform the contracted tests or inspection itself; and

(g) publish on official websites a list of the bodies that it has designated to perform such conformity assessments and the relevant information on the scope of designation of every such body.

4. Nothing in this Article shall preclude a Party from requesting that conformity assessment in relation to specific products is performed by its designated governmental authorities. In such cases, the Party shall:

(a) limit the conformity assessment fees to the approximate cost of the services rendered and, upon request of an applicant for conformity assessment, explain how any fees it imposes for such conformity assessment are limited in amount to the approximate cost of the services rendered; and

(b) make the conformity assessment fees publicly available or provide them upon request.

5. Notwithstanding paragraphs 2, 3 and 4 of this Article, in the cases in which the

European Union accepts a supplier's declaration of conformity in the fields listed in Annex 9-B, Chile shall provide for, in accordance with its laws and regulations, an efficient and transparent procedure for the acceptance of certificates and test reports issued by conformity assessment bodies that are located in the territory of the European Union and that have been accredited by an accreditation body that is a member of the international arrangements for mutual recognition of the ILAC and the IAF as an assurance that a product conforms with the requirements of Chile's technical regulations.

6. For the purposes of this Article, "supplier's declaration of conformity" means a first-party attestation issued by the manufacturer under the sole responsibility of that manufacturer based on the results of an appropriate type of conformity assessment activity and excluding mandatory third party assessment, as an assurance that a product conforms to a technical regulation that sets out such conformity assessment procedures.

7. On request of either Party, the Sub-Committee referred to in Article 9.14 shall review the list of fields in paragraph 1 of Annex 9-B. The Sub-Committee may recommend that the Trade Council amend Annex 9-B, pursuant to subparagraph (a) of Article 33.1(6).

Article 9.10. Transparency

1. In accordance with its respective rules and procedures and without prejudice to Chapter 29, when developing major technical regulations which may have a significant effect on trade in goods, each Party shall ensure the existence of transparency procedures that allow persons of the Parties to provide input through a public consultation process, except where urgent problems of safety, health, environmental protection or national security or a threat thereof arise.

2. Each Party shall allow persons of the other Party to participate in the consultation process referred to in paragraph 1 on terms no less favourable than those accorded to its own persons, and make the results of that consultation process public.

3. Each Party shall allow a period of at least 60 days following its notification to the WTO Central Registry of Notifications of proposed technical regulations and conformity assessment procedures for the other Party to provide written comments, except where urgent problems of safety, health, environmental protection or national security or a threat thereof arise. A Party shall consider any reasonable request from the other Party to extend that comment period.

4. In the event that the notified text is not in one of the official WTO languages, the notifying Party shall provide a detailed and comprehensive description of the content of the proposed technical regulations and conformity assessment procedures in the WTO notification format.

5. If a Party receives written comments as referred to in paragraph 3, it shall:

(a) if requested by the other Party, discuss the written comments with the participation of its competent regulatory authority at a time when they can be taken into account; and

(b) reply in writing to the comments no later than on the date of publication of the adopted technical regulation or conformity assessment procedure.

6. Each Party shall endeavour to publish on a website its responses to the written comments referred to in paragraph 3 that it receives from the other Party no later than on the date of publication of the adopted technical regulation or conformity assessment procedure.

7. A Party shall, if requested by the other Party, provide information regarding the objectives of, and the legal basis and rationale for, a technical regulation or conformity assessment procedure that the Party has adopted or is proposing to adopt.

8. Each Party shall ensure that the technical regulations and conformity assessment procedures it has adopted are accessible through official websites or online official journals, free of charge.

9. Each Party shall provide information on the adoption and the entry into force of the technical regulation or conformity assessment procedure and the adopted final text through an addendum to the original notification to the WTO Central Registry of Notifications.

10. Each Party shall allow a reasonable interval between the publication of the technical regulations and their entry into force, subject to the conditions specified in Article 2.12 of the TBT Agreement. For the purposes of this Article, "reasonable interval" means a period of not less than six months, except when such period would be ineffective for the fulfilment of the legitimate objectives pursued.

11. A Party shall consider any reasonable request from the other Party, received prior to the end of the comment period referred to in paragraph 3, to extend the period between the publication of the technical regulation and its entry into force, except when the delay would be ineffective for the fulfilment of the legitimate objectives pursued.

Article 9.11. Marking and Labelling

1. The Parties affirm that their technical regulations that include or address exclusively marking or labelling shall observe the principles of Article 2.2 of the TBT Agreement.

2. Unless it is necessary for the fulfilment of the legitimate objectives referred to in Article 2.2 of the TBT Agreement, a Party that requires mandatory marking or labelling of products shall:

(a) only require information which is relevant for consumers or users of the product or information that indicates the product's conformity with the mandatory technical requirements;

(b) not require any prior approval, registration or certification of the markings or labels of products, or any fee disbursement, as a precondition for placing on its market products that otherwise comply with its mandatory technical requirements;

(c) if it requires the use of a unique identification number by economic operators, issue such number to the economic operators of the other Party without undue delay and on a non-discriminatory basis;

(d) provided it is not misleading, contradictory or confusing in relation to the information required in the importing Party of the goods, permit the following:

(i) information in other languages in addition to the language required in the importing Party of the goods;

(ii) internationally accepted nomenclatures, pictograms, symbols or graphics; and

(iii) additional information to that required in the importing Party of the goods;

(e) accept that labelling, including supplementary labelling or corrections to labelling, takes place in customs warehouses or other designated areas in the country of import as an alternative to labelling in the country of origin, unless such labelling is required to be carried out by approved persons for reasons of public health or safety; and

(f) endeavour to accept non-permanent or detachable labels, or the inclusion of relevant information in the accompanying documentation, rather than labels physically attached to the product.

Article 9.12. Technical Discussions and Consultations

1. A Party may request the other Party to provide information on any matter covered by this Chapter. The other Party shall

provide that information within a reasonable period of time.

2. If a Party considers that any draft or proposed technical regulation or conformity assessment procedure of the other Party might have a significant adverse effect on trade between the Parties, it may request technical discussions regarding its concerns with regard to the measure. The request shall be made in writing and identify:

(a) the measure;

(b) the provisions of this Chapter to which the requesting Party's concerns relate; and

(c) the reasons for the request, including a description of the requesting Party's concerns with regard to the measure.

3. The Party shall deliver a request pursuant to this Article to the contact point of the other Party designated pursuant to Article 9.13.

4. On request of a Party, the Parties shall meet to discuss the concerns raised in the request referred to in paragraph 2, in person or via video or teleconference, within 60 days of the date of the request. The Parties shall make every attempt to arrive at a mutually satisfactory resolution of the matter as expeditiously as possible.

5. If the requesting Party considers the matter to be urgent, it may request the other Party to meet within a shorter timeframe. The other Party shall consider that request.

6. For greater certainty, this Article is without prejudice to either Party's rights and obligations under Chapter 31.

Article 9.13. Contact Points

1. Each Party shall designate a contact point to facilitate cooperation and coordination under this Chapter and notify the other Party of its contact details. A Party shall promptly notify the other Party of any changes to those contact details.

2. The contact points shall work jointly to facilitate the implementation of this Chapter and cooperation between the Parties on all matters concerning technical barriers to trade. The contact points shall:

(a) organise the technical discussions and consultations referred to in Article 9.12;

(b) promptly address any issue that a Party raises related to the development, adoption, application or enforcement of standards, technical regulations or conformity assessment procedures;

(c) on request of a Party, arrange discussions on any matter arising under this Chapter; and

(d) exchange information on developments in non-governmental, regional and multilateral fora related to standards, technical regulations and conformity assessment procedures.

3. The contact points shall communicate with one another by any agreed method that is appropriate to carry out their functions.

Article 9.14. Sub-Committee on Technical Barriers to Trade

The Sub-Committee on Technical Barriers to Trade ("Sub-Committee") established pursuant to Article 33.4(1) shall:

(a) monitor the implementation and administration of this Chapter;

(b) enhance cooperation as regards the development and improvement of standards, technical regulations and conformity assessment procedures;

(c) establish priority areas of mutual interest for future work under this Chapter and consider proposals for new initiatives;

(d) monitor and discuss developments under the TBT Agreement; and

(e) take any other steps that the Parties consider will assist them in implementing this Chapter and the TBT Agreement.

Chapter 10. INVESTMENT LIBERALISATION

Article 10.1. Scope

1. This Chapter applies to measures, adopted or maintained by a Party in its territory, affecting the establishment of an

enterprise or the operation of a covered enterprise in all economic activities by an investor of the other Party.

2. This Chapter does not apply to:

(a) audio-visual services;

(b) national maritime cabotage (1); or

(1) Without prejudice to the scope of activities which may be considered as cabotage under the relevant national legislation, national maritime cabotage under this Chapter covers transportation of passengers or goods between a port or point located in Chile or a Member State and another port or point located in Chile or that same Member State, including on its continental shelf, as provided in the UN Convention on the Law of the Sea, and traffic originating and terminating in the same port or point located in Chile or a Member State.

(c) domestic and international air services or related services in support of air services (1), whether scheduled or non-scheduled, and services directly related to the exercise of traffic rights, other than:

(1) For greater certainty, air services or related services in support of air services include the following services: air transportation; services provided by using an aircraft whose primary purpose is not the transportation of goods or passengers, such as aerial fire-fighting flight training, sightseeing, spraying, surveying, mapping, photography, parachute jumping, glider towing, helicopter-lift for logging and construction, and other airborne agricultural, industrial and inspection services; the rental of aircraft with crew; and airport operation services.

(i) aircraft repair and maintenance services during which an aircraft is withdrawn from service;

(ii) selling and marketing of air transport services;

(iii) computer reservation system (CRS) services; and

(iv) ground handling services.

3. This Chapter does not apply to measures adopted or maintained by a Party relating to financial institutions of the other Party, to investors of the other Party or to the investments of such investors in financial institutions in the territory of that Party, as defined in Article 18.2.

4. Articles 10.5, 10.6, 10.8, 10.9 and 10.10 do not apply with respect to public procurement.

5. Articles 10.5, 10.6, 10.8 and 10.10 do not apply with respect to subsidies granted by a Party, including government-supported loans, guarantees and insurances.

Article 10.2. Definitions

1. For the purposes of this Chapter and Annexes 10-A, 10-B and 10-C:

(a) "activities performed in the exercise of governmental authority" means activities performed, including services supplied, neither on a commercial basis nor in competition with one or more economic operators;

(b) "aircraft repair and maintenance services" means such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and do not include so-called line maintenance;

(c) "computer reservation system (CRS) services" means services provided by computerised systems that contain information about air carriers' schedules, availability, fares and fare rules, through which reservations can be made or tickets may be issued;

(d) "covered enterprise" means an enterprise which is established in accordance with subparagraph (h) by an investor of a Party in the territory of the other Party, in accordance with the applicable law, and which is in existence as at the date of entry into force of this Agreement or is established thereafter;

(e) "cross-border supply of services" means the supply of a service:

(i) from the territory of a Party into the territory of the other Party; or

(ii) in the territory of a Party to a service consumer of the other Party;

(f) "economic activities" means activities of an industrial, commercial or professional character or activities of craftsmen,

including the supply of services, except for activities performed in the exercise of governmental authority;

(g) "enterprise" means a juridical person, branch or representative office set up through establishment;

(h) "establishment" means the setting up, including the acquisition (1) of, an enterprise by an investor of a Party in the territory of the other Party;

(1) The term "acquisition" is understood as including capital participation in a juridical person with a view to establishing or maintaining lasting economic links.

(i) "ground handling services" means the supply at an airport, on a fee or contract basis, of the following services: airline representation, administration and supervision; passenger handling; baggage handling; ramp services; catering, except for the preparation of food; air cargo and mail handling; fuelling of an aircraft, aircraft servicing and cleaning; surface transport; and flight operation, crew administration and flight planning; ground handling services do not include: self-handling; security; line maintenance; aircraft repair and maintenance; or management or operation of essential centralised airport infrastructure, such as de-icing facilities, fuel distribution systems, baggage handling systems and fixed intra-airport transport systems;

(j) "investor of a Party" means a natural or juridical person of a Party that seeks to establish, is establishing or has established an enterprise in accordance with subparagraph (h);

(k) "juridical person of a Party" means (1):

(1) For greater certainty, the shipping companies referred to in this definition are only considered as juridical persons of a Party with respect to their activities relating to the supply of maritime transport services.(

(i) for the European Union:

(A) a juridical person constituted or organised under the law of the European Union or of at least one of its Member States and engaged in substantive business operations (2) in the territory of the European Union; and

(2) In line with its notification of the Treaty establishing the European Community to the WTO (WT/REG39/1), the European Union understands that the concept of "effective and continuous link" with the economy of a Member State enshrined in Article 54 of the TFEU is equivalent to the concept of "substantive business operations".

(B) shipping companies established outside the European Union, and controlled by natural persons of a Member State, whose vessels are registered in, and fly the flag of, a Member State;

(ii) for Chile:

(A) a juridical person constituted or organised under the law of Chile and engaged in substantive business operations in the territory of Chile; and

(B) shipping companies established outside Chile, and controlled by natural persons of Chile, whose vessels are registered in, and fly the flag of, Chile;

(l) "operation" means the conduct, management, maintenance, use, enjoyment, sale or other form of disposal of an enterprise by an investor of a Party, in the territory of the other Party;

(m) "selling and marketing of air transport services" means opportunities for the air carrier concerned to sell and market freely its air transport services including all aspects of marketing such as market research, advertising and distribution; these activities do not include the pricing of air transport services nor the applicable conditions; and

(n) "service" means any service in any sector except for services supplied in the exercise of governmental authority.

Article 10.3. Right to Regulate

The Parties affirm the right to regulate within their territories to achieve legitimate policy objectives, such as the protection of public health, social services, education, safety, the environment, including climate change, public morals, social or consumer protection, privacy and data protection, or the promotion and protection of cultural diversity.

Article 10.4. Relation to other Chapters

1. In the event of inconsistency between this Chapter and Chapter 18, the latter shall prevail to the extent of the inconsistency.

2. A requirement of a Party that a service supplier of the other Party posts a bond or other form of financial security as a condition for the cross-border supply of a service in its territory does not in itself make this Chapter applicable to such cross-border supply of that service. This Chapter applies to measures adopted or maintained by the Party relating to the bond or financial security, if such bond or financial security constitutes a covered enterprise.

Article 10.5. Market Access

In the sectors or subsectors where market access commitments are undertaken, a Party shall not adopt or maintain, with respect to market access through establishment or operation by investors of the other Party or by covered enterprises, either on the basis of its entire territory or on the basis of a territorial subdivision, a measure that:

(a) limits the number of enterprises that may carry out a specific economic activity, whether in the form of numerical quotas, monopolies, exclusive rights or the requirement of an economic needs test;

(b) limits the total value of transactions or assets in the form of numerical quotas or the requirement of an economic needs test;

(c) limits the total number of operations or the total quantity of output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs test (1);

(d) restricts or requires specific types of legal entity or joint venture through which an investor of the other Party may carry out an economic activity; or

(e) limits the total number of natural persons who may be employed in a particular sector or that an enterprise may employ and who are necessary for, and directly related to, the performance of economic activity in the form of numerical quotas or the requirement of an economic needs test.

(1) Subparagraphs (a), (b) and (c) do not cover measures taken in order to limit the production of an agricultural or fishery product.

Article 10.6. National Treatment

1. Each Party shall accord to investors of the other Party and to covered enterprises, with respect to the establishment, treatment no less favourable than the treatment it accords, in like situations1, to its own investors and to their enterprises.

2. Each Party shall accord to investors of the other Party and to covered enterprises, with respect to the operation, treatment no less favourable than the treatment it accords, in like situations2, to its own investors and to their enterprises.

3. The treatment accorded by a Party under paragraphs 1 and 2 means:

(a) with respect to a regional or local government of Chile, treatment no less favourable than the most favourable treatment accorded, in like situations, by that level of government to investors of Chile and to their enterprises in its territory;

1 For greater certainty, whether treatment is accorded in "like situations" requires a case-by-case, fact-based analysis and depends on the totality of the situations.

2 For greater certainty, whether treatment is accorded in "like situations" requires a case-by-case, fact-based analysis and depends on the totality of the situations.

(b) with respect to a government of, or in, a Member State, treatment no less favourable than the most favourable treatment accorded, in like situations, by that government to investors of that Member State and to their enterprises in its territory (1).

(1) For greater certainty, the treatment accorded by a government of, or in, a Member State includes the regional and local level of government, when applicable.

Article 10.7. Public Procurement

1. Each Party shall ensure that enterprises constituting a covered enterprise are accorded treatment no less favourable than that accorded, in like situations, to its own enterprises with respect to any measure regarding the purchase of goods or services by a procuring entity for governmental purposes.

2. The application of the national treatment obligation provided for in this Article is subject to security and general exceptions as set out in Article 21.3.

Article 10.8. Most-favoured-nation Treatment

1. Each Party shall accord to investors of the other Party and to covered enterprises, with respect to the establishment, treatment no less favourable than the treatment it accords, in like situations (2), to investors of a third country and to their enterprises.

(2) For greater certainty, whether treatment is accorded in "like situations" requires a case-by-case, fact-based analysis and depends on the totality of the situations.

2. Each Party shall accord to investors of the other Party and to covered enterprises with respect to the operation, treatment no less favourable than the treatment it accords, in like situations (1), to investors of a third country and to their enterprises.

(1) For greater certainty, whether treatment is accorded in "like situations" requires a case-by-case, fact-based analysis and depends on the totality of the situations.

3. Paragraphs 1 and 2 shall not be construed as obliging a Party to extend to investors of the other Party or to covered enterprises the benefit of any treatment resulting from measures providing for the recognition of standards, including of the standards or criteria for the authorisation, licensing or certification of a natural person or an enterprise for carrying out an economic activity, or of prudential measures.

4. For greater certainty, the treatment referred to in paragraphs 1 and 2 does not include investment dispute resolution procedures or mechanisms provided for in other international investment treaties or trade agreements. The substantive provisions in other international investment treaties or trade agreements do not in themselves constitute "treatment" as referred to in paragraphs 1 and 2, and thus cannot give rise to a breach of this Article, absent measures adopted or maintained by a Party. Measures of a Party applied pursuant to such substantive provisions may constitute "treatment" under this Article and thus give rise to a breach of this Article.

Article 10.9. Performance Requirements

1. A Party shall not, in connection with the establishment or operation of an enterprise of a Party or of a third country in its territory, impose or enforce any requirement, or enforce any commitment or undertaking, to:

(a) export a given level or percentage of goods or services;

(b) achieve a given level or percentage of domestic content;

(c) purchase, use or accord a preference to goods produced or services provided in its territory, or purchase goods or services from natural persons or enterprises in its territory;

(d) relate in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows associated with such enterprise;

(e) restrict sales of goods or services in its territory that such enterprise produces or provides by relating such sales in any way to the volume or value of its exports or foreign exchange earnings;

(f) transfer technology, a production process or other proprietary knowledge to a natural person or an enterprise in its territory;

(g) supply exclusively from the territory of that Party the goods it produces or the services it supplies to a specific regional or world market;

(h) locate the headquarters of that investor for a specific region of the world, which is broader than the territory of the Party, or the world market in its territory;

(i) hire a given number or percentage of its nationals;

(j) restrict the exportation or sale for export; or

(k) with regard to any licence contract in existence at the time the requirement is imposed or enforced, or any commitment or undertaking is enforced, or to any future licence contract (1) freely entered into between the investor and a natural or juridical person or any other entity in its territory, provided that the requirement is imposed or enforced or the commitment or undertaking is enforced, in a manner that constitutes a direct interference with that licence contract by an exercise of non-judicial governmental authority of a Party, adopt:

(i) a given rate or amount of royalty below a certain level under a licence contract; or

(ii) a given duration of the term of a licence contract.

(1) A licence contract referred to in this subparagraph means a contract concerning the licensing of technology, production process, or other proprietary knowledge.

2. For greater certainty, subparagraph (k) of paragraph 1 does not apply when the licence contract is concluded between the investor and a Party.

3. A Party shall not condition the receipt or continued receipt of an advantage, in connection with the establishment or operation of an enterprise in its territory, of a Party or of a third country, on compliance with any of the following requirements:

(a) to achieve a given level or percentage of domestic content;

(b) to purchase, use or accord a preference to goods produced or services provided in its territory, or to purchase goods or services from natural persons or enterprises in its territory;

(c) to relate in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows associated with such enterprise;

(d) to restrict sales of goods or services in its territory that such enterprise produces or provides by relating such sales in any way to the volume or value of its exports or foreign exchange earnings; or

(e) to restrict the exportation or sale for export.

4. Paragraph 3 shall not be construed as preventing a Party from conditioning the receipt or continued receipt of an advantage, in connection with the establishment or operation of an enterprise in its territory by an investor of a Party or a third country, on compliance with a requirement to locate production, provide a service, train or employ workers, construct or expand particular facilities, or carry out research and development in its territory.

5. Subparagraphs (f) and (k) of paragraph 1 do not apply if:

(a) a Party authorises the use of an intellectual property right in accordance with Article 31or 31bis of the TRIPS Agreement or adopts or maintains measures requiring the disclosure of data or proprietary information that fall within the scope of, and are consistent with, paragraph 3 of Article 39 of the TRIPS Agreement; or

(b) the requirement is imposed or enforced or the commitment or undertaking is enforced by a court, administrative tribunal, or competition authority in order to remedy a practice determined after judicial or administrative process as being a violation of the Party's competition law.

6. Subparagraphs (a), (b) and (c) of paragraph 1 and subparagraphs (a) and (b) of paragraph 3 do not apply to qualification requirements for goods or services with respect to participation in export promotion and foreign aid programmes.

7. Subparagraphs (a) and (b) of paragraph 3 do not apply to requirements imposed by an importing Party relating to the content of goods necessary to qualify for preferential tariffs or preferential quotas.

8. For greater certainty, this Article shall not be construed as requiring a Party to permit a particular service to be supplied on a cross-border basis where that Party adopts or maintains restrictions or prohibitions on such provision of services which are consistent with the reservations, conditions or qualifications specified with respect to a sector, subsector or activity

listed in Annexes 10-A, 10-B and 10-C.

9. This Article is without prejudice to commitments of a Party made under the WTO Agreement.

Article 10.10. Senior Management and Boards of Directors

A Party shall not require that a covered enterprise appoints natural persons of a particular nationality as members of boards of directors, or to a senior management position, such as executives or managers.

Article 10.11. Non-conforming Measures

1. Articles 10.6, 10.8, 10.9 and 10.10 do not apply to:

(a) any existing non-conforming measure that is maintained by:

(i) for the European Union:

(A) the European Union, as set out in Appendix 10-A-1;

(B) the central government of a Member State, as set out in Appendix 10-A-1;

(C) a regional level of government of a Member State, as set out in Appendix 10-A-1; or

(D) a local level of government; and

(ii) for Chile:

(A) the central government, as set out in Appendix 10-A-2;

(B) a regional level of government, as set out in Appendix 10-A-2; or

(C) a local level of government;

(b) the continuation or prompt renewal of any non-conforming measure referred to in subparagraph (a) of this paragraph; or

(c) a modification to any non-conforming measure referred to in subparagraph (a) of this paragraph, to the extent that the modification does not decrease the conformity of the measure, as it existed immediately before the modification, with Article 10.6, 10.8, 10.9 or 10.10.

2. Articles 10.6, 10.8, 10.9 and 10.10 do not apply to measures of a Party with respect to sectors, sub-sectors or activities as set out in its schedule in Annex 10-B.

3. A Party shall not, under any measure adopted after the date of entry into force of this Agreement and covered by its reservations set out in Annex 10-B, require an investor of the other Party, by reason of its nationality, to sell or otherwise dispose of a covered enterprise existing at the time the measure becomes effective.

4. Article 10.5 does not apply to any measure of a Party which is consistent with the commitments set out in Annex 10-C.

5. Articles 10.6 and 10.8 do not apply to any measure of a Party that constitutes an exception to, or derogation from, Article 3 or 4 of the TRIPS Agreement, as specifically provided for in Articles 3, 4 and 5 of that Agreement.

6. For greater certainty, Articles 10.6 and 10.8 shall not be construed as preventing a Party from prescribing information requirements, including for statistical purposes, in connection with the establishment or operation of investors of the other Party or of a covered enterprise, provided that it does not constitute a means to circumvent that Party's obligations under those Articles.

Article 10.12. Denial of Benefits

A Party may deny to an investor of the other Party or a covered enterprise the benefits of this Chapter if the denying Party adopts or maintains measures related to the maintenance of international peace and security, including the protection of human rights, which:

(a) prohibit transactions with that investor or covered enterprise; or

(b) would be violated or circumvented if the benefits of this Chapter were accorded to that investor or covered enterprise, including if the measures prohibit transactions with a person who owns or controls either of them.

Article 10.13. Sub-Committee on Services and Investment

The Sub-Committee on Services and Investment ("Sub-Committee") is established pursuant to Article 33.4(1). When addressing matters related to investment, the Sub-Committee shall monitor and ensure proper implementation of this Chapter and of Annexes 10-A, 10-B and 10-C.

Chapter 11. CROSS-BORDER TRADE IN SERVICES

Article 11.1. Scope

1. This Chapter applies to measures of a Party affecting cross-border trade in services supplied by service suppliers of the other Party. Such measures include measures that affect:

(a) the production, distribution, marketing, sale and delivery of a service;

(b) the purchase or use of, or payment for, a service;

(c) the access to and use of, in connection with the supply of a service, services which are required by a Party to be offered to the public generally, including distribution, transport and telecommunications networks; and

(d) the provision of a bond or other form of financial security, as a condition for the supply of a service.

2. This Chapter does not apply to:

(a) financial services, as defined in Article 18.2;

(b) audio-visual services;

(c) national maritime cabotage (1);

(1) Without prejudice to the scope of activities which may be considered as cabotage under the relevant national legislation, national maritime cabotage under this Chapter covers transportation of passengers or goods between a port or point located in Chile or a Member State and another port or point located in Chile or that same Member State, including on its continental shelf, as provided in the UN Convention on the Law of the Sea, and traffic originating and terminating in the same port or point located in Chile or a Member State.

(d) domestic and international air services or related services in support of air services (2), whether scheduled or non-scheduled, and services directly related to the exercise of traffic rights, other than:

(2) For greater certainty, air services or related services in support of air services include the following services: air transportation; services provided by using an aircraft whose primary purpose is not the transportation of goods or passengers, such as aerial fire-fighting flight training, sightseeing, spraying, surveying, mapping, photography, parachute jumping, glider towing, helicopter-lift for logging and construction, and other airborne agricultural, industrial and inspection services; the rental of aircraft with crew; and airport operation services.

(i) aircraft repair and maintenance services during which an aircraft is withdrawn from service;

(ii) selling and marketing of air transport services;

(iii) computer reservation system (CRS) services; and

(iv) ground handling services;

(e) public procurement; and

(f) subsidies or grants provided by a Party or by a state-owned enterprise, including government- supported loans, guarantees and insurance.

Article 11.2. Definitions

For the purposes of this Chapter and Annexes 10-A, 10-B and 10-C:

(a) "aircraft repair and maintenance services" means such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and do not include so-called line maintenance;

(b) "computer reservation system (CRS) services" means services provided by computerised systems that contain information about air carriers' schedules, availability, fares and fare rules, through which reservations can be made or tickets may be issued;

(c) "cross-border trade in services" or "cross-border supply of services" means the supply of a service:

(i) from the territory of a Party into the territory of the other Party; or

(ii) in the territory of a Party to a service consumer of the other Party;

(d) "enterprise" means a juridical person, branch or representative office set up through establishment;

(e) "ground handling services" means the supply at an airport, on a fee or contract basis, of the following services: airline representation, administration and supervision; passenger handling; baggage handling; ramp services; catering, except for the preparation of food; air cargo and mail handling; fuelling of an aircraft; aircraft servicing and cleaning; surface transport; and flight operation, crew administration and flight planning; ground handling services do not include: self-handling; security; line maintenance; aircraft repair and maintenance; or management or operation of essential centralised airport infrastructure, such as de-icing facilities, fuel distribution systems, baggage handling systems and fixed intra-airport transport systems;

(f) "juridical person of a Party" means (1):

(1) For greater certainty, the shipping companies referred to in this definition are only considered as juridical persons of a Party with respect to their activities relating to the supply of maritime transport services.

(i) for the European Union:

(A) a juridical person constituted or organised under the law of the European Union or of at least one of its Member States and engaged in substantive business operations (2) in the territory of the European Union; and

(2) In line with its notification of the Treaty establishing the European Community to the WTO (WT/REG39/1), the European Union understands that the concept of "effective and continuous link" with the economy of a Member State enshrined in Article 54 of the Treaty on the Functioning of the European Union is equivalent to the concept of "substantive business operations".

(B) shipping companies established outside the European Union, and controlled by natural persons of a Member State, whose vessels are registered in, and fly the flag of, a Member State;

(ii) for Chile:

(A) a juridical person constituted or organised under the law of Chile and engaged in substantive business operations in the territory of Chile; and

(B) shipping companies established outside Chile, and controlled by natural persons of Chile, whose vessels are registered in, and fly the flag of, Chile;

(g) "selling and marketing of air transport services" means opportunities for the air carrier concerned to sell and market freely its air transport services, including all aspects of marketing such as market research, advertising and distribution; these activities do not include the pricing of air transport services or the applicable conditions;

(h) "service" means any service in any sector except services supplied in the exercise of governmental authority;

(i) "service supplied in the exercise of governmental authority" means any service which is supplied neither on a commercial basis nor in competition with one or more service suppliers; and

(j) "service supplier of a Party" means any natural or juridical person of a Party that seeks to supply or supplies a service.

Article 11.3. Right to Regulate

The Parties reaffirm the right to regulate within their territories to achieve legitimate policy objectives, such as the protection of public health, social services, education, safety, the environment, including climate change, public morals, social or consumer protection, privacy and data protection, or the promotion and protection of cultural diversity.

Article 11.4. National Treatment

1. Each Party shall accord to services and service suppliers of the other Party treatment no less favourable than the treatment it accords, in like situations, to its own services and service suppliers.

2. The treatment accorded by a Party under paragraph 1 means:

(a) with respect to a regional or local government of Chile, treatment no less favourable than the most favourable treatment accorded, in like situations, by that level of government to its own services and service suppliers;

(b) with respect to a government of, or in, a Member State, treatment no less favourable than the most favourable treatment accorded, in like situations, by that government to its own services and service suppliers.

3. A Party may meet the requirement set out in paragraph 1 by according to services and service suppliers of the other Party either formally identical treatment or formally different treatment to that it accords to its own services and service suppliers.

4. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of a Party when compared to service suppliers of the other Party.

5. Nothing in this Article shall be construed as requiring a Party to compensate for inherent competitive disadvantages which result from the foreign character of the relevant services or services suppliers.

Article 11.5. Most-favoured-nation Treatment

1. Each Party shall accord to services and service suppliers of the other Party treatment no less favourable than the treatment it accords, in like situations, to services and service suppliers of a third country.

2. Paragraph 1 shall not be construed as obliging a Party to extend to services and service suppliers of the other Party the benefit of any treatment resulting from measures providing for the recognition of standards, including of the standards or criteria for the authorisation, licensing or certification of a natural person or an enterprise for carrying out an economic activity, or of prudential measures.

3. For greater certainty, the treatment referred to in paragraph 1 does not include dispute resolution procedures or mechanisms provided for in other international treaties or trade agreements. The substantive provisions in other international treaties or trade agreements do not in themselves constitute "treatment" as referred to in paragraph 1 and thus cannot give rise to a breach of this Article, absent measures adopted or maintained by a Party. Measures of a Party applied pursuant to such substantive provisions may constitute "treatment" under this Article and thus give rise to a breach of this Article.

Article 11.6. Local Presence

A Party shall not require a service supplier of the other Party to establish or maintain an enterprise or to be resident in its territory as a condition for the cross-border supply of a service.

Article 11.7. Market Access

In the sectors or subsectors where market access commitments are undertaken, a Party shall not adopt or maintain, either on the basis of its entire territory or on the basis of a territorial subdivision, measures that:

(a) impose limitations on:

(i) the number of service suppliers, whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirement of an economic needs test;

(ii) the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;

(iii) the total number of service operations or the total quantity of services output, expressed in terms of designated

numerical units in the form of quotas or the requirement of an economic needs test (1); or

(iv) the total number of natural persons that may be employed in a particular service sector or that a service supplier may employ and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or the requirement of an economic needs test; or

(b) restrict or require specific types of legal entity or joint venture through which a service supplier may supply a service.

(1) This subparagraph does not cover the measures of a Party that limit inputs for the supply of services.

Article 11.8. Non-conforming Measures

1. Articles 11.4, 11.5 and 11.6 do not apply to:

(a) any existing non-conforming measure that is maintained by:

(i) for the European Union:

(A) the European Union, as set out in Appendix 10-A-1;

(B) the central government of a Member State, as set out in Appendix 10-A-1;

(C) a regional level of government of a Member State, as set out in Appendix 10-A-1; or

(D) a local level of government; and

(ii) for Chile:

(A) the central government, as set out in Appendix 10-A-2;

(B) a regional level of government, as set out in Appendix 10-A-2; or

(C) a local level of government;

(b) the continuation or prompt renewal of any non-conforming measure referred to in subparagraph (a) of this paragraph; or

(c) a modification to any non-conforming measure referred to in subparagraph (a) of this paragraph, to the extent that the modification does not decrease the conformity of the measure, as it existed immediately before the amendment, with Articles 11.4, 11.5 and 11.6.

2. Articles 11.4, 11.5 and 11.6 do not apply to any measure of a Party with respect to sectors, sub-sectors or activities as set out in its schedule in Annex 10-B.

3. Article 11.7 does not apply to any measure of a Party with respect to committed sectors, subsectors or activities, as set out in Annex 10-C.

Article 11.9. Denial of Benefits

A Party may deny a service supplier of the other Party the benefits of this Chapter if the denying Party adopts or maintains measures related to the maintenance of international peace and security, including the protection of human rights, which:

(a) prohibit transactions with that service supplier, or with a person who owns or controls that service supplier; or

(b) would be violated or circumvented if the benefits of this Chapter were accorded to that service supplier.

Article 11.10. Sub-Committee on Services and Investment

The Sub-Committee on Services and Investment ("Sub-Committee") is established pursuant to Article 33.4(1). When addressing matters related to services, the Sub-Committee shall monitor and ensure proper implementation of this Chapter, Chapters 12, 13, 14, 15, 16, 17 and 19 and Annexes 10-A, 10-B, 10-C, 12-A, 12-B, 12-C, 14-A and 14-B.

Chapter 12. TEMPORARY PRESENCE OF NATURAL PERSONS FOR

BUSINESS PURPOSES

Article 12.1. Scope

1. This Chapter applies to measures of a Party concerning the performance of economic activities through the entry and temporary stay in its territory of natural persons of the other Party who are business visitors for establishment purposes, investors, intra-corporate transferees,

short-term business visitors, contractual services suppliers and independent professionals.

2. This Chapter does not apply to the sectors referred to in subparagraphs (b), (c) and (d) of Article 11.1(2).

3. This Chapter does not apply to measures of a Party affecting natural persons of the other Party seeking access to its employment market, or to measures regarding citizenship, nationality, residence or employment on a permanent basis.

4. Nothing in this Agreement shall prevent a Party from applying measures regulating the entry of natural persons of the other Party into, or their temporary stay in, its territory, including measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across, its border, provided that those measures are not applied in a manner as to nullify or impair the benefits accruing to the other Party under this Agreement.

5. The sole fact that a Party requires persons of the other Party to obtain a visa shall not be construed as nullifying or impairing the benefits accruing to the other Party under this Agreement.

6. To the extent that commitments are not undertaken under this Chapter, all requirements provided for in the law of a Party regarding the entry and temporary stay of natural persons shall continue to apply, including laws and regulations concerning the period of stay.

7. Notwithstanding this Chapter, all requirements provided for in the law of a Party regarding work and social security measures, including laws and regulations concerning minimum wages and collective wage agreements, shall continue to apply.

8. Commitments under this Chapter on the entry and temporary stay of natural persons for business purposes do not apply in cases where the intent or effect of the entry and temporary stay is to interfere with or otherwise affect the outcome of any labour or management dispute or negotiation, or the employment of any natural person who is involved in that dispute.

Article 12.2. Definitions

1. The definitions in Articles 10.2 and 11.2 apply to this Chapter and to Annexes 12-A, 12-B and 12-C, with the exception of the definition of investor of a Party in subparagraph (j) of Article 10.2(1).

2. For the purposes of this Chapter and Annexes 12-A, 12-B and 12-C:

(a) "business sellers" means short-term business visitors who:

(i) are representatives of a service or goods supplier of a Party for the purposes of negotiating the sale of services or goods, or entering into agreements to sell services or goods for that supplier, including: attending meetings or conferences; engaging in consultations with business colleagues; and taking orders or negotiating contracts with an enterprise located in the territory of the other Party;

(ii) are not engaged in the supply of a service in the framework of a contract concluded between an enterprise that has no commercial presence in the territory of the Party where the short-term business visitors are staying temporarily, and a consumer in that territory; and

(iii) are not commission agents;

(b) "business visitors for establishment purposes" means natural persons working in a senior position within a juridical person of a Party who are responsible for establishing an enterprise of such juridical person in the territory of the other Party, who do not offer or provide services or engage in any economic activity other than that required for establishment purposes, and who do not receive remuneration from a source located within the other Party;

(c) "contractual services suppliers" means natural persons employed by a juridical person of a Party which is not itself established in the territory of the other Party and is not an agency for placement and supply services of personnel, or acting through such an agency, and which has concluded a bona fide contract with a final consumer in the other Party to supply

services in the other Party requiring the presence on a temporary basis of its employees in that other Party in order to fulfil the contract to supply services (1);

(1) The contract to supply services referred to in this subparagraph shall comply with the requirements of the law of the Party where the contract is executed.

(d) "independent professionals" means natural persons engaged in the supply of a service and established as self-employed in the territory of a Party, but not in the territory of the other Party, who have concluded a bona fide contract, other than through an agency for placement and supply services of personnel, with a final consumer to supply services in the other Party requiring their presence on a temporary basis in that other Party (2);

(2) The contract to supply services referred to in this subparagraph shall comply with the requirements of the law of the Party where the contract is executed.

(e) "installers and maintainers" means short-term business visitors possessing specialised knowledge essential to a seller's or lessor's contractual obligation, performing services or training workers to perform services, pursuant to a warranty or other service contract incidental to the sale or lease of commercial or industrial equipment or machinery, including computer and related services, purchased or leased from an enterprise located outside the territory of the Party into which entry and temporary stay is sought, throughout the duration of the warranty or service contract;

(f) "intra-corporate transferees" means natural persons who have been employed by, or partners in, a juridical person of a Party for at least one year, who are temporarily transferred to an enterprise of that juridical person in the territory of the other Party, and who belong to one of the following categories:

(i) managers;

(ii) specialists;

(iii) trainee employees;

(g) "investor" means a natural person who establishes in the territory of the other Party an enterprise to which that natural person or the juridical person employing that natural person has committed, or is in the process of committing, a substantial amount of capital, and who develops or administers the operation of that enterprise in a capacity that is supervisory or executive;

(h) "managers" means natural persons working in a senior position within a juridical person of a Party who primarily direct the management of the enterprise in the territory of the other Party (1), receiving general supervision or direction principally from higher level executives, the board of directors or from stockholders of the business or their equivalent and whose responsibilities include:

(1) For greater certainty, this definition does not exclude managers who, while not directly performing tasks concerning the actual supply of the services, perform tasks, in the course of executing their duties as described in this definition, that are necessary for the provision of the services.

(i) directing the enterprise or a department or subdivision thereof;

(ii) supervising and controlling the work of other supervisory, professional or managerial employees; and

(iii) having the personal authority to recruit and dismiss or to recommend recruitment, dismissal or other personnel-related actions;

(i) "short-term business visitors" means natural persons who are seeking entry and temporary stay in the territory of the other Party who do not engage in making direct sales to the general public, do not receive remuneration from a source located within the other Party, and belong to one of the following categories:

(i) business sellers;

(ii) installers and maintainers;

(j) "specialists" means natural persons working within a juridical person of a Party who possess specialised knowledge essential to the areas of activity, techniques or management of the enterprise; in assessing such knowledge, account shall

be taken not only of knowledge specific to the enterprise, but also of whether the person has a high level of qualification, including adequate professional experience, regarding a type of work or activity requiring specific technical knowledge, including possible membership of an accredited profession; and

(k) "trainee employees" means natural persons who possess a university degree and are temporarily transferred for career development purposes or to obtain training in business techniques or methods1.

Article 12.3. Intra-corporate Transferees, Business Visitors for Establishment Purposes and Investors

1. Subject to the relevant conditions and qualifications set out in Annex 12-A, each Party:

(a) shall allow the entry and temporary stay of intra-corporate transferees, business visitors for establishment purposes and investors of the other Party;

(b) shall allow the employment in its territory of intra-corporate transferees of the other Party;

(c) shall not maintain or adopt limitations in the form of numerical quotas or the requirement of an economic needs tests on the total number of natural persons who, in a specific sector, are allowed entry as business visitors for establishment purposes or investors, or who may be employed as intra-corporate transferees, either on the basis of a territorial subdivision or on the basis of its entire territory; and

1 The recipient enterprise may be required to submit a training programme covering the duration of the stay for prior approval, demonstrating that the purpose of the stay is for training. For AT, CZ, DE, FR, ES, HU and LT, training must be linked to the university degree which has been obtained.

(d) shall accord to intra-corporate transferees, business visitors for establishment purposes and investors of the other Party, with regard to their temporary stay in its territory, treatment no less favourable than that it accords, in like situations, to its own natural persons.

2. The permissible length of stay shall be:

(a) for Chile, a period of up to two years which may be extended, without a requirement to apply for permanent residence, provided that the conditions on which the stay is based remain in effect; and

(b) for the European Union, a period of up to three years for managers and specialists, up to one year for trainee employees and investors, and up to 90 days within any six-month period for business visitors for establishment purposes.

Article 12.4. Short-term Business Visitors

1. Subject to the scope exclusions set out in Article 10.1(2) and subject to the relevant conditions and qualifications set out in Annex 12-A, a Party shall allow entry and temporary stay of short-term business visitors without the requirement of a work permit, economic needs test or other prior approval procedures of similar intent.

2. If short-term business visitors of a Party are engaged in the supply of a service to a consumer in the territory of the Party where they are staying temporarily, that Party shall accord to them, with regard to the supply of that service, treatment no less favourable than that it accords, in like situations, to its own service suppliers.

3. The permissible length of stay shall be a period of up to 90 days in any 12-month period.

Article 12.5. Contractual Services Suppliers and Independent Professionals

1. Each Party shall allow the entry and temporary stay of contractual services suppliers of the other Party in its territory, in the sectors, subsectors and activities set out in Annex 12-B, subject to the relevant conditions and qualifications specified therein, and provided that:

(a) the natural persons are engaged in the supply of a service as employees of a juridical person which has obtained a service contract not exceeding 12 months;

(b) the natural persons entering the other Party have been engaged as employees of the juridical person referred to in subparagraph (a) for at least one year immediately preceding the date of submission of an application for entry into the other Party and possess, on the date of application for entry, at least three years of professional experience, obtained after having reached the age of majority, in the sector of activity which is the subject of the contract;

(c) the natural persons entering the other Party shall possess:

(i) a university degree or a qualification demonstrating knowledge of an equivalent level (1); and

(1) If the degree or qualification has not been obtained in the Party where the service is supplied, that Party may evaluate whether it is equivalent to a university degree required in its territory.

(ii) professional qualifications, if required to exercise an activity pursuant to the laws and regulations of the Party where the service is supplied;

(d) the natural person does not receive remuneration for the provision of services in the territory of the other Party, other than the remuneration paid by the juridical person employing the natural person; and

(e) access accorded pursuant to this Article relates only to the service activity which is the subject of the contract and does not confer entitlement to use the professional title of the Party where the service is provided.

2. Each Party shall allow the entry and temporary stay of independent professionals of the other Party in its territory in the sectors, subsectors and activities set out in Annex 12-B, subject to the relevant conditions and qualifications specified therein, and provided that:

(a) the contract concluded does not exceed a period of 12 months;

(b) the natural persons possess, on the date of application for entry and temporary stay, at least six years of professional experience in the sector of activity which is the subject of the contract.

(c) the natural persons entering into the territory of the other Party possess:

(i) a university degree or a qualification demonstrating knowledge of an equivalent level (1); and

(1) If the degree or qualification has not been obtained in the Party where the service is supplied, that Party may evaluate whether it is equivalent to a university degree required in its territory.

(ii) professional qualifications, if such are required to exercise an activity pursuant to the laws and regulations of the Party where the service is supplied;

(d) access accorded pursuant to this Article relates only to the service activity which is the subject of the contract; it does not confer entitlement to use the professional title of the Party where the service is provided.

3. A Party shall not adopt or maintain limitations on the total number of contractual services suppliers or independent professionals of the other Party who are allowed entry and temporary stay in the form of numerical quotas or the requirement of an economic needs test.

4. A Party shall accord to contractual services suppliers and independent professionals of the other Party, with regard to the supply of their services in its territory, treatment no less favourable than that it accords, in like situations, to its own service suppliers.

5. The permissible length of stay shall be:

(a) for the European Union, a cumulative period of not more than six months in any 12-month period or for the duration of the contract, whichever is less; and

(b) for Chile, a period up to one year which may be extended for subsequent periods, provided that the conditions on which the stay is based remain in effect.

Article 12.6. Non-conforming Measures

To the extent that the relevant measure affects the entry or temporary stay of natural persons for business purposes, subparagraphs (c) and (d) of Article 12.3(1) and Article 12.5(3) and (4) do not apply to:

(a) any existing non-conforming measure of a Party at the level of:

(i) for the European Union:

(A) the European Union, as set out in Appendix 10-A-1;

(B) the central government of a Member State, as set out in Appendix 10-A-1;

(C) a regional government of a Member State, as set out in Appendix 10-A-1; or

(D) a local government, other than that referred to in subparagraph (C); and

(ii) for Chile:

(A) the central government, as set out in Appendix 10-A-2;

(B) a regional government, as set out in Appendix 10-A-2; or

(C) a local government;

(b) the continuation or prompt renewal of any non-conforming measure referred to in subparagraph (a) of this paragraph;

(c) a modification of any non-conforming measure referred to in subparagraphs (a) and (b) of this Article to the extent that it does not decrease the conformity of the measure, as it existed immediately before the modification, with subparagraphs (c) and (d) of Article 12.3(1) and Article 12.5(3) and (4); or

(d) any measure of a Party consistent with a condition or qualification specified in Annex 10-B.

Article 12.7. Transparency

1. A Party shall make publicly available information relating to the entry and temporary stay of natural persons of the other Party referred to in Article 12.1(1).

2. The information referred to in paragraph 1 of this Article shall include, if applicable, the following information:

(a) categories of visa, permits or any similar type of authorisation regarding the entry and temporary stay;

(b) documentation required and conditions to be met;

(c) method of filing an application and options on where to file it, such as consular offices or online;

(d) application fees and an indicative timeframe of the processing of an application;

(e) the maximum length of stay under each type of authorisation referred to in subparagraph (a) of this paragraph;

(f) conditions for any available extension or renewal;

(g) rules regarding accompanying dependents;

(h) available review or appeal procedures; and

(i) relevant laws of general application pertaining to the entry and temporary stay of natural persons.

3. With respect to the information referred to in paragraphs 1 and 2 of this Article, a Party shall endeavour to promptly inform the other Party of the introduction of any new requirements or procedures, or of any changes in requirements or procedures, which affect the effective application for the grant of entry into, temporary stay in and, if applicable, permission to work in the former Party.

Article 12.8. Non-application of Dispute Settlement

Chapter 31 does not apply to a refusal to grant entry and temporary stay unless the matter involves a pattern of practice.

Chapter 13. DOMESTIC REGULATION

Article 13.1. Scope and Definitions

1. This Chapter applies to measures by the Parties relating to licensing requirements and procedures, qualification requirements and procedures, and technical standards (1) that affect:

(1) For greater certainty, as far as measures relating to technical standards are concerned, this Chapter applies only to those measures affecting trade in services.

(a) cross-border supply of services;

(b) the supply of a service or pursuit of any other economic activity through the establishment of an enterprise or operation of a covered enterprise; or

(c) the supply of a service through the temporary stay of certain categories of natural persons of a Party in the territory of the other Party, as set out in Article 12.1.

2. This Chapter only applies to sectors for which a Party has undertaken specific commitments under Chapters 10, 11 and 12 and to the extent that those specific commitments apply.

3. Notwithstanding paragraph 2, this Chapter does not apply to licensing requirements and procedures, qualification requirements and procedures, and technical standards relating to:

(a) manufacturing of basic chemicals and other chemical products;

(b) manufacturing of rubber products;

(c) manufacturing of plastics products;

(d) manufacturing of electric motors, generators and transformers;

(e) manufacturing of accumulators, primary cells and primary batteries; and

(f) recycling of metal and non-metal waste and scrap.

4. Notwithstanding paragraph 1, this Chapter does not apply to measures of a Party to the extent that they constitute limitations subject to scheduling pursuant to Articles 10.5, 10.6, Article 10.11(1), 10.11(2), Articles 11.4, 11.6, 11.7, Articles 11.8(1), 11.8(2), 12.3(1), 12.4(2), 12.5(1) and Article 12.6.

5. For the purposes of this Chapter:

(a) "authorisation" means a permission to carry out any of the activities referred to in subparagraphs (a), (b) and (c) of paragraph 1 resulting from a procedure to which an applicant must adhere in order to demonstrate compliance with licensing requirements, qualification requirements or technical standards;

(b) "competent authority" means a central, regional or local government or authority, or a non- governmental body in the exercise of powers delegated by central, regional or local governments or authorities, which is empowered to take a decision concerning the authorisation to supply a service, including through establishment of an enterprise, or concerning the authorisation to pursue any other economic activity;

(c) "licensing procedures" means administrative or procedural rules to which a natural or a juridical person seeking an authorisation, including an amendment or renewal of an authorisation, must adhere in order to demonstrate compliance with licensing requirements;

(d) "licensing requirements" means substantive requirements, other than qualification requirements, with which a natural or a juridical person is required to comply in order to obtain, amend or renew an authorisation;

(e) "qualification procedures" means administrative or procedural rules to which a natural person must adhere in order to demonstrate compliance with qualification requirements, for the purposes of obtaining an authorisation; and

(f) "qualification requirements" means substantive requirements relating to the competence of a natural person to supply a service, and with which a natural person is required to comply in order to obtain, amend or renew an authorisation.

6. For the purposes of this Chapter, the definitions set out in Articles 10.2 and 11.2 also apply.

Article 13.2. Conditions for Licensing and Qualification

1. Each Party shall ensure that measures relating to licensing requirements, licensing procedures, and qualification requirements and qualification procedures are based on criteria which preclude the competent authorities from exercising their power of assessment in an arbitrary manner (1).

(1) For greater certainty, these criteria may include, inter alia, competence and the ability to supply a service or pursuit any other economic activity, including to do so in a manner consistent with a Party's regulatory requirements, such as health and environmental requirements. Competent authorities may assess the weight to be given to each criterion.

2. The criteria referred to in paragraph 1 shall be:

(a) clear;

(b) objective and transparent; and

(c) accessible to the public and interested persons in advance.

3. When adopting technical standards, each Party shall encourage its competent authorities to adopt technical standards developed through open and transparent processes, and shall encourage bodies, including relevant international organisations (2), designated to develop technical standards to use open and transparent processes.

(2) The term "relevant international organisations" refers to international bodies whose membership is open to the relevant bodies of both Parties.

4. An authorisation shall, subject to availability, be granted as soon as it is established, in the light of an appropriate examination, that the conditions for obtaining an authorisation have been met.

5. Where the number of licences available for a given activity is limited because of the scarcity of available natural resources or technical capacity, each Party shall apply a selection procedure to potential candidates which provides full guarantees of impartiality and transparency, including, in particular, adequate publicity about the launch, conduct and completion of the procedure.

6. Subject to paragraph 5, in establishing the rules for the selection procedure, each Party may take into account legitimate policy objectives, including considerations of health, safety, protection of the environment and preservation of cultural heritage.

Article 13.3. Licensing and Qualification Procedures

1. Licensing and qualification procedures and formalities shall be clear, made public in advance, and shall not in themselves constitute a restriction on the supply of a service or the pursuit of any other economic activity. Each Party shall endeavour to make such procedures and formalities as simple as possible and shall not unduly complicate or delay the supply of the service or the pursuit of any other economic activity.

2. If authorisation is required, each Party shall promptly publish or otherwise make publicly available the information necessary for the applicant to comply with the requirements and procedures for obtaining, maintaining, amending and renewing such authorisation. Such information shall include at least the following, to the extent that it exists:

(a) the requirements and procedures;

(b) contact information of relevant competent authorities;

(c) fees;

(d) technical standards;

(e) procedures for appeal or review of decisions concerning applications;

(f) procedures for monitoring or enforcing compliance with the terms and conditions of licences and qualifications;

(g) opportunities for public involvement, such as through hearings or comments; and

(h) indicative timeframes for processing an application.

3. Any authorisation fee (1) which the applicants may incur shall be reasonable, transparent, and not in itself restrict the supply of the relevant service or the pursuit of the relevant economic activity.

(1) Authorisation fees do not include fees for the use of natural resources, payments for auction, tendering or other non-discriminatory means

of awarding concessions, or mandated contributions to universal service provision.

4. Each Party shall ensure that the procedures used by, and the decisions of, the competent authority in the authorisation process are impartial with respect to all applicants. The competent authority shall reach its decision in an independent manner and not be accountable to any person supplying the services or carrying out the economic activities for which the authorisation is required.

5. If specific time limits for applications apply, an applicant shall be allowed a reasonable period for the submission of an application. If possible, the competent authority should accept applications in electronic format under the same conditions of authenticity as paper submissions.

6. The competent authority shall start processing an application without undue delay after submission. Each Party shall endeavour to establish the indicative timeframe for the processing of an application and shall, at the request of the applicant and without undue delay, ensure that the competent authority provides information concerning the status of the application. Each Party shall ensure that the processing of an application, including reaching a final decision, is completed within a reasonable period of time after the date of submission of a complete application.

7. The competent authority shall, within a reasonable period of time after the receipt of an application which it considers incomplete, inform the applicant, identify, to the extent feasible, the additional information required to complete the application, and provide the applicant with the opportunity to correct inadequacies in the application.

8. The competent authority shall accept copies of documents that are authenticated in accordance with the Party's law, instead of original documents, unless the competent authority requires original documents to protect the integrity of the authorisation process.

9. If an application is rejected by the competent authority, the applicant shall be informed, either on its own request or on the competent authority's initiative, in writing and without undue delay. In principle, the applicant shall be informed of the reasons for the decision to reject the application and of the timeframe for submitting an appeal against that decision. An applicant shall be permitted, within a reasonable time period, to resubmit an application.

10. Each Party shall ensure that an authorisation, once granted, enters into effect without undue delay and in accordance with the terms and conditions specified therein.

11. Where examinations are required for an authorisation, the competent authority shall ensure that such examinations occur at reasonably frequent intervals, and provide a reasonable period of time to enable applicants to request to take the examination.

Article 13.4. Review

If the results of the negotiations related to paragraph 4 of Article VI of GATS enter into force, the Parties shall jointly review such results. Where the joint review assesses that the incorporation of such results into this Agreement would improve the disciplines contained herein, the Parties shall jointly determine whether to incorporate such results into this Agreement.

Article 13.5. Administration of Measures of General Application

Each Party shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective and impartial manner.

Article 13.6. Appeal of Administrative Decisions

Each Party shall maintain or institute judicial, arbitral or administrative tribunals, or procedures which provide, on request of an affected investor or service supplier, a prompt review of, and where justified, appropriate remedies for administrative decisions affecting establishment, cross-border supply of services or temporary presence of natural persons for business purposes. If such procedures are not independent of the agency entrusted with the administrative decision concerned, each Party shall ensure that the procedures provide for an objective and impartial review.

Chapter 14. MUTUAL RECOGNITION OF PROFESSIONAL QUALIFICATIONS

Article 14.1. Mutual Recognition of Professional Qualifications

1. Nothing in this Chapter shall prevent a Party from requiring that natural persons possess the necessary qualifications and professional experience required in the territory where the activity is performed, for the sector of activity concerned.

2. Each Party shall encourage professional bodies or authorities relevant to the sector of activity concerned, in its territory, to develop and provide joint recommendations on mutual recognition of professional qualifications to the Sub-Committee on Services and Investment referred to in Article 11.10. Such joint recommendations shall be supported by an evidence-based assessment of:

(a) the economic value of an envisaged arrangement on mutual recognition of professional qualifications ("mutual recognition arrangement"); and

(b) the compatibility of the respective regimes, that is, the extent to which the requirements applied by each Party for the authorisation, licensing, operation and certification are compatible.

3. Upon receipt of a joint recommendation, the Sub-Committee on Services and Investment shall review its consistency with this Agreement within a reasonable period of time. That Sub-Committee may, following such review, develop and recommend to the Trade Council to adopt, pursuant to subparagraph (a) of Article 33.1(6), a decision on a mutual recognition arrangement in order to determine or amend mutual recognition arrangements set out in Annex 14-B (1).

4. An arrangement as referred to in paragraph 3 of this Article shall provide for the conditions for recognition of professional qualifications acquired in the European Union and professional qualifications acquired in Chile relating to an activity covered by Chapter 10, 11, 12 or 19.

5. The guidelines for arrangements on the recognition of professional qualifications set out in Annex 14-A shall be taken into account in the development of the joint recommendations referred to in paragraph 2 of this Article and by the Trade Council when assessing whether to adopt the arrangement referred to in paragraph 3 of this Article.

(1) For greater certainty, mutual recognition arrangements shall not lead to the automatic recognition of professional qualifications but shall set, in the mutual interest of the Parties, the conditions for the competent authorities granting recognition of such qualifications.

Chapter 15. DELIVERY SERVICES

Article 15.1. Scope and Definitions

1. This Chapter sets out the principles of the regulatory framework for all delivery services.

2. For the purposes of this Chapter:

(a) "delivery services" means postal and courier or express services, including activities of collection, sorting, transport, and delivery of postal items;

(b) "express delivery services" means the collection, sorting, transport and delivery of postal items at accelerated speed and reliability, and may include value added elements such as collection from point of origin, personal delivery to the addressee, tracing, possibility of changing the destination and addressee in transit or confirmation of receipt;

(c) "express mail services" means international express delivery services supplied through the Express Mail Service Cooperative, which is the voluntary association of designated postal operators under the Universal Postal Union;

(d) "licence" means an authorisation, granted to an individual supplier of delivery services by a competent regulatory authority, setting out procedures, obligations and requirements specific to the delivery services sector;

(e) "postal item" means an item up to 31,5 kg addressed in the final form in which it is to be carried by any type of supplier of delivery services, whether public or private, and may include items such as a letter, parcel, newspaper or catalogue;

(f) "postal monopoly" means the exclusive right to supply specified delivery services in the territory of a Party pursuant to laws of that Party; and

(g) "universal service" means the permanent supply of a delivery service of a specified quality at all points in the territory of a Party at affordable prices for all users.

Article 15.2. Universal Service

1. Each Party has the right to define the kind of universal service obligation it wishes to maintain. Each Party that maintains a universal service obligation shall administer it in a transparent, non-discriminatory and neutral manner with regard to all suppliers of delivery services subject to the obligation.

2. If a Party requires inbound express mail services to be supplied on a universal service basis, it shall not accord preferential treatment to those services over other international express delivery services.

Article 15.3. Prevention of Market Distortive Practices

Each Party shall ensure that a supplier of delivery services that is subject to a universal service obligation or a postal monopoly does not engage in market distortive practices such as:

(a) using revenues derived from the supply of a service subject to a universal service obligation or a postal monopoly to cross-subsidise the supply of an express delivery service or any non- universal delivery service; or

(b) unjustifiably differentiating among customers such as businesses or large-volume mailers or consolidators with respect to tariffs or other terms and conditions for the supply of a service subject to a universal service obligation or a postal monopoly.

Article 15.4. Licences

1. If a Party requires a licence for the provision of delivery services, it shall make publicly available:

(a) all licensing requirements and the period of time normally required to reach a decision concerning an application for a licence; and

(b) the terms and conditions of the licence.

2. The procedures, obligations and requirements of a licence shall be transparent, non-discriminatory and based on objective criteria.

3. If an application for a licence is rejected by the competent regulatory authority, it shall inform the applicant of the reasons for the rejection in writing. Each Party shall establish or maintain an appeal procedure through a body that is independent from the parties involved in the licence application procedure. That body may be a tribunal or court.

Article 15.5. Independence of the Regulatory Authorities

1. Each Party shall ensure that any authority responsible for regulating delivery services is not accountable to any supplier of delivery services, and that the decisions and procedures that the regulatory authority adopts are impartial, non-discriminatory and transparent with respect to all market participants in its territory.

2. Each Party shall ensure that the authority responsible for regulating delivery services performs its tasks in a timely manner and has adequate financial and human resources.

Chapter 16. TELECOMMUNICATIONS SERVICES

Article 16.1. Scope

1. This Chapter sets out the principles of the regulatory framework for the provision of telecommunications networks and services liberalised pursuant to Chapters 10 and 11.

2. This Chapter does not apply to services providing, or exercising editorial control over, content transmitted using telecommunications networks and services.

Article 16.2. Definitions

For the purposes of this Chapter:

(a) "associated facilities" means services, physical infrastructures and other facilities associated with a telecommunications network or service which enable or support the provision of services through that network or service or have the potential to do so, and may include buildings or entries to buildings, building wiring, antennas, towers and other supporting constructions, ducts, conduits, masts, manholes and cabinets;

(b) "essential facilities" means facilities of a public telecommunications network or service that:

(i) are exclusively or predominantly provided by a single or limited number of suppliers; and

(ii) cannot feasibly be economically or technically substituted in order to provide a service;

(c) "interconnection" means the linking of public telecommunications networks used by the same or different suppliers of telecommunications networks or services in order to allow the users of one supplier to communicate with users of the same or another supplier or to access services provided by another supplier, irrespective of whether those services are provided by the suppliers involved or by any other supplier who has access to the network;

(d) "internet access services" means public telecommunications services that provide access to the internet in the territory of a Party, and thereby provide connectivity to virtually all end points of the internet, irrespective of the network technology and terminal equipment used;

(e) "leased circuits" means telecommunications services or facilities between two or more designated points, including those of a virtual nature, that set aside capacity for the dedicated use of, or availability to, a user;

(f) "major supplier" means a supplier of telecommunications networks or services which has the ability to materially affect the terms of participation, having regard to price and supply, in a relevant market for telecommunications networks or services as a result of its control over essential facilities or the use of its position in that market;

(g) "network elements" means facilities or equipment used in supplying a public telecommunications service, including features, functions and capabilities provided by means of those facilities or equipment;

(h) "number portability" means:

(i) for the European Union, the ability of a subscriber who so requests to retain the existing telephone number, at the same location in the case of fixed line subscribers, when switching between the same category of suppliers of public telecommunications services, without impairment of quality, reliability or convenience; and

(ii) for Chile, the ability of an end-user to retain, upon request, the existing telephone number when switching between suppliers of public telecommunications services, without impairment of quality, reliability or convenience;

(i) "public telecommunications network" means any telecommunications network used wholly or mainly for the provision of public telecommunications services between network termination points;

(j) "public telecommunications service" means any telecommunications service that is offered to the public generally;

(k) "subscriber" means any natural or juridical person that is party to a contract with a supplier of public telecommunications services for the supply of such services;

(l) "telecommunications" means the transmission and reception of signals by any electromagnetic means;

(m) "telecommunications network" means transmission systems and, if applicable, switching or routing equipment and other resources, including network elements which are not active, which permit the transmission and reception of signals by wire, radio, optical or other electromagnetic means;

(n) "telecommunications regulatory authority" means the body or bodies charged by a Party with the regulation of telecommunications networks and services covered by this Chapter (1);

(o) "telecommunications service" means a service which consists wholly or mainly in the transmission and reception of signals, including of broadcasting signals, via telecommunications networks, including via networks used for broadcasting;

(p) "universal service" means the minimum set of services of specified quality that must be made available to all users in the territory of a Party, regardless of their geographical location and at an affordable price; and

(q) "user" means any natural or juridical person using a public telecommunications network or service.

(1) For greater certainty, telecommunications regulatory authority includes any authority charged by a Party with the enforcement of the obligations set out in this Chapter.

Article 16.3. Telecommunications Regulatory Authority

1. Each Party shall ensure that its telecommunications regulatory authority is legally distinct and functionally independent from any supplier of telecommunications networks, services or equipment, and that the decisions adopted, and the procedures used, by its telecommunications regulatory authority are impartial with respect to all market participants.

2. A Party that retains ownership or control of suppliers of telecommunications networks, services or equipment shall ensure the effective structural separation of the telecommunications regulatory function from activities associated with that ownership or control.

3. With a view to ensuring the independence and impartiality of telecommunications regulatory authorities, each Party shall ensure that its telecommunications regulatory authority does not hold a financial interest or maintain an operating or management role in any supplier of telecommunications networks, services or equipment.

4. Each Party shall ensure that suppliers of telecommunications networks, services or equipment do not influence the decisions and procedures of the telecommunications regulatory authority.

5. Each Party shall provide its telecommunications regulatory authority with the regulatory and supervisory power, as well as adequate financial and human resources, to carry out the tasks assigned to it in order to enforce the obligations set out in this Chapter. Such power shall be exercised transparently and in a timely manner. Those tasks shall be made public in an easily accessible and clear form, in particular when those tasks are assigned to more than one body.

6. Each Party shall provide its telecommunications regulatory authority with the power to ensure that suppliers of telecommunications networks or services provide it, promptly upon request, with all the information, including financial information, which is necessary to enable the telecommunications regulatory authority to carry out its tasks in accordance with this Chapter. Any information provided shall be treated in accordance with the requirements of confidentiality.

7. Each Party shall ensure that a user or supplier of telecommunications networks or services affected by a decision issued by its telecommunications regulatory authority has a right to appeal against that decision to an appeal body that is independent of the telecommunications regulatory authority and of other parties affected by the decision. Pending the outcome of the appeal, the decision issued by the telecommunications regulatory authority shall stand unless interim measures are granted in accordance with the law of the Party of that authority.

Article 16.4. Authorisation to Provide Telecommunications Networks or Services

1. If a Party requires an authorisation for the provision of telecommunications networks or services, it shall state a reasonable period of time normally required for the telecommunications regulatory authority to decide on the authorisation request, shall communicate that period of time to the applicant in a transparent manner and shall endeavour to decide on the request within the communicated period of time (1).

(1) For greater certainty, this Article does not preclude a Party from authorising the provision of telecommunications networks or services upon simple notification without having to wait for a decision by the telecommunications regulatory authority.

2. Any authorisation criteria and applicable procedures shall be as simple as possible, objective, transparent, non-discriminatory and proportionate. Any obligations and conditions imposed on or associated with an authorisation shall be non-discriminatory, transparent, proportionate and related to the services provided.

3. Each Party shall ensure that an applicant receives in writing the reasons for the denial or the revocation of an authorisation, or for the imposition of supplier-specific conditions. In the event of such denial, revocation or imposition, an applicant shall be able to seek recourse before an appeal body.

4. Administrative fees imposed on suppliers, if any, shall be objective, transparent, non-discriminatory and commensurate with the administrative costs reasonably incurred in the management, control and enforcement of the obligations set out in this Chapter (1).

(1) Administrative fees do not include payments for rights to use scarce resources and mandated contributions to universal service provision.

Article 16.5. Interconnection

Without prejudice to Article 16.9, each Party shall ensure that a supplier of public telecommunications networks or services in its territory has the right and, on request of another supplier of public telecommunications networks or services in its

territory, the obligation to negotiate interconnection for the purpose of providing public telecommunications networks or services within its territory.

Article 16.6. Access and Use

1. Each Party shall ensure that any service supplier of the other Party is accorded access to and use of any public telecommunications networks or services on reasonable and non-discriminatory (1) terms and conditions, in accordance with, inter alia, paragraphs 2 to 5.

(1) For the purposes of this Article, "non-discriminatory" means most-favoured-nation treatment and national treatment as defined in Articles 10.6, 10.8, 11.4 and 11.5, as well as under terms and conditions no less favourable than those accorded to any other user of like public telecommunications networks or services in like situations.

2. Each Party shall ensure that any service supplier of the other Party has access to and use of any public telecommunications service offered within or across the border of that Party, including private leased circuits, and to this end shall ensure, subject to paragraph 5, that such supplier is permitted to:

(a) purchase or lease and attach terminal or other equipment which interfaces with the network and which is necessary to provide its services;

(b) interconnect private leased or owned circuits with public telecommunications networks or with circuits leased or owned by another supplier of telecommunications services; and

(c) use operating protocols of its choice in the supply of any service, other than as necessary to ensure the availability of telecommunications services to the public generally.

3. Each Party shall ensure that a service supplier of the other Party may use public telecommunications networks or services for the movement of information within and across the border of that Party, including for intra-corporate communications of such service supplier, and for access to information contained in databases or otherwise stored in machine-readable form in the territory of either Party.

4. Notwithstanding paragraph 3, a Party may take measures that are necessary to ensure the security and confidentiality of communications, subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on trade in services.

5. Each Party shall ensure that no condition is imposed on access to and use of public telecommunications networks or services in its territory other than as necessary to:

(a) safeguard the public service responsibilities of suppliers of public telecommunications networks or services, in particular their ability to make their services available to the public generally; or

(b) protect the technical integrity of public telecommunications networks or services.

Article 16.7. Resolution of Telecommunications Disputes

1. Each Party shall ensure that, in the event of a dispute arising between suppliers of telecommunications networks or services in connection with rights or obligations that arise from this Chapter, and on request of either disputing party, the telecommunications regulatory authority issues a binding decision within a reasonable period of time to resolve the dispute.

2. Each Party shall ensure that the decision issued by the telecommunications regulatory authority is made available to the public, subject to the requirements of business confidentiality under its laws and regulations. The telecommunications regulatory authority shall provide the disputing parties with a full statement of the reasons on which the decision is based. The disputing parties shall have the right to appeal that decision, in accordance with Article 16.3(7).

3. Each Party shall ensure that the procedure referred to in paragraphs 1 and 2 does not preclude either disputing party from bringing an action before a judicial authority, in accordance with the laws and regulations of the Party.

Article 16.8. Competitive Safeguards on Major Suppliers

Each Party shall adopt or maintain appropriate measures for the purpose of preventing suppliers of telecommunications networks or services that, alone or together, are a major supplier from engaging in or continuing anti-competitive practices,

including:

(a) engaging in anti-competitive cross-subsidisation;

(b) using information obtained from competitors with anti-competitive results; and

(c) not making available to other service suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

Article 16.9. Interconnection with Major Suppliers

1. Each Party shall ensure that major suppliers of public telecommunications networks or services provide interconnection at any technically feasible point in the network. Major suppliers shall provide such interconnection:

(a) under non-discriminatory terms and conditions, including with regard to rates, technical standards, specifications, quality and maintenance, and of a quality no less favourable than that provided for their own like services, or for like services of their subsidiaries or other affiliates;

(b) in a timely fashion and on terms and conditions, including in relation to rates, technical standards, specifications, quality and maintenance, that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and

(c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2. Each Party shall make publicly available the procedures applicable for interconnection with a major supplier.

3. Each Party shall ensure that major suppliers make publicly available either their interconnection agreements or their reference interconnection offers, as appropriate.

Article 16.10. Access to the Essential Facilities of Major Suppliers

Each Party shall provide its telecommunications regulatory authority with the power to require that a major supplier in its territory makes its essential facilities available to suppliers of telecommunications networks or services on reasonable and non-discriminatory terms and conditions for the purpose of providing telecommunications network or services, unless this is not necessary to achieve effective competition on the basis of the facts collected and the assessment of the market conducted by the telecommunications regulatory authority. The essential facilities of a major supplier may include network elements, leased circuits services and associated facilities.

Article 16.11. Scarce Resources

1. Each Party shall ensure that the allocation and granting of rights of use of scarce resources, including radio spectrum, numbers and rights of way, is carried out in an open, objective, timely, transparent, non-discriminatory and proportionate manner and in pursuit of objectives of general interest. Procedures, conditions and obligations attached to rights of use shall be based on objective, transparent, non-discriminatory and proportionate criteria.

2. Each Party shall make the current use of allocated frequency bands publicly available, but detailed identification of radio spectrum allocated for specific government uses is not required.

3. The measures of a Party allocating and assigning spectrum and managing frequency are not in themselves inconsistent with Articles 10.5 and 11.7. Accordingly, each Party retains the right to establish and apply spectrum and frequency management measures that may have the effect of limiting the number of suppliers of telecommunications services, provided that it does so in a manner consistent with this Agreement. This includes the ability to allocate frequency bands taking into account current and future needs and spectrum availability.

Article 16.12. Number Portability

Each Party shall ensure that suppliers of public telecommunications services in its territory provide number portability on a timely basis and on reasonable terms and conditions.

Article 16.13. Universal Service

1. Each Party has the right to define the kind of universal service obligations it wishes to maintain and to decide on their scope and implementation.

2. Universal service obligations will not be regarded as anti-competitive in themselves, provided that they are administered in a proportionate, transparent, objective and non-discriminatory manner. The administration of such obligations shall be neutral with respect to competition and not be more burdensome than necessary for the kind of universal service defined by the Party.

3. Each Party shall ensure that procedures for the designation of universal service suppliers are open to all suppliers of public telecommunications networks or services and shall designate universal service suppliers through an efficient, transparent and non-discriminatory mechanism.

4. If a Party decides to fund the provision of universal service by a supplier, it shall ensure that such funding does not exceed the net cost resulting from the universal service obligation.

Article 16.14. Confidentiality of Information

1. Each Party shall ensure that suppliers of telecommunications networks or services that acquire confidential information from another supplier of telecommunications networks or services in the process of negotiating arrangements pursuant to Articles 16.5, 16.6, 16.9 and 16.10 use that information solely for the purposes for which it was supplied and respect at all times the confidentiality of such information.

2. Each Party shall ensure the confidentiality of telecommunications and related traffic data transmitted in the use of public telecommunications networks or services, provided that any measures it adopts to that end are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on trade in services.

Article 16.15. Foreign Shareholding

With regard to the provision of telecommunications networks or services, other than public radio broadcasting, through commercial presence, a Party shall not impose joint venture requirements or limit the participation of foreign capital in terms of maximum percentage limits on foreign shareholding or in terms of the total value of individual or aggregate foreign investment.

Article 16.16. Open and Non-discriminatory Internet Access

1. Each Party shall adopt or maintain measures to ensure that suppliers of internet access services enable users of those services to access and distribute information, content and services of their choice.

2. Paragraph 1 is without prejudice to the laws and regulations of a Party related to the lawfulness of the information, content or services referred to in that paragraph.

3. Notwithstanding paragraph 1, suppliers of internet access services may implement non- discriminatory (1), reasonable, transparent and proportionate network management measures which are consistent with the laws and regulations of a Party.

4. Each Party shall adopt or maintain measures to ensure that suppliers of internet access services enable users of those services to use devices of their choice, provided that such devices do not harm the security of other devices, the network or services provided over the network.

(1) Subject to the exceptions provided in the laws and regulations of a Party.

Article 16.17. International Mobile Roaming

1. The Parties shall endeavour to cooperate on promoting transparent and reasonable rates for international mobile roaming services in ways that can help promote the growth of trade among the Parties and enhance consumer welfare.

2. Each Party may take steps to enhance transparency and competition with respect to international mobile roaming rates and technological alternatives to roaming services, such as:

(a) ensuring that information regarding retail rates is easily accessible to the public; and

(b) minimising impediments to the use of technological alternatives to roaming, whereby users visiting the territory of a Party from the territory of the other Party can access telecommunications services using the device of their choice.

Chapter 17. INTERNATIONAL MARITIME TRANSPORT SERVICES

Article 17.1. Scope, Definitions and Principles

1. This Chapter sets out the principles regarding the liberalisation of international maritime transport services pursuant to Chapters 10, 11 and 12.

2. For the purposes of this Chapter and Chapters 10, 11 and 12 and of Annexes 10-A, 10-B and 10-C:

(a) "container station and depot services" means activities consisting in storing containers, whether in port areas or inland, with a view to their stuffing or stripping, repairing them and making them available for shipments;

(b) "customs clearance services" or "customs house brokers' services" means activities consisting in carrying out on behalf of another party customs formalities concerning import, export or transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity;

(c) "door-to-door or multimodal transport operations" means the transport of cargo using more than one mode of transport, involving an international sea-leg, under a single transport document;

(d) "feeder services" means the pre- and on-ward transportation by sea, between ports located in a Party, of international cargo, notably containerised, en route to a destination outside the territory of that Party;

(e) "freight forwarding services" means the activity consisting of organising and monitoring shipment operations on behalf of shippers through the acquisition of transport and related services, preparation of documentation and provision of business information;

(f) "international cargo" means cargo transported between a port of one Party and a port of the other Party or of a third country, or between a port of one Member State and a port of another Member State;

(g) "international maritime transport services" means the transport of passengers or cargo by sea- going vessels between a port of one Party and a port of the other Party or of a third country, including the direct contracting with providers of other transport services, with a view to covering door-to-door or multimodal transport operations under a single transport document, but not the right to provide such other transport services;

(h) "maritime agency services" means activities consisting in representing, within a given geographic area, as an agent the business interests of one or more shipping lines or shipping companies, for the following purposes:

(i) marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies, acquisition and resale of the necessary related services, preparation of documentation, and provision of business information; or

(ii) acting on behalf of the companies organising the call of the ship or taking over cargoes when required;

(i) "maritime auxiliary services" means maritime cargo handling services, customs clearance services, container station and depot services, maritime agency services and maritime freight forwarding services; and

(j) "maritime cargo handling services" means activities exercised by stevedore companies, including terminal operators but not including the direct activities of dockers, when that workforce is organised independently of the stevedoring or terminal operator companies; the activities covered include the organisation and supervision of:

(i) the loading or discharging of cargo to or from a ship;

(ii) the lashing or unlashing of cargo; and

(iii) the reception or delivery and safekeeping of cargoes before shipment or after discharge.

3. In view of the existing levels of liberalisation between the Parties in international maritime transport, the following principles apply:

(a) the Parties shall apply effectively the principle of unrestricted access to the international maritime markets and trades on a commercial and non-discriminatory basis; and

(b) each Party shall grant to ships flying the flag of the other Party or operated by service suppliers of the other Party treatment no less favourable than that accorded to its own ships, including with regard to access to ports, use of infrastructure and services of ports, and use of maritime auxiliary services, as well as related fees and charges, customs facilities and assignment of berths and facilities for loading and unloading.

4. In applying the principles referred to in paragraph 3, each Party shall:

(a) not introduce cargo-sharing arrangements in future agreements with third countries concerning maritime transport services, including dry and liquid bulk and liner trade, and terminate, within a reasonable period of time, such cargo-sharing arrangements if they exist in previous agreements; and

(b) as from the date of entry into force of this Agreement, abolish and abstain from introducing any unilateral measures or administrative, technical or other obstacles which could constitute a disguised restriction or have discriminatory effects on the free supply of services in international maritime transport.

5. Each Party shall permit international maritime transport service suppliers of the other Party to have an enterprise established and operating in its territory in accordance with the conditions provided for in its schedule of specific commitments in Annexes 10-A, 10-B and 10-C.

6. Each Party shall make available to international maritime transport service suppliers of the other Party on reasonable and non-discriminatory terms and conditions the following services at the port: pilotage, towing and tug assistance, provisioning, fuelling and watering, garbage collecting and ballast waste disposal, port captain's services, navigation aids, shore-based operational services essential to ship operations, including communications, water and electrical supplies, emergency repair facilities, anchorage, and berth and berthing services.

7. Each Party shall permit the international maritime transport service suppliers of the other Party to reposition owned or leased empty containers which are not being carried as cargo against payment between ports of Chile or between ports of a Member State.

Chapter 18. FINANCIAL SERVICES

Article 18.1. Scope

1. This Chapter applies to a measure adopted or maintained by a Party relating to:

(a) financial institutions of the other Party;

(b) investors of the other Party and financial institutions of such investors in the territory of the Party; or

(c) cross-border trade in financial services.

2. For greater certainty, Chapter 10 applies to a measure:

(a) relating to an investor of a Party in a covered enterprise as defined in subparagraph (d) of Article 10.2(1) that is not a financial institution but is supplying a financial service in the territory of the other Party, or to such covered enterprise; and

(b) other than a measure relating to the supply of financial services, relating to an investor of a Party, or a covered enterprise established by that investor in the territory of the other Party that is a financial institution.

3. The provisions of Chapters 10 and 11 apply to measures within the scope of this Chapter only to the extent that those provisions are incorporated into and made part of this Chapter.

4. Articles 10.12 and 11.9 are incorporated into and made part of this Chapter.

5. This Chapter does not apply to a measure adopted or maintained by a Party relating to:

(a) activities conducted by a central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies;

(b) activities or services forming part of a public retirement plan or statutory system of social security; or

(c) activities or services conducted for the account of the Party, with the guarantee or using the financial resources of the Party, including its public entities.

6. Notwithstanding paragraph 5, this Chapter applies to the extent that a Party allows any of the activities or services

referred to in subparagraph (b) or (c) of paragraph 5 to be conducted by its financial institutions in competition with a public entity or a financial institution.

7. Articles 18.3 and 18.5 to 18.9 do not apply with respect to public procurement.

8. Articles 18.3 and 18.5 to 18.8 do not apply with respect to subsidies granted by a Party, including government-supported loans, guarantees and insurances.

Article 18.2. Definitions

For the purposes of this Chapter and Annex 18:

(a) "cross-border financial service supplier of a Party" means a person of a Party that is engaged in the business of supplying a financial service within the territory of the Party and that seeks to supply, or supplies, a financial service through the cross-border supply of such service;

(b) "cross-border supply of financial services" or "cross-border trade in financial services" means the supply of a financial service:

(i) from the territory of a Party into the territory of the other Party; or

(ii) in the territory of a Party by a person of that Party to a services consumer of the other Party;

(c) "financial institution" means a supplier of one or more financial services which is regulated or supervised in respect of the supply of those services as a financial institution under the law of the Party in whose territory it is located, including a branch in the territory of the Party of that financial service supplier whose head offices are located in the territory of the other Party;

(d) "financial service" means a service of a financial nature, including insurance and insurance- related services, banking and other financial services (excluding insurance). Financial services include the following activities:

(i) insurance and insurance-related services:

(A) direct insurance (including co-insurance):

(1) life; and

(2) non-life;

(B) reinsurance and retrocession;

(C) insurance inter-mediation, such as brokerage and agency; and

(D) services auxiliary to insurance, such as consultancy, actuarial, risk-assessment and claim-settlement services; and

(ii) banking and other financial services (excluding insurance):

(A) acceptance of deposits and other repayable funds from the public;

(B) lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transactions;

(C) financial leasing;

(D) all payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts;

(E) guarantees and commitments;

(F) trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:

(1) money market instruments (including cheques, bills, certificates of deposits);

(2) foreign exchange;

(3) derivative products including futures and options;

(4) exchange rate and interest rate instruments, including products such as swaps and forward rate agreements;

(5) transferable securities; or

(6) other negotiable instruments and financial assets, including bullion;

(G) participation in issues of all kinds of securities, including underwriting and placement as agent, whether publicly or privately, and provision of services related to such issues;

(H) money broking;

(I) asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, and custodial, depository and trust services;

(J) settlement and clearing services for financial assets, including securities, derivative products and other negotiable instruments;

(K) provision and transfer of financial information, and financial data processing and related software; and

(L) advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (A) to (K), including credit reference and analysis, investment and portfolio research and advice, and advice on acquisitions and on corporate restructuring and strategy;

(e) "financial service supplier of a Party" means a natural or juridical person of a Party that seeks to supply, or supplies, a financial service, but does not include a public entity;

(f) "investor of a Party" means a natural or juridical person of a Party that seeks to establish, is establishing or has established a financial institution in the territory of the other Party;

(g) "juridical person of a Party" means:

(i) for the European Union: a juridical person constituted or organised under the law of the European Union or of at least one of its Member States and engaged in substantive business operations1 in the territory of the European Union; and

(ii) for Chile: a juridical person constituted or organised under the law of Chile and engaged in substantive business operations in the territory of Chile;

(h) "new financial service" means a service of a financial nature, including services related to existing and new products or the manner in which a product is delivered, which is not supplied by any financial service supplier in the territory of a Party but which is supplied in the territory of the other Party;

(i) "public entity" means:

(i) a government, a central bank or a monetary authority of a Party, or any entity owned or controlled by a Party, that is principally engaged in carrying out governmental functions or activities for governmental purposes, but does not include an entity principally engaged in supplying financial services on commercial terms; or

(ii) a private entity that performs functions normally performed by a central bank or monetary authority, when exercising those functions; and

1 In line with its notification of the Treaty establishing the European Community to the WTO (WT/REG39/1), the European Union understands that the concept of "effective and continuous link" with the economy of a Member State enshrined in Article 54 of the TFEU is equivalent to the concept of "substantive business operations".

(j) "self-regulatory organisation" means a non-governmental body, including a securities or futures exchange or market, clearing agency or other organisation or association, that exercises regulatory or supervisory authority over financial service suppliers or financial institutions by statute or delegation from central, regional or local governments or authorities, where applicable.

Article 18.3. National Treatment

1. Each Party shall accord to investors in financial institutions of the other Party and to covered enterprises that are financial institutions, with respect to the establishment, treatment no less favourable than the treatment it accords, in like situations (1), to its own investors in financial institutions and to their enterprises that are financial institutions.

(1) For greater certainty, whether treatment is accorded in "like situations" requires a case-by-case, fact-based analysis and depends on the totality of the situations.

2. Each Party shall accord to investors in financial institutions of the other Party and to covered enterprises that are financial institutions, with respect to the operation, treatment no less favourable than the treatment it accords, in like situations (2), to its own investors in financial institutions and to their enterprises that are financial institutions.

(2) For greater certainty, whether treatment is accorded in "like situations" requires a case-by-case, fact-based analysis and depends on the totality of the situations.

3. The treatment accorded by a Party under paragraphs 1 and 2 means:

(a) with respect to a regional or local government of Chile, treatment no less favourable than the most favourable treatment accorded, in like situations, by that level of government to investors in financial institutions of Chile and to their enterprises that are financial institutions in its territory;

(b) with respect to a government of, or in, a Member State, treatment no less favourable than the most favourable treatment accorded, in like situations, by that government to investors in financial institutions of that Member State and to their enterprises that are financial institutions in its territory (1).

(1) For greater certainty, the treatment accorded by a government of, or in, a Member State includes the regional and local level of government, when applicable.

Article 18.4. Public Procurement

1. Each Party shall ensure that financial institutions of the other Party established in its territory are accorded treatment no less favourable than that accorded, in like situations, to its own financial institutions with respect to any measure regarding the purchase of goods or services by a procuring entity for governmental purposes.

2. The application of the national treatment obligation provided for in this Article remains subject to security and general exceptions as set out in Article 21.3.

Article 18.5. Most-favoured-nation Treatment

1. Each Party shall accord to investors in financial institutions of the other Party and to covered enterprises that are financial institutions, with respect to the establishment, treatment no less favourable than the treatment it accords, in like situations (1), to investors in financial institutions of a third country and to their enterprises that are financial institutions.

(1) For greater certainty, whether treatment is accorded in "like situations" requires a case-by-case, fact-based analysis and depends on the totality of the situations.

2. Each Party shall accord to investors in financial institutions of the other Party and to covered enterprises that are financial institutions with respect to the operation, treatment no less favourable than the treatment it accords, in like situations (2), to investors in financial institutions of a third country and to their enterprises that are financial institutions.

(2) For greater certainty, whether treatment is accorded in "like situations" requires a case-by-case, fact-based analysis and depends on the totality of the situations.

3. Paragraphs 1 and 2 shall not be construed as obliging a Party to extend to investors in financial institutions of the other Party or to covered enterprises that are financial institutions the benefit of any treatment resulting from measures providing for the recognition of standards, including of the standards or criteria for the authorisation, licensing or certification of a natural person or an enterprise for carrying out an economic activity, or of prudential measures.

4. For greater certainty, the treatment referred to in paragraphs 1 and 2 does not include investment dispute resolution procedures or mechanisms provided for in other international investment treaties or trade agreements. The substantive provisions in other international investment treaties or trade agreements do not in themselves constitute "treatment" as

referred to in paragraphs 1 and 2, and thus cannot give rise to a breach of this Article, absent measures adopted or maintained by a Party. Measures of a Party applied pursuant to such substantive provisions may constitute "treatment" under this Article and thus give rise to a breach of this Article.

Article 18.6. Market Access

1. In the sectors or subsectors listed in Sections B of Appendices 18-1 and 18-2 where market access commitments are undertaken, a Party shall not adopt or maintain, with respect to market access through the establishment or operation of financial institutions by investors of the other Party, either on the basis of its entire territory or on the basis of a territorial subdivision, a measure that:

(a) limits the number of financial institutions, whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirement of an economic needs test;

(b) limits the total value of financial service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;

(c) limits the total number of financial service operations or the total quantity of financial services output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs test;

(d) limits the total number of natural persons that may be employed in a particular financial services sector or that a financial institution may employ and who are necessary for, and directly related to, the supply of a specific financial service, in the form of numerical quotas or the requirement of an economic needs test; or

(e) restricts or requires specific types of legal entity or joint venture through which a financial institution may supply a service.

2. For greater certainty, this Article does not prevent a Party from requiring a financial institution to supply certain financial services through separate legal entities if, under the law of that Party, the range of financial services supplied by the financial institution cannot be supplied through a single entity.

Article 18.7. Cross-border Supply of Financial Services

1. Articles 11.4, 11.5, 11.6 and 11.7 are incorporated into and made part of this Chapter, and apply to measures affecting cross-border financial service suppliers supplying the financial services set out in Section A of Appendices 18-1 and 18-2.

2. A Party shall permit persons located in its territory, and its natural persons wherever located, to purchase financial services from cross-border financial service suppliers of the other Party located in the territory of the other Party. This obligation does not require a Party to permit those suppliers to do business or solicit in its territory. A Party may define "do business" and "solicit" for the purposes of this obligation, provided that those definitions are not inconsistent with paragraph 1 of this Article.

3. Without prejudice to other means of prudential regulation of cross-border trade in financial services, a Party may require the registration or authorisation of cross-border financial service suppliers of the other Party and of financial instruments.

Article 18.8. Senior Management and Boards of Directors

A Party shall not require that a financial institution of the other Party, which is established in its territory, appoints natural persons of a particular nationality as members of boards of directors or to a senior management position, such as executives or managers.

Article 18.9. Performance Requirements

1. A Party shall not, in connection with the establishment or operation of a financial institution of a Party or of a third country in its territory, impose or enforce any requirement or enforce any commitment or undertaking to:

(a) export a given level or percentage of goods or services;

(b) achieve a given level or percentage of domestic content;

(c) purchase, use or accord a preference to goods produced or services provided in its territory, or purchase goods or services from natural persons or enterprises in its territory;

(d) relate in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows associated with such financial institution;

(e) restrict sales of goods or services in its territory that such financial institution produces or provides by relating such sales in any way to the volume or value of its exports or foreign exchange earnings;

(f) transfer technology, a production process or other proprietary knowledge to a natural person or an enterprise in its territory;

(g) supply exclusively from the territory of the Party the goods it produces or the services it supplies to a specific regional or world market;

(h) locate the headquarters of that financial institution for a specific region of the world, which is broader than the territory of the Party, or the world market in its territory;

(i) hire a given number or percentage of its nationals; or

(j) restrict the exportation or sale for export.

2. A Party shall not condition the receipt or continued receipt of an advantage, in connection with the establishment or operation of a financial institution of a Party or of a third country in its territory, on compliance with any of the following requirements:

(a) to achieve a given level or percentage of domestic content;

(b) to purchase, use or accord a preference to goods produced or services provided in its territory, or purchase goods or services from natural persons or enterprises in its territory;

(c) to relate in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows associated with such financial institution;

(d) to restrict sales of goods or services in its territory that such financial institution produces or provides by relating such sales in any way to the volume or value of its exports or foreign exchange earnings; or

(e) to restrict the exportation or sale for export.

3. Paragraph 2 shall not be construed as preventing a Party from conditioning the receipt or continued receipt of an advantage, in connection with the establishment or the operation of financial institutions in its territory by an investor of a Party or a third country, on compliance with a requirement to locate production, provide a service, train or employ workers, construct or expand particular facilities, or carry out research and development, in its territory.

4. Subparagraph (f) of paragraph 1 does not apply if:

(a) a Party authorises the use of an intellectual property right in accordance with Article 31 or 31bis of the TRIPS Agreement or adopts or maintains measures requiring the disclosure of data or proprietary information that fall within the scope of, and are consistent with, paragraph 3 of Article 39 of the TRIPS Agreement; or

(b) the requirement is imposed or the commitment or undertaking is enforced by a court, administrative tribunal, or competition authority in order to remedy a practice determined after judicial or administrative process to be a violation of the competition laws of the Party.

5. Subparagraphs (a), (b) and (c) of paragraph 1 and subparagraphs (a) and (b) of paragraph 2 do not apply to qualification requirements for goods or services with respect to participation in export promotion and foreign aid programmes.

6. Subparagraphs (a) and (b) of paragraph 2 do not apply to requirements imposed by an importing Party relating to the content of goods necessary to qualify for preferential tariffs or preferential quotas.

7. For greater certainty, this Article shall not be construed as requiring a Party to permit a particular service to be supplied on a cross-border basis where that Party adopts or maintains restrictions or prohibitions on such provision of services which are consistent with the reservations, conditions or qualifications specified with respect to a sector, subsector or activity listed in Annex 18.

8. This Article is without prejudice to commitments of a Party made under the WTO Agreement.

Article 18.10. Non-conforming Measures

1. Articles 18.3, 18.5, 18.7, 18.8 and 18.9 do not apply to:

(a) any existing non-conforming measure that is maintained by:

(i) for the European Union:

(A) the European Union, as set out in Section C of Appendix 18-1;

(B) the central government of a Member State, as set out in Section C of Appendix 18-1;

(C) a regional level of government of a Member State, as set out in Section C of Appendix 18-1; or

(D) a local level of government; and

(ii) for Chile:

(A) the central government, as set out in Section C of Appendix 18-2;

(B) a regional level of government, as set out in Section C of Appendix 18-2; or

(C) a local level of government;

(b) the continuation or prompt renewal of any non-conforming measure referred to in subparagraph (a) of this paragraph; or

(c) a modification to any non-conforming measure referred to in subparagraph (a) of this paragraph to the extent that the modification does not decrease the conformity of the measure, as it existed immediately before the modification, with Articles 18.3, 18.5, 18.7, 18.8 or 18.9.

2. Articles 18.3, 18.5, 18.7, 18.8 and 18.9 do not apply to any measure of a Party with respect to sectors, subsectors or activities, as set out by that Party in Section D of Appendices 18-1 and 18-2, respectively.

3. A Party shall not, under any measure adopted after the date of entry into force of this Agreement and covered by Section D of Appendix 18-1 or 18-2, require an investor of the other Party, by reason of its nationality, to sell or otherwise dispose of its financial institution existing at the time the measure becomes effective.

4. Article 18.6 does not apply to any measure of a Party with respect to sectors, subsectors or activities as set out by that Party in Section B of Appendix 18-1 or 18-2.

5. Where a Party has set out a reservation to Articles 10.6, 10.8, 10.9, 10.10, 11.4 or 11.5 in Annex 10-A or 10-B, that reservation also constitutes a reservation to Articles 18.3, 18.5, 18.7, 18.8 or 18.9, as the case may be, to the extent that the measure, sector, sub-sector or activity set out in the reservation is covered by this Chapter.

Article 18.11. Prudential Carve-out

1. Nothing in this Agreement shall prevent a Party from adopting or maintaining measures for prudential reasons, such as:

(a) for the protection of investors, depositors, policy-holders or persons to whom a fiduciary duty is owed by a financial service supplier; or

(b) to ensure the integrity and stability of the financial system of a Party.

2. Where such measures do not conform with the provisions of this Agreement, they shall not be used as a means of avoiding the commitments or obligations of the Party under this Agreement.

Article 18.12. Treatment of Information

Nothing in this Agreement shall be construed as requiring a Party to disclose information relating to the affairs and accounts of individual customers or any confidential or proprietary information in the possession of public entities.

Article 18.13. Domestic Regulation and Transparency

1. Chapter 13, with the exception of subparagraphs (c) to (f) of Article 13.1(5), and Chapter 29 do not apply to measures of a Party within the scope of this Chapter.

2. To the extent practicable and in a manner consistent with its legal system for adopting measures, each Party shall:

(a) publish in advance:

(i) the laws and regulations of general application it proposes to adopt in relation to matters falling within the scope of this Chapter; or

(ii) documents that provide sufficient details about such possible new laws and regulations to allow interested persons and the other Party to assess whether and how their interests might be significantly affected;

(b) provide interested persons and the other Party a reasonable opportunity to submit comments on any proposed laws and regulations or documents published pursuant to subparagraph (a);

(c) consider any comments submitted in accordance with subparagraph (b); and

(d) allow a reasonable time between the publication of any laws and regulations pursuant to subparagraph (a)(i) and the date on which financial service suppliers must comply with them.

3. This Article applies to measures of a Party relating to licensing requirements and procedures and qualification requirements and procedures, and applies only in sectors for which the Party has undertaken specific commitments under this Chapter, and to the extent that those specific commitments apply.

4. If a Party adopts or maintains measures relating to the authorisation for the supply of a financial service, it shall ensure that:

(a) those measures are based on objective and transparent criteria (1);

(b) the authorisation procedures are impartial, and adequate for applicants to demonstrate whether they meet the requirements, if such requirements exist; and

(c) the authorisation procedures do not in themselves unjustifiably prevent fulfilment of the requirements.

(1) Such criteria may include, inter alia, competence and the ability to supply a service, including the ability to do so in a manner consistent with the regulatory requirements of a Party. Competent authorities may assess the weight to be given to each criterion.

5. If a Party requires authorisation (1) for the supply of a financial service, it shall promptly publish or otherwise make publicly available the information necessary for the applicant to comply with the requirements and procedures for obtaining, maintaining, amending and renewing such authorisation. Such information shall include, inter alia, where available:

(1) For the purposes of this Chapter, "authorisation" means the permission to supply a financial service, resulting from a procedure to which an applicant must adhere in order to demonstrate compliance with licensing requirements or qualification requirements.

(a) the requirements and procedures for obtaining, maintaining, amending and renewing such authorisation;

(b) contact information of relevant competent authorities;

(c) procedures for appeal or review of decisions concerning applications;

(d) procedures for monitoring or enforcing compliance with the terms and conditions of licences and qualifications; and

(e) opportunities for public involvement, such as through hearings or comments.

6. If a Party requires authorisation for the supply of a financial service, the competent authorities of that Party shall:

(a) to the extent practicable, permit an applicant to submit an application at any time throughout the year (2);

(2) For greater certainty, competent authorities are not required to start considering applications outside of their official working hours and working days.

(b) allow a reasonable period of time for the submission of an application if specific time periods for applications exist;

(c) initiate the processing of the application without undue delay;

(d) endeavour to accept applications in electronic format under the same conditions of authenticity as paper submissions; and

(e) accept copies of documents which are authenticated in accordance with the law of the Party in place of original documents, unless they require original documents to protect the integrity of the authorisation process.

7. Each Party shall endeavour to make authorisation procedures and formalities as simple as possible and shall not unduly complicate or delay the provision of the financial service.

8. Each Party shall endeavour to establish the indicative timeframe for processing an application and shall, on request of the applicant and without undue delay, provide information concerning the status of the application.

9. If a competent authority considers an application incomplete for processing under the laws and regulations of the Party, it shall, within a reasonable period of time, and to the extent practicable:

(a) inform the applicant that the application is incomplete;

(b) at the request of the applicant, identify the additional information required to complete the application, or otherwise provide guidance on why the application is considered incomplete; and

(c) provide the applicant with the opportunity (1) to submit the additional information required to complete the application.

(1) Such opportunity does not require a competent authority to provide extensions of deadlines.

10. If none of the actions set out in subparagraph (a), (b) or (c) of paragraph 9 is practicable, the competent authorities shall nevertheless, if the application is rejected due to incompleteness, ensure that they inform the applicant thereof within a reasonable period of time.

11. Each Party shall ensure that its competent authorities, with respect to authorisation fees (2) that they charge, provide applicants with a schedule of fees or information on how fee amounts are determined, and do not use the fees as a means of avoiding the commitments or obligations of the Party.

(2) Authorisation fees do not include fees for the use of natural resources, payments for auction, tendering or other non-discriminatory means of awarding concessions, or mandated contributions to universal service provision.

12. A competent authority shall take its decision in an independent manner and not be accountable to any person supplying the services for which the licence or authorisation is required.

13. Each Party shall ensure that the processing of an application, including reaching a final decision, is completed within a reasonable timeframe after the date of submission of a complete application, and that the applicant is informed of the decision concerning the application, to the extent possible, in writing.

14. If an application is rejected by the competent authority, the applicant shall be informed, either on its own request or upon the initiative of the competent authority, in writing and without undue delay. To the extent practicable, the applicant shall be informed of the reasons for the decision to reject the application and of the timeframe for an appeal against that decision. An applicant should be permitted, within reasonable time limits, to resubmit an application.

15. If examinations are required for an authorisation, the competent authority shall ensure that such examinations are organised at reasonably frequent intervals and provide a reasonable period of time to enable applicants to request taking the examination.

16. Each Party shall ensure that an authorisation, once granted, enters into effect without undue delay in accordance with the terms and conditions specified therein.

Article 18.14. Financial Services New to the Territory of a Party

1. A Party shall permit a financial institution of the other Party, other than a branch, to supply any new financial service that the former Party would permit its own financial institutions to supply in accordance with its law, in like situations, provided that the introduction of the new financial services does not require new laws or regulations or the modification of existing laws or regulations.

2. A Party may determine the institutional and juridical form through which the new financial service may be supplied and

may require authorisation for the supply of the service. If such authorisation is required, a decision shall be made within a reasonable period of time and the authorisation shall only be refused for prudential reasons.

3. This Article does not prevent a financial institution of a Party from applying to the other Party requesting it to consider authorising the supply of a financial service that is not supplied within the territory of either Party. Such application is subject to the law of the Party receiving the application and is not subject to the obligations of this Article.

Article 18.15. Self-regulatory Organisations

When a Party requires a financial institution or a cross-border financial service supplier of the other Party to be a member of, participate in, or have access to a self-regulatory organisation in order to provide a financial service in or into the territory of the former Party, it shall ensure that the self-regulatory organisation observes the obligations set out in Articles 10.6, 10.8, 11.4 and 11.5.

Article 18.16. Payment and Clearing Systems

Under terms and conditions that accord national treatment, each Party shall grant to financial institutions of the other Party established in its territory access to payment and clearing systems operated by public entities, and to official funding and refinancing facilities available in the normal course of ordinary business. This Article does not confer access to the lender of last resort facilities of the Party.

Article 18.17. Sub-Committee on Financial Services

1. The Sub-Committee on Financial Services ("Sub-Committee"), established pursuant to Article 33.4(1), shall be composed of representatives of the Parties responsible for financial services.

2. The Sub-Committee shall:

(a) supervise the implementation of this Chapter;

(b) consider issues regarding financial services that are referred to it by a Party; and

(c) carry out a dialogue on the regulation of the financial services sector with a view to improving mutual knowledge of the respective regulatory systems of the Parties and to cooperate in the development of international standards.

Article 18.18. Technical Discussions and Consultations

1. A Party may request technical discussions and consultations with the other Party regarding any matter arising under this Agreement that affects financial services. The other Party shall give sympathetic consideration to that request. The Parties shall report the results of their discussions and consultations to the Sub-Committee.

2. Each Party shall ensure that in those technical discussions and consultations, its delegation includes officials with the relevant expertise in financial services.

3. For greater certainty, nothing in this Article shall be construed as requiring a Party to:

(a) derogate from its relevant laws and regulations regarding the sharing of information among financial regulators or from the requirements of an agreement or arrangement between financial authorities of the Parties; or

(b) require regulatory authorities to take any action that would interfere with specific regulatory, supervisory, administrative, or enforcement matters.

4. Nothing in this Article shall be construed as impeding a Party that requires information for supervisory purposes concerning a financial institution located in the territory of the other Party or a cross-border financial service supplier of the other Party from approaching the competent regulatory authority of the other Party to seek the information.

5. For greater certainty, this Article is without prejudice to either Party's rights and obligations under Chapter 31.

Article 18.19. Dispute Settlement

1. Chapter 31, including Annexes 31-A and 31-B, applies as modified by this Article to the settlement of disputes concerning the application or interpretation of this Chapter.

2. In addition to the requirements set out in Article 31.9, panellists shall have expertise or experience in financial services law or practice, which may include the regulation of financial institutions, unless the Parties agree otherwise.

3. The Sub-Committee shall recommend that the Trade Committee establish a list of at least 15 individuals, fulfilling the requirements referred to in paragraph 2, who are willing and able to serve as panellists. The Trade Committee shall establish such a list no later than one year after the date of entry into force of this Agreement. The list shall be composed of three sub-lists:

(a) one sub-list of individuals established on the basis of proposals by the European Union;

(b) one sub-list of individuals established on the basis of proposals by Chile; and

(c) one sub-list of individuals that are not nationals of either Party and who shall serve as chairperson to the panel.

4. Each sub-list shall include at least five individuals. The Trade Committee shall ensure that the list is always maintained at that minimum number of individuals.

5. For the purposes of this Chapter, the list referred to in paragraph 3 of this Article shall, after its establishment, replace the list established pursuant to Article 31.8(1).

Chapter 19. DIGITAL TRADE

Section A. GENERAL PROVISIONS

Article 19.1. Scope

1. This Chapter applies to trade enabled by electronic means.

2. This Chapter does not apply to audio-visual services.

Article 19.2. Definitions

1. The definitions in Articles 10.2 and 11.2 apply to this Chapter.

2. For the purposes of this Chapter:

(a) "consumer" means any natural person, or juridical person if provided for in the laws and regulations of a Party, using or requesting a public telecommunications service for purposes outside its trade, business or profession;

(b) "direct marketing communication" means any form of commercial advertising by which a natural or juridical person communicates marketing messages directly to end-users via a public telecommunications service and covers at least electronic mail and text and multimedia messages;

(c) "electronic authentication" means a process that enables the confirmation of:

(i) the electronic identification of a natural or juridical person; or

(ii) the origin and integrity of data in electronic form;

(d) "electronic seal" means data in electronic form used by a juridical person which are attached to, or logically associated with, other data in electronic form to ensure the origin and integrity of those other data;

(e) "electronic signature" means data in electronic form which are attached to, or logically associated with, other data in electronic form, and fulfils the following requirements:

(i) it is used by a natural person to agree on the data in electronic form to which it relates; and

(ii) it is linked to the data in electronic form to which it relates in such a way that any subsequent alteration in the data in electronic form is detectable;

(f) "electronic trust services" means an electronic service consisting of the creation, verification, and validation of electronic signatures, electronic seals, electronic time stamps, electronic registered delivery, website authentication and certificates related to that service;

(g) "end-user" means any natural or juridical person using or requesting a public telecommunications service, either as a

consumer or, if provided for in the laws and regulations of a Party, for trade, business or professional purposes;

(h) "personal data" means personal data as defined in subparagraph (u) of Article 1.3; and

(i) "public telecommunications service" means public telecommunications service as defined in subparagraph (j) of Article 16.2.

Article 19.3. Right to Regulate

The Parties reaffirm the right to regulate within their territories to achieve legitimate policy objectives, such as the protection of public health, social services, education, safety, the environment, including climate change, public morals, social or consumer protection, privacy and data protection, or the promotion and protection of cultural diversity.

Article 19.4. Exceptions

Nothing in this Chapter prevents the Parties from adopting or maintaining measures in accordance with Articles 18.11, 32.1 and 32.2 for the public interest reasons set out therein.

Section B. DATA FLOWS AND PERSONAL DATA PROTECTION

Article 19.5. Cross-border Data Flows

The Parties are committed to ensuring cross-border data flows to facilitate digital trade. To that end, a Party shall not restrict cross-border data flows between the Parties by:

(a) requiring the use of computing facilities or network elements in the territory of that Party for processing, including by imposing the use of computing facilities or network elements that are certified or approved in the territory of that Party;

(b) requiring the localisation of data in the territory of that Party for storage or processing;

(c) prohibiting storage or processing in the territory of the other Party; or

(d) making the cross-border transfer of data contingent upon the use of computing facilities or network elements in the territory of that Party or upon localisation requirements in the territory of that Party.

Article 19.6. Protection of Personal Data and Privacy

1. Each Party recognises that the protection of personal data and privacy is a fundamental right and that high standards in that regard contribute to trust in the digital economy and to the development of trade.

2. Each Party may adopt and maintain the measures it deems appropriate to ensure the protection of personal data and privacy, including the adoption and application of rules for the cross-border transfer of personal data. Nothing in this Agreement shall affect the protection of personal data and privacy afforded by the measures of a Party.

Section C. SPECIFIC PROVISIONS

Article 19.7. Customs Duties on Electronic Transmissions

A Party shall not impose customs duties on electronic transmissions between a person of that Party and a person of the other Party.

Article 19.8. No Prior Authorisation

1. A Party shall not require prior authorisation solely on the ground that a service is provided online (1), or adopt or maintain any other requirement having equivalent effect.

2. Paragraph 1 does not apply to telecommunications services, broadcasting services, gambling services, legal representation services, or services of notaries or equivalent professions to the extent that they involve a direct and specific connection with the exercise of public authority.

(1) A service is provided online when it is provided by electronic means and without the persons being simultaneously present.

Article 19.9. Conclusion of Contracts by Electronic Means

1. Each Party shall ensure that its laws and regulations allow contracts to be concluded by electronic means and that the legal requirements for contractual processes do not create obstacles to the use of contracts concluded by electronic means or result in such contracts being deprived of legal effect and validity by reason of their having been concluded by electronic means.

2. Paragraph 1 does not apply to:

(a) broadcasting services, gambling services and legal representation services;

(b) services of notaries or equivalent professions involving a direct and specific connection with the exercise of public authority; and

(c) contracts that establish or transfer rights in real estate, contracts requiring by law the involvement of courts, public authorities or professions exercising public authority, contracts of suretyship granted and collateral securities furnished by persons acting for purposes outside their trade, business or profession, and contracts governed by family law or by the law of succession.

Article 19.10. Electronic Trust Services and Electronic Authentication

1. A Party shall not deny the legal effect or admissibility as evidence in judicial or administrative proceedings of an electronic trust service or an electronic authentication on the basis that it is in electronic form.

2. A Party shall not adopt or maintain measures that would:

(a) prohibit parties to an electronic transaction from mutually determining the appropriate method of electronic authentication for their transaction; or

(b) prevent parties to an electronic transaction from having the opportunity to prove to judicial or administrative authorities that their electronic transaction complies with any legal requirements with respect to electronic trust services or electronic authentication.

3. Notwithstanding paragraph 2, a Party may require that for a particular category of electronic transactions, the method of electronic authentication or electronic trust service:

(a) is certified by an authority accredited in accordance with its law; or

(b) meets certain performance standards which shall be objective, transparent and non- discriminatory and only relate to the specific characteristics of the category of electronic transactions concerned.

Article 19.11. Online Consumer Trust

1. The Parties recognise the importance of enhancing consumer trust in digital trade. Each Party shall adopt or maintain measures to ensure the effective protection of consumers engaging in electronic commerce transactions, including measures that:

(a) prohibit fraudulent and deceptive commercial practices;

(b) require suppliers of goods and services to act in good faith and abide by fair commercial practices, including through the prohibition of charging consumers for unsolicited goods and services;

(c) require suppliers of goods or services to provide consumers with clear and thorough information regarding their identity and contact details (1), as well as regarding the goods or services, the transaction and the applicable consumer rights; and

(d) grant consumers access to redress in order to claim their rights, including a right to remedies where goods or services are paid and not delivered or provided as agreed.

(1) In the case of intermediary services suppliers, identity and contact details also includes the identity and contact details of the actual supplier

of the good or the service.

2. The Parties recognise the importance of cooperation between their respective national consumer protection agencies, or other relevant bodies, on activities related to electronic commerce in order to enhance consumer trust.

Article 19.12. Unsolicited Direct Marketing Communications

1. Each Party shall ensure that end-users are effectively protected against unsolicited direct marketing communications.

2. Each Party shall adopt or maintain effective measures regarding unsolicited direct marketing communications that:

(a) require suppliers of unsolicited direct marketing communications to ensure that recipients are able to prevent ongoing reception of those communications; or

(b) require the consent, as specified according to its laws and regulations, of recipients to receive direct marketing communications.

3. Each Party shall ensure that direct marketing communications are clearly identifiable as such, clearly disclose on whose behalf they are made and contain the necessary information to enable end-users to request cessation free of charge and at any moment.

Article 19.13. Prohibition of Mandatory Transfer of or Access to Source Code

1. A Party shall not require the transfer of, or access to, source code of software owned by a natural or juridical person of the other Party. This paragraph does not apply to the voluntary transfer of, or granting of access to, source code on a commercial basis by a person of the other Party, for instance in the context of a public procurement transaction or a freely negotiated contract. Nothing in this paragraph prevents a person of a Party from licensing its software on a free and open-source basis.

2. For greater certainty, Articles 18.11, 32.1 and 32.2 may apply to measures of a Party adopted or maintained in the context of a certification procedure.

3. Nothing in this Article shall affect:

(a) requirements by a court, administrative tribunal or competition authority to remedy a violation of competition law;

(b) protection and enforcement of intellectual property rights; or

(c) the right of a Party to take measures in accordance with Article 21.3.

Article 19.14. Cooperation on Regulatory Issues with Regard to Digital Trade

1. The Parties shall cooperate by exchanging information on their respective law, as well as on the implementation of that law, related to regulatory issues arising from digital trade, including:

(a) the recognition and facilitation of interoperable cross-border electronic trust and electronic authentication;

(b) the treatment of direct marketing communications;

(c) the protection of consumers online; and

(d) any other regulatory issue relevant for the development of digital trade.

2. The Parties shall maintain a dialogue based on the exchange of information referred to in paragraph 1.

3. This Article does not apply to the rules and measures of a Party for the protection of personal data and privacy, including on cross-border transfer of personal data.

Article 19.15. Review

On request of either Party, the Sub-Committee on Services and Investment referred to in Article 11.10 shall review the implementation of this Chapter, in particular in light of relevant changes affecting digital trade that might arise from new business models or technologies. The Sub-Committee on Services and Investment shall report its findings and may make

any necessary recommendations to the Trade Committee.

Chapter 20. CAPITAL MOVEMENTS, PAYMENTS AND TRANSFERS AND TEMPORARY SAFEGUARD MEASURES

Article 20.1. Objective and Scope

The objective of this Chapter is to enable the free movement of capital and payments related to transactions liberalised under this Agreement (1).

(1) For greater certainty, this Chapter is subject to Annex 20.

Article 20.2. Current Account

Without prejudice to other provisions of this Agreement, each Party shall allow, in freely convertible currency and in accordance with the Articles of Agreement of the International Monetary Fund, adopted in Bretton Woods, New Hampshire on 22 July 1944, any payments and transfers with regard to transactions on the current account of the balance of payments that fall within the scope of this Agreement.

Article 20.3. Capital Movements

Without prejudice to other provisions of this Agreement, each Party shall allow, with regard to transactions on the capital and financial account of the balance of payments, the free movement of capital for the purpose of liberalisation of investment and other transactions as provided for in Chapters 10, 11 and 18.

Article 20.4. Application of Laws and Regulations Relating to Capital Movements, Payments or Transfers

1. Articles 20.2 and 20.3 shall not be construed as preventing a Party from applying its laws and regulations relating to:

(a) bankruptcy, insolvency, or the protection of the rights of creditors;

(b) issuing, trading or dealing in financial instruments such as securities, futures or derivatives;

(c) financial reporting or record keeping of capital movements, payments or transfers if necessary to assist law enforcement or financial regulatory authorities;

(d) criminal or penal offenses, deceptive or fraudulent practices;

(e) ensuring compliance with orders or judgments in judicial or administrative proceedings; or

2. The laws and regulations referred to in paragraph 1 shall be applied in an equitable and non- discriminatory manner, and not in a manner that would constitute a disguised restriction on capital movements, payments or transfers.

Article 20.5. Temporary Safeguard Measures

In exceptional circumstances of serious difficulties for the operation of the economic and monetary union of the European Union, or a threat thereof, the European Union may adopt or maintain safeguard measures with regard to capital movements, payments or transfers for a period not exceeding six months. Those measures shall be limited to the extent that is strictly necessary.

Article 20.6. Restrictions In Case of Balance of Payments and External Financial Difficulties

1. If a Party experiences serious balance of payments or external financial difficulties, or a threat thereof, it may adopt or maintain restrictive measures with regard to capital movements, payments or transfers (1).

(1) For greater certainty, serious balance of payments or external financial difficulties, or threat thereof, may be caused among other factors by

(a) be consistent with the Articles of Agreement of the International Monetary Fund, as applicable;

(b) not exceed those necessary to deal with the situation referred to in paragraph 1 of this Article;

(c) be temporary and be phased out progressively as the situation referred to in paragraph 1 of this Article improves;

(d) avoid unnecessary damage to the commercial, economic and financial interests of the other Party; and

(e) be non-discriminatory as compared with third countries in like situations.

3. In the case of trade in goods, each Party may adopt or maintain restrictive measures in order to safeguard its external financial position or balance of payments. Such measures shall be in accordance with GATT 1994 and the Understanding on the Balance-of-Payments Provisions of the General Agreement on Tariffs and Trade 1994.

4. In the case of trade in services, each Party may adopt or maintain restrictive measures in order to safeguard its external financial position or its balance of payments. Such measures shall be in accordance with Article XII of GATS.

5. A Party that adopts or maintains the measures referred to in paragraphs 1 and 2 shall promptly notify them to the other Party.

6. If restrictive measures are adopted or maintained pursuant to this Article, the Parties shall promptly hold consultations in the Sub-Committee on Services and Investment, unless such consultations are held in other fora of which both Parties are members. The consultations shall assess the balance of payments or external financial difficulties that led to the respective measures, taking into account, inter alia, factors such as:

(a) the nature and extent of the difficulties;

(b) the external economic and trading environment; and

(c) alternative corrective measures which may be available.

7. The consultations pursuant to paragraph 6 shall address the compliance of the restrictive measures with paragraphs 1 and 2. Those consultations shall be based on all relevant findings of statistical or factual nature presented by the International Monetary Fund ("IMF"), where available, and their conclusions shall take into account the assessment by the IMF of the balance of payments and the external financial situation of the Party concerned.

Chapter 21. PUBLIC PROCUREMENT

Article 21.1. Definitions

For the purposes of this Chapter and Annexes 21-A and 21-B:

(a) "commercial goods or services" means goods or services of a type generally sold or offered for sale in the commercial marketplace to, and customarily purchased by, non-governmental buyers for non-governmental purposes;

(b) "construction service" means a service that has as its objective the realisation, by whatever means, of civil or building works, based on Division 51 of the CPC;

(c) "electronic auction" means an iterative process that involves the use of electronic means for the presentation by suppliers of new prices, or new values for quantifiable non-price elements of the tender related to the evaluation criteria, or both, resulting in a ranking or re-ranking of tenders;

(d) "in writing" or "written" means any worded or numbered expression that can be read, reproduced and later communicated; it may include electronically transmitted and stored information;

(e) "limited tendering" means a procurement method whereby the procuring entity contacts a supplier or suppliers of its choice;

(f) "measure" means any law, regulation, procedure, administrative guidance or practice, or any action of a procuring entity relating to a covered procurement;

(g) "multi-use list" means a list of suppliers that a procuring entity has determined satisfy the conditions for inclusion on that list, and that the procuring entity intends to use more than once;

(h) "notice of intended procurement" means a notice, published by a procuring entity, inviting interested suppliers to submit a request for participation, a tender, or both;

(i) "offset" means any condition or undertaking that encourages local development or improves a Party's balance-of-payments accounts, such as the use of domestic content, the licensing of technology, investment, counter-trade and a similar action or requirement;

(j) "open tendering" means a procurement method whereby all interested suppliers may submit a tender;

(k) "procuring entity" means an entity covered under Section A, B or C of Annex 21-A or 21-B;

(l) "qualified supplier" means a supplier that a procuring entity recognises as having satisfied the conditions for participation;

(m) "selective tendering" means a procurement method whereby only qualified suppliers are invited by the procuring entity to submit a tender;

(n) "services" includes construction services, unless otherwise specified;

(o) "standard" means a document approved by a recognised body that provides for common and repeated use, rules, guidelines or characteristics for goods or services, or related processes and production methods, with which compliance is not mandatory; it may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a good, service, process or production method;

(p) "supplier" means a person or group of persons that provides or could provide goods or services; and

(q) "technical specification" means a tendering requirement that:

(i) sets out the characteristics of:

(A) goods to be procured, including quality, performance, safety and dimensions, or the processes and methods for their production; or

(B) services to be procured, including quality, performance, safety or the processes or methods for their provision; or

(ii) addresses terminology, symbols, packaging, marking or labelling requirements, as they apply to a good or service.

Article 21.2. Scope and Coverage

1. This Chapter applies to any measure regarding covered procurement, whether or not it is conducted exclusively or partially by electronic means.

2. For the purposes of this Chapter, "covered procurement" means procurement for governmental purposes:

(a) of a good, a service, or any combination thereof:

(i) as specified in Annex 21-A or 21-B; and

(ii) not procured with a view to commercial sale or resale, or for use in the production or supply of a good or a service for commercial sale or resale;

(b) by any contractual means, including purchase, lease and rental or hire purchase, with or without an option to buy;

(c) for which the value, as estimated in accordance with paragraphs 6 to 8 of this Article, equals or exceeds the relevant threshold specified in Annex 21-A or 21-B at the time of publication of a notice in accordance with Article 21.6;

(d) by a procuring entity; and

(e) that is not otherwise excluded from coverage pursuant to paragraph 3 of this Article or to Annex 21-A or 21-B.

3. Except where otherwise provided for in Annex 21-A or 21-B, this Chapter does not apply to:

(a) the acquisition or rental of land, existing buildings or other immovable property or the rights thereon;

(b) non-contractual agreements or any form of assistance that a Party provides, including cooperative agreements, grants, loans, subsidies, equity infusions, guarantees and fiscal incentives;

(c) the procurement or acquisition of fiscal agency or depository services, liquidation and management services for regulated financial institutions or services related to the sale, redemption and distribution of public debt, including loans and government bonds, notes and other securities;

(d) public employment contracts;

(e) procurement conducted:

(i) for the specific purpose of providing international assistance, including development aid;

(ii) under the particular procedure or condition of an international agreement relating to the stationing of troops or relating to the joint implementation by the signatory countries of a project; or

(iii) under the particular procedure or condition of an international organisation, or funded by international grants, loans or other assistance if the applicable procedure or condition would be inconsistent with this Chapter; or

(f) financial services.

4. This Chapter applies to all procurement covered by Annex 21-A or 21-B, in which each Party's commitments are set out as follows:

(a) in Section A of Annexes 21-A and 21-B, the central government entities whose procurement is covered by this Chapter;

(b) in Section B of Annexes 21-A and 21-B, the sub-central government entities whose procurement is covered by this Chapter;

(c) in Section C of Annexes 21-A and 21-B, all other entities whose procurement is covered by this Chapter;

(d) in Section D of Annexes 21-A and 21-B, the goods covered by this Chapter;

(e) in Section E of Annexes 21-A and 21-B, the services, other than construction services, covered by this Chapter;

(f) in Section F of Annexes 21-A and 21-B, the construction services covered by this Chapter;

(g) in Section G of Annexes 21-A and 21-B, public works concessions covered by this Chapter;

(h) in Section H of Annexes 21-A and 21-B, General Notes;

(i) in Section I of Annexes 21-A and 21-B, the media by means of which the Party publishes its procurement notices, award notices, and other information related to its public procurement system as set out in this Chapter;

(j) in Section J of Annex 21-B, the conversion rate to be used for the threshold values.

5. If a procuring entity, in the context of covered procurement, requires persons not covered under Annex 21-A or 21-B to procure in accordance with particular requirements, Article 21.4 shall apply mutatis mutandis to such requirements.

6. In estimating the value of a procurement for the purpose of ascertaining whether it is a covered procurement, a procuring entity:

(a) shall not divide a procurement into separate procurements or select or use a particular valuation method for estimating the value of a procurement with the intention of totally or partially excluding it from the application of this Chapter; and

(b) shall include the estimated maximum total value of the procurement over its entire duration, whether awarded to one or more suppliers, taking into account all forms of remuneration, including:

(i) premiums, fees, commissions and interest; and

(ii) if the procurement provides for the possibility of options, the total value of such options.

7. If an individual requirement for a procurement results in the award of more than one contract, or in the award of contracts in separate parts ("recurring contracts") the calculation of the estimated maximum total value shall be based on:

(a) the value of recurring contracts for the same type of good or service awarded during the preceding 12 months or the procuring entity's preceding fiscal year, adjusted, if possible, to take into account anticipated changes in the quantity or value of the good or service being procured over the following 12 months; or

(b) the estimated value of recurring contracts for the same type of good or service to be awarded during the 12 months

following the initial contract award or the procuring entity's fiscal year.

8. In the case of procurement by lease, rental or hire purchase of goods or services, or procurement for which a total price is not specified, the basis for valuation shall be:

(a) in case of a fixed-term contract:

(i) if the term of the contract is 12 months or less, the total estimated maximum value for its duration;

(ii) if the term of the contract exceeds 12 months, the total estimated maximum value, including any estimated residual value;

(b) if the contract is for an indefinite period, the estimated monthly instalment multiplied by 48;

(c) if it is not certain whether the contract is to be a fixed-term contract, subparagraph (b) shall apply.

Article 21.3. Security and General Exceptions

1. Nothing in this Chapter shall be construed as preventing a Party from taking any action or not disclosing any information that it considers necessary for the protection of its essential security interests relating to the procurement of arms, ammunition or war materials, or to procurement indispensable for national security or for national defence purposes.

2. Subject to the requirement that such measures are not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between Parties where the same conditions prevail, or a disguised restriction on international trade, nothing in this Chapter shall be construed as preventing a Party from imposing or enforcing measures:

(a) necessary to protect public morals, order or safety;

(b) necessary to protect human, animal or plant life or health;

(c) necessary to protect intellectual property; or

(d) relating to goods or services of persons with disabilities, of philanthropic institutions or of prison labour.

3. The Parties understand that subparagraph (b) of paragraph 2 includes environmental measures necessary to protect human, animal or plant life or health.

Article 21.4. General Principles

Non-discrimination

1. With respect to any measure regarding covered procurement, each Party, including its procuring entities, shall accord, immediately and unconditionally to the goods and services of the other Party and to the suppliers of the other Party offering goods or services of either Party, treatment no less favourable than the treatment that the Party, including its procuring entities, accords to its own goods, services and suppliers.

2. With respect to any measure regarding covered procurement, a Party, including its procuring entities, shall not:

(a) treat a locally established supplier less favourably than another locally established supplier on the basis of the degree of foreign affiliation or ownership; or

(b) discriminate against a locally established supplier on the basis that the goods or services offered by that supplier for a particular procurement are goods or services of the other Party.

Use of electronic means

3. The Parties shall ensure that all communication and information exchange for covered procurement are performed using electronic means, including for the publication of procurement information, notices and tender documentation, and for the receipt of tenders. When conducting covered procurement by electronic means, a procuring entity shall:

(a) ensure that the procurement is conducted using information technology systems and software, including those related to authentication and encryption of information, that are generally available and interoperable with other generally available information technology systems and software;

(b) establish and maintain mechanisms that ensure the integrity of requests for participation and tenders, including the

establishment of the time of receipt and the prevention of inappropriate access; and

(c) use electronic means of information and communication for the publication of notices and tender documentation in procurement procedures and, to the widest extent practicable, for the submission of tenders.

Conduct of procurement

4. A procuring entity shall conduct covered procurement in a transparent and impartial manner that:

(a) is consistent with this Chapter, using methods such as open tendering, selective tendering and limited tendering; and

(b) prevents conflicts of interest and corrupt practices, in accordance with relevant laws.

Rules of origin

5. For the purposes of public procurement covered by this Chapter, a Party shall not apply rules of origin to goods imported from the other Party that are different from the rules of origin which that Party applies in the normal course of trade to imports of the same goods.

Offsets

6. With regard to covered procurement, a Party, including its procuring entities, shall not seek, take account of, impose or enforce any offset at any stage of a procurement.

Measures not specific to procurement

7. Paragraphs 1 and 2 shall not apply to customs duties and charges of any kind imposed on, or in connection with, importation, to the method of levying such duties and charges, and to other import regulations or formalities and measures affecting trade in services other than measures governing covered procurement.

Anti-corruption measures

8. Each Party shall ensure that it has appropriate measures in place to address and prevent corruption in their public procurement. Such measures may include procedures to render ineligible for participation in the Party's procurements, either indefinitely or for a stated period of time, suppliers that the judicial authorities of the Party have determined by final decision, to have engaged in bribery, fraud or other illegal actions in relation to public procurement in the territory of that Party. Each Party shall also ensure that it has in place policies and procedures to eliminate, to the extent possible, or manage any potential conflict of interest on the part of those engaged in or having influence over procurement.

Article 21.5. Information on the Procurement System

1. Each Party shall:

(a) promptly publish any law, regulation, judicial decision, administrative ruling of general application, standard contract clause mandated by law or regulation and incorporated by reference in notices or tender documentation and procedure regarding covered procurement, and any modifications thereof, in the relevant electronic or paper media officially designated at national level, which shall be widely disseminated and remain readily accessible to the public; and

(b) provide an explanation thereof to the other Party, upon request.

2. Section I of Annex 21-A and 21-B, respectively, contains a list of:

(a) the electronic or paper media in which the Party concerned publishes the information set out in paragraph 1;

(b) the electronic or paper media in which the Party concerned publishes the notices required by Articles 21.6, 21.8(9) and 21.17(2); and

(c) the website address or addresses where the Party concerned publishes:

(i) its procurement statistics pursuant to Article 21.17(4); or

(ii) its notices concerning awarded contracts pursuant to Article 21.17(5).

3. Each Party shall promptly notify the Sub-Committee referred to in Article 21.21 of any modification to the Party's information listed in Section I of Annex 21-A and 21-B, respectively.

Article 21.6. Notices

Notice of intended procurement

1. For each covered procurement, a procuring entity shall publish a notice of intended procurement, except in the circumstances set out in Article 21.14.

2. Except as otherwise provided in this Chapter, each notice of intended procurement shall include:

(a) the name and address of the procuring entity and other information necessary to contact the procuring entity and obtain all relevant documents relating to the procurement, and their cost and terms of payment, if any;

(b) a description of the procurement, including the nature and the quantity of the goods or services to be procured or, where the quantity is not known, the estimated quantity;

(c) for recurring contracts, an estimate, if possible, of the timing of subsequent notices of intended procurement;

(d) a description of any options;

(e) the timeframe for delivery of goods or services or the duration of the contract;

(f) the procurement method that will be used and whether it will involve negotiation or electronic auction mechanism;

(g) where applicable, the address and any final date for the submission of requests for participation in the procurement;

(h) the address and the final date for the submission of tenders;

(i) the language or languages in which tenders or requests for participation may be submitted, if they may be submitted in a language other than an official language of the Party of the procuring entity;

(j) a list and brief description of any conditions for participation of suppliers, including any requirements for specific documents or certifications to be provided by suppliers in connection therewith, unless such requirements are included in tender documentation that is made available to all interested suppliers at the same time as the notice of intended procurement;

(k) where, pursuant to Article 21.8(5), a procuring entity intends to select a limited number of qualified suppliers to be invited to tender, the criteria that will be used to select them and the number of suppliers that will be permitted to tender; and

(l) an indication that the procurement is covered by this Chapter.

Summary notice

3. For each case of intended procurement, a procuring entity shall publish a summary notice that is readily accessible at the same time as the publication of the notice of intended procurement, and in one of the WTO official languages (1). The summary notice shall contain at least the following information:

(a) the subject-matter of the procurement;

(b) the final date for the submission of tenders or, where applicable, any final date for the submission of requests for participation in the procurement or for inclusion on a multi-use list; and

(c) the address from which documents relating to the procurement may be requested.

(1) For greater certainty, WTO official languages are English, Spanish and French.

Notice of planned procurement

4. Procuring entities are encouraged to publish as early as possible in each fiscal year a notice regarding their future procurement plans ("notice of planned procurement"). The notice of planned procurement should include the subject-matter of the procurement and the planned date of the publication of the notice of intended procurement.

5. A procuring entity covered under Section B or C of Annex 21-A or 21-B may use a notice of planned procurement as a notice of intended procurement provided that the notice of planned procurement includes as much of the information referred to in paragraph 2 of this Article as is available to the entity and a statement that interested suppliers should

express their interest in the procurement to the procuring entity.

Rules common to notices

6. The notice of intended procurement, summary notice and notice of planned procurement shall be directly accessible by electronic means, free of charge, through a single point of access on the internet. In addition, the notices may also be published in an appropriate paper medium, which shall be widely disseminated and shall remain readily accessible to the public, at least until the expiration of the time period indicated in the notice.

The appropriate paper and electronic medium is listed by each Party in Section I of Annex 21-A and 21-B respectively.

7. Notwithstanding the requirements set out in paragraph 6 regarding the accessibility, by electronic means, free of charge, through a single point of access, of the notices of intended procurement, summary notices and notices of planned procurement, Chile shall, from the date of entry into force of this Agreement and for a transition period of three years until the single point of access is fully operational, establish a gateway site, as a temporary alternative to a single point of access, which should be accessible free of charge and should provide links to the platforms or websites on which the notices are published. The gateway shall contain links to a maximum of four websites, that are:

(a) Mercado público;

(b) Ministerio de Obras Públicas;

(c) Dirección General de Concesiones; and

(d) Diario Oficial.

8. The Parties shall provide for a periodical review of paragraph 7 of this Article, including a discussion within the Sub-Committee referred to in Article 21.21, in particular on the status of implementation of the single point of access.

Article 21.7. Conditions for Participation

1. A procuring entity shall limit any conditions for participation in a procurement to those that are essential to ensure that a supplier has the legal and financial capacities and the commercial and technical abilities to undertake the relevant procurement.

2. In establishing the conditions for participation, a procuring entity:

(a) shall not impose the condition that, in order for a supplier to participate in a procurement, that supplier has previously been awarded one or more contracts by a procuring entity of a Party;

(b) may require relevant prior experience, where essential to meet the requirements of the procurement; and

(c) shall not require prior experience in the territory of the Party as a condition of the procurement.

3. In assessing whether a supplier satisfies the conditions for participation, a procuring entity:

(a) shall evaluate the financial capacity and the commercial and technical abilities of a supplier on the basis of that supplier's business activities both inside and outside the territory of the Party of the procuring entity; and

(b) shall base its evaluation on the conditions that the procuring entity has specified in advance in notices or tender documentation.

4. Where there is supporting evidence, and provided that this paragraph is not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between the Parties, a Party, including its procuring entities, may exclude a supplier on grounds such as:

(a) bankruptcy;

(b) false declarations;

(c) significant or persistent deficiencies in performance of any substantive requirement or obligation under a prior contract or contracts;

(d) final judgments in respect of serious crimes or other serious offences;

(e) grave professional misconduct or acts or omissions that adversely reflect on the commercial integrity of the supplier; or

(f) failure to pay taxes.

Article 21.8. Qualification of Suppliers Registration Systems and Qualification Procedures

1. A Party, including its procuring entities, may maintain a supplier registration system under which interested suppliers are required to register and provide certain information. In that event, the Party shall ensure that interested suppliers have access to information on the registration system through electronic means and that they may request registration at any time. The competent authority shall inform them within a reasonable period of time of the decision to grant or reject the request. If the request is rejected, the decision shall be duly motivated.

2. Each Party shall ensure that:

(a) its procuring entities make efforts to minimise differences in their qualification procedures; and

(b) if its procuring entities maintain registration systems, the entities make efforts to minimise differences in those systems.

3. A Party, including its procuring entities, shall not adopt or apply a registration system or qualification procedure for the purpose or with the effect of creating unnecessary obstacles to the participation of suppliers of the other Party in its procurement.

Selective tendering

4. If a procuring entity intends to use selective tendering, it shall:

(a) include in the notice of intended procurement at least the information set out in subparagraphs (a), (b), (f), (g), (j), (k) and (l) of Article 21.6(2) and invite suppliers to submit a request for participation; and

(b) provide, by the commencement of the time period for tendering, at least the information in subparagraphs (c), (d), (e), (h) and (i) of Article 21.6(2) to the qualified suppliers that it notifies pursuant to subparagraph (b) of Article 21.12(3).

5. A procuring entity shall allow all qualified suppliers to participate in a particular procurement, unless the procuring entity states in the notice of intended procurement any limitation on the number of suppliers that will be permitted to tender and the criteria or justification for selecting the limited number of suppliers. An invitation to submit a tender shall be addressed to a number of suppliers that is necessary to ensure competition.

6. Where the tender documentation is not made publicly available from the date of publication of the notice referred to in paragraph 4, a procuring entity shall ensure that those documents are made available at the same time to all the qualified suppliers selected in accordance with paragraph 5.

Multi-use lists

7. A procuring entity may maintain a multi-use list of suppliers, provided that a notice inviting interested suppliers to apply for inclusion on the list is:

(a) published annually; and

(b) if published by electronic means, made available continuously, in the appropriate medium listed in Section I of Annexes 21-A and 21-B.

8. The notice provided for in paragraph 7 shall include:

(a) a description of the goods or services, or categories thereof, for which the list may be used;

(b) the conditions for participation that the suppliers shall satisfy in order to be included in the list, and the methods that the procuring entity will use to verify that a supplier satisfies the conditions;

(c) the name and address of the procuring entity and other information necessary to contact the entity and obtain all relevant documents relating to the list;

(d) the period of validity of the list and the means for its renewal or termination or, if the period of validity is not provided, an indication of the method by which notice of the termination of use of the list will be given; and

(e) an indication that the list may be used for procurement covered by this Chapter.

9. Notwithstanding paragraph 7, if a multi-use list is valid for three years or less, a procuring entity may publish the notice

referred to in paragraph 7 only once, at the beginning of the period of validity of the list, provided that the notice:

(a) states the period of validity and that further notices will not be published; and

(b) is published by electronic means and is made available continuously during the period of its validity.

10. A procuring entity shall allow suppliers to apply at any time for inclusion on a multi-use list and shall include on the list all qualified suppliers within a reasonably short time.

11. Where a supplier that is not included on a multi-use list submits a request for participation in a procurement based on a multi-use list and all required documents within the time period provided for in Article 21.12(2), a procuring entity shall examine the request. The procuring entity shall not exclude the supplier from consideration in respect of the procurement on the grounds that the entity has insufficient time to examine the request, unless, in exceptional cases, due to the complexity of the procurement, the entity is not able to complete the examination of the request within the time period allowed for the submission of tenders.

Entities in Sections B and C of Annex 21-A or 21-B

12. A procuring entity covered under Section B or C of Annex 21-A or 21-B may use a notice inviting suppliers to apply for inclusion on a multi-use list as a notice of intended procurement, provided that:

(a) the notice is published in accordance with paragraph 7 of this Article and includes the information required under paragraph 8 of this Article, as much of the information required under Article 21.6(2) as is available, and a statement that the notice constitutes a notice of intended procurement or that only the suppliers on the multi-use list will receive further notices of procurement covered by the multi-use list; and

(b) the entity promptly provides suppliers that have expressed an interest in a given procurement to the entity with sufficient information to permit them to assess their interest in the procurement, including all remaining information required under Article 21.6(2), to the extent that such information is available.

13. A procuring entity covered under Section B or C of Annex 21-A or 21-B may allow a supplier that has applied for inclusion on a multi-use list in accordance with paragraph 10 of this Article to tender in a given procurement, where there is sufficient time for the procuring entity to examine whether the supplier satisfies the conditions for participation.

Information on procuring entity decisions

14. A procuring entity shall promptly inform any supplier that submits a request for participation in a procurement, or an application for inclusion on a multi-use list, of the procuring entity's decision with respect to the request or application.

15. If a procuring entity rejects a supplier's request for participation in a procurement or application for inclusion on a multi-use list, ceases to recognise a supplier as qualified, or removes a supplier from a multi-use list, the entity shall promptly inform the supplier and, on request of the supplier, promptly provide the supplier with a written explanation of the reasons for its decision.

Article 21.9. Technical Specifications

1. A procuring entity shall not prepare, adopt or apply any technical specification or provide for any conformity assessment procedure for the purpose or with the effect of creating unnecessary obstacles to international trade.

2. In providing for the technical specifications for the goods or services being procured, a procuring entity shall, if appropriate:

(a) set out the technical specification in terms of performance and functional requirements, rather than in terms of design or descriptive characteristics; and

(b) base the technical specification on international standards, if they exist, or on national technical regulations, recognised national standards or building codes, if such international standards do not exist.

3. If design or descriptive characteristics are used in the technical specifications, a procuring entity should indicate, if appropriate, that it will consider tenders of equivalent goods or services that demonstrably fulfil the requirements of the procurement by including words such as "or equivalent" in the tender documentation.

4. A procuring entity shall not provide for technical specifications that require or refer to a particular trademark or trade name, patent, copyright, design, type, specific origin, producer or supplier, unless there is no other sufficiently precise or

intelligible way of describing the procurement requirements and provided that, in such cases, the entity includes words such as "or equivalent" in the tender documentation.

5. A procuring entity shall not seek or accept, in a manner that would have the effect of precluding competition, advice that may be used in the preparation or adoption of any technical specification for a specific procurement from a person that may have a commercial interest in the procurement.

6. For greater certainty, a Party, including its procuring entities, may, in accordance with this Article, prepare, adopt or apply technical specifications to promote the conservation of natural resources or protect the environment.

Article 21.10. Tender Documentation

1. A procuring entity shall make available to suppliers tender documentation that includes all information necessary to permit suppliers to prepare and submit responsive tenders. Unless already provided in the notice of intended procurement, such documentation shall include a complete description of:

(a) the procurement, including the nature and the quantity of the goods or services to be procured or, where the quantity is not known, the estimated quantity and any requirements to be fulfilled, including any technical specifications, conformity assessment certification, plans, drawings or instructional materials;

(b) any conditions for participation of suppliers, including a list of information and documents that suppliers are required to submit in connection with the conditions for participation;

(c) all evaluation criteria that the entity will apply in the awarding of the contract and, unless price is the sole criterion, the relative importance of those criteria;

(d) if the procuring entity will conduct the procurement by electronic means, any authentication and encryption requirements or other requirements related to the submission of information by electronic means;

(e) if the procuring entity will hold an electronic auction, the rules, including identification of the elements of the tender related to the evaluation criteria, subject to which the auction will be conducted;

(f) if there will be a public opening of tenders, the date, time and place for the opening and, if appropriate, the persons authorised to be present;

(g) any other terms or conditions, including terms of payment and any limitation on the means by which tenders may be submitted, such as whether they are to be submitted on paper or by electronic means; and

(h) any dates for the delivery of goods or the supply of services.

2. In establishing a date for the delivery of goods or the supply of services being procured, a procuring entity shall take into account factors such as the complexity of the procurement, the extent of subcontracting anticipated, and the realistic time required for production, de-stocking and transport of goods from the point of supply or for supply of services.

3. The evaluation criteria set out in the notice of intended procurement or tender documentation may include, among others, price and other cost factors, quality, technical merit, environmental characteristics and terms of delivery.

4. A procuring entity shall promptly:

(a) make available tender documentation to ensure that interested suppliers have sufficient time to submit responsive tenders;

(b) provide, on request, the tender documentation to any interested supplier; and

(c) reply to any reasonable request for relevant information by any interested or participating supplier within the time period established in each Party's legislation, provided that such information does not give that supplier an advantage over other suppliers.

Modifications

5. If a procuring entity modifies the criteria or requirements set out in the notice of intended procurement or tender documentation provided to participating suppliers, or amends or reissues a notice or tender documentation, it shall transmit in writing all such modifications or the amended or reissued notice or tender documentation:

(a) to all suppliers that are participating at the time of the modification, amendment or reissuance, if such suppliers are

known to the entity, and in all other cases, in the same manner as the original information was made available; and

(b) in adequate time, considering the nature and complexity of the procurement, to allow such suppliers to modify and resubmit modified tenders, as appropriate.

Article 21.11. Environmental and Social Considerations

1. A Party may allow its procuring entities to use environmental and social considerations throughout the procurement procedure, provided that they are not discriminatory, are consistent with the prohibition of offsets in Article 21.4(6), and are linked to the subject matter of the contract.

2. For greater certainty, environmental and social considerations shall not be prepared, adopted or applied in a manner that constitutes a means of arbitrary or unjustifiable discrimination between the Parties or a disguised restriction of trade between the Parties.

Article 21.12. Time Periods

1. A procuring entity shall, consistent with its own reasonable needs, provide sufficient time for suppliers to prepare and submit requests for participation and responsive tenders, taking into account factors such as:

(a) the nature and complexity of the procurement;

(b) the extent of subcontracting anticipated; and

(c) where electronic means are not used, the time necessary for transmitting tenders by non- electronic means from foreign as well as domestic points.

Such time periods, including any extensions thereof, shall be the same for all interested or participating suppliers.

2. A procuring entity which uses selective tendering shall establish a final date for the submission of requests for participation that shall not, in principle, be earlier than 25 days from the date of publication of the notice of intended procurement. If a state of urgency duly substantiated by the procuring entity renders such time period impracticable, the time period may be reduced to no less than 10 days.

3. Except as provided for in paragraphs 4, 5, 7 and 8, a procuring entity shall establish a final date for the submission of tenders that shall not be earlier than 40 days from the date on which:

(a) in the case of open tendering, the notice of intended procurement is published; or

(b) in the case of selective tendering, the procuring entity notifies suppliers that they will be invited to submit tenders, whether or not it uses a multi-use list.

4. A procuring entity may reduce the time period for tendering established in accordance with paragraph 3 to no less than 10 days if:

(a) the procuring entity has published a notice of planned procurement as set out in Article 21.6(4) at least 40 days, and not more than 12 months, in advance of the publication of the notice of intended procurement, and the notice of planned procurement contains:

(i) a description of the procurement;

(ii) the approximate final dates for the submission of tenders or requests for participation;

(iii) a statement that interested suppliers should express their interest in the procurement to the procuring entity;

(iv) the address from which documents relating to the procurement may be obtained; and

(v) as much of the information that is required for the notice of intended procurement under Article 21.6(2) as is available;

(b) the procuring entity, for recurring contracts, indicates in an initial notice of intended procurement that subsequent notices will establish the time periods for tendering based on this paragraph; or

(c) a state of urgency duly substantiated by the procuring entity renders the time period for tendering established in accordance with paragraph 3 impracticable.

5. A procuring entity may reduce the time period for tendering established in accordance with paragraph 3 by five days for each of the following circumstances:

(a) the notice of intended procurement is published by electronic means;

(b) all the tender documentation is made available by electronic means from the date of the publication of the notice of intended procurement; and

(c) the entity accepts tenders by electronic means.

6. The application of paragraph 5, in conjunction with paragraph 4, shall in no case result in the reduction of the time period for tendering established in accordance with paragraph 3 to less than 10 days from the date on which the notice of intended procurement is published.

7. Notwithstanding any other provision of this Article, if a procuring entity purchases commercial goods or services, or any combination thereof, it may reduce the time period for tendering established in accordance with paragraph 3 to no less than 13 days, provided that it publishes by electronic means, at the same time, both the notice of intended procurement and the tender documentation. In addition, if the procuring entity accepts tenders for commercial goods or services by electronic means, it may reduce the time period established in accordance with paragraph 3 to no less than 10 days.

8. If a procuring entity covered under Section B or C of Annex 21-A or 21-B has selected all or a limited number of qualified suppliers, the time period for tendering may be fixed by mutual agreement between the procuring entity and the selected suppliers. In the absence of agreement, the period shall not be less than 10 days.

Article 21.13. Negotiation

1. A Party may provide for its procuring entities to conduct negotiations with suppliers in the context of covered procurement:

(a) if the procuring entity has indicated its intent to conduct negotiations in the notice of intended procurement as required under Article 21.6(2); or

(b) if it appears from the evaluation that no tender is obviously the most advantageous in terms of the specific evaluation criteria set out in the notice of intended procurement or tender documentation.

2. A procuring entity shall:

(a) ensure that any elimination of suppliers participating in negotiations is carried out in accordance with the evaluation criteria set out in the notice of intended procurement or tender documentation; and

(b) if negotiations are concluded, provide a common deadline for the remaining participating suppliers to submit any new or revised tenders.

Article 21.14. Limited Tendering

1. Provided that it does not use this provision for the purpose of avoiding competition among suppliers or in a manner that discriminates against suppliers of the other Party or protects domestic suppliers, a procuring entity may use limited tendering and may choose not to apply Article 21.6, Article 21.7, Article 21.8, Article 21.10, and Articles 21.12, 21.13, 21.15 and 21.16 under any of the following circumstances:

(a) if:

(i) tenders were not submitted or suppliers did not request participation;

(ii) none of the submitted tenders conforms to the essential requirements of the tender documentation;

(iii) none of the suppliers satisfied the conditions for participation; or

(iv) the tenders submitted have been declared collusive by the competent authority provided that the requirements of the tender documentation are not substantially modified;

(b) if the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist, for any of the following reasons:

(i) the requirement is for a work of art;

(ii) the protection granted by patents, copyrights or other exclusive rights; or

(iii) an absence of competition for technical reasons;

(c) in the case of procurement of additional deliveries by the original supplier of goods or services that were not included in the initial procurement if a change of supplier for such additional goods or services:

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; and

(ii) would cause significant inconvenience or substantial duplication of costs for the procuring entity;

(d) where, and in so far as strictly necessary, for reasons of extreme urgency brought about by events which were unforeseeable by the procuring entity, the goods or services could not be obtained in time using open tendering or selective tendering;

(e) in the case of goods purchased on a commodity market;

(f) where a procuring entity procures a prototype or a first good or service that is developed at its request in the course of, and for, a particular contract for research, experiment, study or original development; original development of a first good or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the good or service is suitable for production or supply in quantity to acceptable quality standards, but does not include quantity production or supply to establish commercial viability or to recover research and development costs;

(g) in the case of purchases made under exceptionally advantageous conditions that only arise in the very short term in case of unusual disposals such as those arising from liquidation, receivership or bankruptcy, but not in the case of routine purchases from regular suppliers; or

(h) where a contract is awarded to a winner of a design contest, provided that:

(i) the contest has been organised in a manner that is consistent with the principles of this Chapter, in particular with regard to the publication of a notice of intended procurement; and

(ii) the participants are judged by an independent jury with a view to a design contract being awarded to a winner.

2. The procuring entity shall prepare a report in writing on each contract awarded under paragraph 1. The report shall include the name of the procuring entity, the value and kind of goods or services procured, and a statement indicating the circumstances and conditions set out in paragraph 1 that justified the use of limited tendering.

Article 21.15. Electronic Auctions

Where a procuring entity intends to conduct a covered procurement using an electronic auction, the entity shall provide each participant, before commencing the electronic auction, with:

(a) the automatic evaluation method, including the mathematical formula, that is based on the evaluation criteria set out in the tender documentation and that will be used in the automatic ranking or re-ranking during the auction;

(b) the results of any initial evaluation of the elements of its tender where the contract is to be awarded on the basis of the most advantageous tender; and

(c) any other relevant information relating to the conduct of the auction.

Article 21.16. Treatment of Tenders and Awarding of Contracts

Treatment of tenders

1. A procuring entity shall receive, open and treat all tenders under procedures that guarantee the fairness and impartiality of the procurement process and the confidentiality of tenders.

2. A procuring entity shall not penalise any supplier whose tender is received after the deadline specified for receiving tenders if the delay is due solely to mishandling on the part of the procuring entity.

3. If a procuring entity provides a supplier with an opportunity to correct unintentional errors of form between the opening of tenders and the awarding of the contract, the procuring entity shall provide the same opportunity to all participating suppliers.

Awarding of contracts

4. To be considered for an award, a tender shall be submitted in writing and shall, at the time of opening, comply with the essential requirements set out in the notices and tender documentation, and shall be from a supplier that satisfies the conditions for participation.

5. Unless a procuring entity determines that it is not in the public interest to award a contract, the entity shall award the contract to the supplier that the entity has determined to be capable of fulfilling the terms of the contract and that, based solely on the evaluation criteria specified in the notices and tender documentation, has submitted:

(a) the most advantageous tender; or

(b) the lowest price, if price is the sole criterion.

6. Where a procuring entity receives a tender with a price that is abnormally low in relation to the prices in other tenders submitted, it may verify with the supplier that the supplier satisfies the conditions for participation and is capable of fulfilling the terms of the contract.

7. A procuring entity shall not use options, cancel a procurement or modify awarded contracts in a manner that circumvents the obligations under this Chapter.

8. Each Party shall make best efforts to provide, as a general rule, a standstill period between the award and the conclusion of a contract, in order to give sufficient time to unsuccessful bidders to review and challenge the award decision.

Article 21.17. Transparency of Procurement Information Information Provided to Suppliers

1. A procuring entity shall promptly inform participating suppliers of the procuring entity's contract award decisions and, on request of a supplier, shall do so in writing. Subject to Article 21.18(2) and (3) a procuring entity shall, upon request, provide an unsuccessful supplier with an explanation of the reasons why the entity did not select its tender, and the relative advantages of the successful supplier's tender.

Publication of award information

2. No later than 72 days after the award of each contract covered by this Chapter, a procuring entity shall publish a notice in the appropriate paper or electronic medium listed in Section I of Annex 21-A and 21-B. Where the procuring entity publishes the notice only in an electronic medium, the information shall remain readily accessible for a reasonable period of time. The notice shall include at least the following information:

(a) a description of the goods or services procured;

(b) the name and address of the procuring entity;

(c) the name of the successful supplier;

(d) the value of the successful tender or the highest and lowest offers taken into account in the award of the contract;

(e) the date of award; and

(f) the type of procurement method used, and, in cases where limited tendering was used in accordance with Article 21.14, a description of the circumstances justifying the use of limited tendering.

Maintenance of documentation, reports and electronic traceability

3. Each procuring entity shall, for a period of at least three years from the date it awards a contract, maintain:

(a) the documentation and reports of tendering procedures and contract awards relating to covered procurement, including the reports required under Article 21.14; and

(b) data that ensures the appropriate traceability of the conduct of covered procurement by electronic means.

Exchange of statistics

4. On request of the other Party, and with a view to the discussions in the Sub-Committee referred to in Article 21.21, each Party shall make available to the other Party statistics on covered procurement of goods, services and construction services, including, to the maximum extent possible, statistics on works concessions. In accordance with Article 21.23, the Parties

shall cooperate to achieve a better understanding of each other's public procurement statistics.

5. If a Party requires notices concerning awarded contracts, pursuant to paragraph 2 of this Article, to be published electronically, and if such notices are accessible to the public through a single database in a form permitting analysis of the covered contracts, the Party may, instead of reporting to the Sub-Committee referred to in Article 21.21, provide a link to the website, together with any instructions necessary to access and use such data.

Article 21.18. Disclosure of Information

Provision of information to Parties

1. On request of the other Party, a Party shall promptly provide any information necessary to determine whether a procurement was conducted fairly, impartially and in accordance with this Chapter, including information on the characteristics and relative advantages of the successful tender. Where release of the information would prejudice competition in future tenders, the Party that receives the information shall not disclose it to any supplier, except after consulting with, and obtaining the consent of, the Party that provided the information.

Non-disclosure of information

2. Notwithstanding any other provision of this Chapter, a Party, including its procuring entities, shall not, except to the extent required by law or with the written authorisation of the supplier that provided the information, disclose information that would prejudice legitimate commercial interests of a particular supplier or that might prejudice fair competition between suppliers.

3. Nothing in this Chapter shall be construed as requiring a Party, including its procuring entities, authorities and review bodies, to disclose confidential information if disclosure:

(a) would impede law enforcement;

(b) might prejudice fair competition between suppliers;

(c) would prejudice the legitimate commercial interests of particular persons, including the protection of intellectual property; or

(d) would otherwise be contrary to the public interest.

Article 21.19. Domestic Review Procedures

1. Each Party shall provide a timely, effective, transparent and non-discriminatory administrative or judicial review procedure through which a supplier may challenge the following, arising in the context of a covered procurement in which the supplier has, or has had, an interest:

(a) a breach of this Chapter; or

(b) a failure to comply with a Party's measures implementing this Chapter, where the supplier does not have the right to challenge directly a breach of this Chapter under the laws of a Party.

The procedural rules for all challenges shall be in writing and made generally available.

2. In the event of a complaint by a supplier, arising in the context of covered procurement in which the supplier has, or has had, an interest, that there has been a breach or a failure as referred to in paragraph 1, the Party of the procuring entity conducting the procurement shall encourage the entity and the supplier to seek resolution of the complaint through consultations. The entity shall accord impartial and timely consideration to any such complaint in a manner that is not prejudicial to the supplier's participation in ongoing or future procurement or its right to seek corrective measures under the administrative or judicial review procedure.

3. Each supplier shall be allowed a sufficient period of time to prepare and submit a challenge, which in no case shall be less than 10 days from the time when the basis of the challenge became known or should have reasonably become known to the supplier.

4. Each Party shall establish or designate at least one impartial administrative or judicial authority that is independent of its procuring entities to receive and review a challenge by a supplier arising in the context of a covered procurement.

5. Where a body other than an authority referred to in paragraph 4 initially reviews a challenge, the Party shall ensure that

the supplier has the right to appeal the initial decision to an impartial administrative or judicial authority that is independent of the procuring entity whose procurement is the subject of the challenge.

6. Each Party shall ensure that the decisions of a review body that is not a court are subject to judicial review or that the review body has procedures that provide that:

(a) the procuring entity shall respond in writing to the challenge and disclose all relevant documents to the review body;

(b) the participants to the proceedings (hereinafter, the "participants") have the right to be heard prior to the review body's decision on a challenge;

(c) the participants have the right to be represented and accompanied;

(d) the participants have access to all proceedings;

(e) the participants have the right to request that the proceedings take place in public and that witnesses may be presented; and

(f) the review body shall make its decisions or recommendations in a timely fashion, in writing, and shall include an explanation of the basis for each decision or recommendation.

7. Each Party shall adopt or maintain procedures that provide for:

(a) rapid interim measures to preserve the supplier's opportunity to participate in the procurement; such interim measures may result in suspension of the procurement process; the procedures may provide that overriding adverse consequences for the interests concerned, including the public interest, may be taken into account when deciding whether such measures should be applied; just cause for not acting shall be provided in writing; and

(b) where a review body has determined that there has been a breach or a failure as referred to in paragraph 1, corrective action or compensation for the loss or damages suffered, which may be limited to the costs for the preparation of the tender or the costs relating to the challenge, or both.

Article 21.20. Modifications and Rectifications to Coverage

1. The European Union may modify or rectify Annex 21-A and Chile may modify or rectify Annex 21-B.

Modifications

2. If a Party intends to modify its Annex as referred to in paragraph 1, that Party shall:

(a) notify the other Party in writing; and

(b) include in the notification a proposal for appropriate compensatory adjustments to the other Party to maintain a level of coverage comparable to that existing prior to the modification.

3. Notwithstanding subparagraph (b) of paragraph 2 of this Article, a Party does not need to provide compensatory adjustments if the modification covers an entity over which the Party has effectively eliminated its control or influence. Government control or influence over the covered procurement of entities listed in Section A, B or C of Annex 21-A or 21-B is presumed to be effectively eliminated, in so far as the entity's procurement is concerned, where the entity is exposed to competition on markets to which access is not restricted.

4. If a Party notifies the other Party under paragraph 2 of an intended modification of its Annex, the other Party shall object in writing if it disputes that:

(a) an adjustment proposed under subparagraph (b) of paragraph 2 is adequate to maintain a comparable level of mutually agreed coverage; or

(b) the modification covers an entity over which the Party's control or influence has effectively ended in accordance with paragraph 3.

The other Party shall submit any written objection under this paragraph within 45 days of receipt of the notification referred to in subparagraph (a) of paragraph 2 of this Article. If that Party does not submit any written objections within that time period, it shall be deemed to have accepted the adjustment or modification, including for the purposes of Chapter 31.

Rectifications

5. The Parties shall consider the following changes to Annex 21-A or 21-B as a rectification of a purely formal nature, provided that they do not affect the mutually agreed coverage provided for in this Chapter:

(a) a change in the name of an entity;

(b) a merger of two or more entities listed within Section A, B or C of Annex 21-A or 21-B;

(c) the separation of an entity listed in Section A, B or C of Annex 21-A or 21-B into two or more entities that are all added to the entities listed in the same Section of Annex 21-A or 21-B.

6. If a Party proposes a rectification of Annex 21-A or 21-B respectively, that Party shall notify the other Party every two years following the date of entry into force of this Agreement.

7. A Party may notify the other Party of an objection to a proposed rectification within 45 days of receipt of the notification. If a Party submits an objection, it shall set out the reasons why it believes the proposed rectification is not a change provided for in paragraph 5, and describe the effect of the proposed rectification on the mutually agreed coverage provided for in this Chapter. If no such objection is submitted in writing within 45 days of receipt of the notification, the Party shall be deemed to have agreed to the proposed rectification.

Consultations and dispute resolution

8. If the other Party objects to the proposed modification or rectification within 45 days, the Parties shall seek to resolve the issue through consultations after having received the notification. If the Parties do not reach an agreement within 60 days of receipt of the objection, the Party seeking to modify or rectify its Annex may refer the matter to dispute settlement procedure under this Agreement. The proposed modification or rectification will take effect only when both Parties have agreed thereto or on the basis of a final decision pursuant to the procedure provided for in Chapter 31.

9. Failure to reach an agreement in the consultation procedure under paragraph 8 of this Article does not exempt the Parties from the obligation to carry out consultations under Chapter 31.

Article 21.21. Sub-Committee on Public Procurement

On request of a Party, the Sub-Committee on Public Procurement ("Sub-Committee") established pursuant to Article 33.4(1), shall meet to address matters related to the implementation and operation of this Chapter, including the following:

(a) issues regarding public procurement that are referred to it by a Party;

(b) monitoring the cooperation activities undertaken by the Parties as provided for in Article 21.23;

(c) facilitation of the participation of small and medium-sized enterprises in covered procurement as provided for in Article 21.22; and

(d) discussion on the status of implementation of the single point of access under Article 21.6(7).

Article 21.22. Facilitation of Participation by Small and Medium-sized Enterprises

1. The Parties recognise the important contribution that small and medium-sized enterprises (hereinafter, "SMEs") can make to economic growth and employment, and the importance of facilitating the participation of SMEs in public procurement.

2. The Parties recognise the importance of electronic procurement in facilitating the participation of SMEs in procurement procedures by ensuring transparency.

3. The Parties also recognise the importance of business alliances between suppliers of each Party, and in particular between SMEs, including joint participation in tendering procedures.

4. The Parties may:

(a) provide information related to their measures used in order to contribute, promote, encourage or facilitate SMEs' participation in public procurement;

(b) cooperate in the elaboration of mechanisms to provide information to SMEs about the means for participating in covered procurement under this Chapter.

5. To facilitate participation of SMEs in covered procurement, each Party shall, to the extent possible:

(a) provide a definition of SMEs in an electronic portal;

(b) endeavour to make all tender documentation available free of charge;

(c) take any other measure designed to facilitate the participation of SMEs in public procurement covered by this Chapter, provided that such measures do not discriminate against the other Party's enterprises.

Article 21.23. Cooperation

1. The Parties shall make best efforts to develop cooperation activities with a view to achieving a better understanding of their respective public procurement systems, as well as better access to their respective markets, in matters such as:

(a) exchanging experiences and information, such as regulatory frameworks, best practices and statistics;

(b) facilitating participation by suppliers in covered procurement, in particular with respect to SMEs;

(c) developing and expanding the use of electronic means in public procurement systems;

(d) building capability by fostering mutual learning between government officials and staff of procuring entities with a view to fulfilling the provisions of this Chapter.

2. The Parties shall inform the Sub-Committee referred to in Article 21.21 of any such activity.

Article 21.24. Further Negotiations

The Sub-Committee on Public Procurement referred to in Article 21.21 shall review the operation of this Chapter and, no later than four years after the date of entry into force of this Agreement, may propose that the Trade Committee recommend that the Parties hold further negotiations with a view to achieving additional market access opening.

Chapter 22. STATE-OWNED ENTERPRISES, ENTERPRISES GRANTED SPECIAL RIGHTS OR PRIVILEGES AND DESIGNATED MONOPOLIES

Article 22.1. Scope

1. The Parties affirm their rights and obligations under paragraphs 1 to 3 of Article XVII of GATT 1994, the Understanding on the Interpretation of Article XVII of GATT 1994, as well as under paragraphs 1, 2 and 5 of Article VIII of GATS.

2. This Chapter applies to a state-owned enterprise, an enterprise granted special rights or privileges and a designated monopoly ("entity") engaged in commercial activities. If an entity engages in both commercial and non-commercial activities (1), only the commercial activities are covered by this Chapter.

(1) Non-commercial activities may include carrying out a legitimate public service mandate or any activity directly related to the provision of national defence or public security.

3. This Chapter applies to state-owned enterprises, enterprises granted special rights or privileges and designated monopolies, at all levels of government.

4. This Chapter does not apply to the procurement by a Party of a good or service purchased for governmental purposes and not with a view to commercial resale or with a view to the supply of a good or service for commercial sale, whether or not that procurement is a "covered procurement" as defined in Article 21.2.

5. This Chapter does not apply to any service supplied in the exercise of governmental authority.

6. This Chapter does not apply to state-owned enterprises, enterprises granted special rights or privileges and designated monopolies in cases where in any one of the three previous consecutive fiscal years, the annual revenue derived from the commercial activities of the entity was less than 100 million Special Drawing Rights (SDRs)1.

7. Article 22.4 does not apply to services sectors which are outside the scope of this Agreement.

8. Article 22.4 does not apply to the extent that a state-owned enterprise, enterprise granted special rights or privileges or designated monopoly of a Party makes purchases and sales of goods or services pursuant to:

(a) any existing non-conforming measure that the Party maintains, continues, renews or amends in accordance with Articles 10.11, 11.8 or 18.10 as set out in its schedule in Annex 10-A; or

(b) any non-conforming measure that the Party adopts or maintains with respect to sectors, subsectors or activities in accordance with Articles 10.11, 11.8 or 18.10 as set out in its schedule in Annex 10-B.

1 During the first five years from the entry into force of this Agreement, the threshold will be of less than 200 million SDR.

Article 22.2. Definitions

For the purposes of this Chapter and Annex 22:

(a) "commercial activities" means activities carried out by an enterprise the end result of which is the production of a good or supply of a service to be sold in the relevant market in quantities and at prices determined by the enterprise, and which are undertaken with an orientation towards profit-making (1);

(1) For greater certainty, "commercial activities" excludes activities undertaken by an enterprise, which operates on a non-profit basis or which operates on cost recovery basis.

(b) "commercial considerations" means considerations of price, quality, availability, marketability, transportation and other terms and conditions of purchase or sale, or other factors that would normally be taken into account in the commercial decisions of a privately owned enterprise operating according to market economy principles in the relevant business or industry;

(c) "designate" means to establish or authorise a monopoly, or to expand the scope of a monopoly to cover an additional good or service;

(d) "designated monopoly" means an entity, including a group of entities or a government agency, that in a relevant market in the territory of a Party is designated as the sole supplier or purchaser of a good or service, but does not include an entity that has been granted an exclusive intellectual property right solely by reason of such grant;

(e) "enterprise granted special rights or privileges" (1) means any enterprise, public or private, that has been granted, in law or in fact, special rights or privileges, by a Party; special rights or privileges are granted by a Party when it designates or limits to two or more the number of enterprises authorised to supply a good or a service, taking into account the specific sectorial regulation under which the granting of the right or privilege has taken place, other than in line with objective, proportionate and non-discriminatory criteria, thereby substantially affecting the ability of any other enterprise to supply the same good or service in the same geographical area under substantially equivalent conditions;

(1) For greater certainty, the granting of a licence to a limited number of enterprises in allocating a scarce resource in line with objective, proportionate and non-discriminatory criteria is not in and of itself a special right or privilege.

(f) "service supplied in the exercise of governmental authority" means a service supplied in the exercise of governmental authority as defined in paragraph 3(c) of Article I of GATS, including as defined in the Annex on Financial Services to GATS if applicable; and

(g) "state-owned enterprise" means an enterprise owned or controlled by a Party (2).

(2) For the establishment of ownership or control, all relevant legal and factual elements shall be examined on a case-by-case basis.

Article 22.3. General Provisions

Without prejudice to the rights and obligations of a Party under this Chapter, nothing in this Chapter prevents a Party from establishing or maintaining state-owned enterprises, designating or maintaining monopolies or granting enterprises special rights or privileges.

Article 22.4. Non-discriminatory Treatment and Commercial Considerations

1. A Party shall ensure that each of its state-owned enterprises, enterprises granted special rights or privileges and designated monopolies, when engaging in commercial activities:

(a) acts in accordance with commercial considerations in its purchase or sale of a good or service, except to fulfil any terms of its public service mandate that are not inconsistent with subparagraph (b) or (c) of this paragraph;

(b) in its purchase of a good or service:

(i) accords to a good or service supplied by an enterprise of the other Party treatment no less favourable than it accords to a like good or a like service supplied by enterprises of the Party concerned; and

(ii) accords to a good or service supplied by an enterprise that is a covered enterprise, as defined in subparagraph (d) of Article 10.2(1), in the territory of that Party treatment no less favourable than it accords to a like good or a like service supplied by enterprises in the relevant market in the territory of that Party that are investments of investors of that Party; and

(c) in its sale of a good or service:

(i) accords to an enterprise of the other Party treatment no less favourable than it accords to enterprises of the Party concerned; and

(ii) accords to an enterprise that is a covered enterprise, as defined in subparagraph (d) of Article 10.2(1), in the territory of that Party treatment no less favourable than it accords to enterprises in the relevant market in the territory of that Party that are investments of investors of that Party.

2. Paragraph 1 does not preclude state-owned enterprises, enterprises granted special rights or privileges or designated monopolies from:

(a) purchasing or supplying goods or services on different terms or conditions, including terms or conditions relating to price, provided that such different terms or conditions are established in accordance with commercial considerations; or

(b) refusing to purchase or supply goods or services, provided that such refusal is undertaken in accordance with commercial considerations.

Article 22.5. Regulatory Framework

1. The Parties shall make best use of international standards, as applicable, including the OECD Guidelines on Corporate Governance of State-Owned Enterprises, as appropriate.

2. Each Party shall ensure that any regulatory body or any other body exercising a regulatory function that it establishes or maintains:

(a) is independent from, and not accountable to, any of the enterprises that it regulates, in order to ensure the effectiveness of the regulatory function; and

(b) acts, in like circumstances, impartially (1) in respect of all enterprises that it regulates, including state-owned enterprises, enterprises granted special rights or privileges and designated monopolies (2).

3. Each Party shall apply its laws and regulations to state-owned enterprises, enterprises granted special rights or privileges and designated monopolies in a consistent and non-discriminatory manner.

(1) For greater certainty, the impartiality with which the regulatory body exercises its regulatory functions is to be assessed by reference to a general pattern or practice of that regulatory body.

(2) For greater certainty, for those sectors in which the Parties have agreed to specific obligations relating to the regulatory body in other Chapters of this Agreement, the relevant provisions in those other Chapters shall prevail.

Article 22.6. Transparency

1. A Party ("the requesting Party") which has reason to believe that its interests under this Chapter are being adversely affected by the commercial activities of a state-owned enterprise, an enterprise granted special rights or privileges or a

designated monopoly of the other Party may request that other Party ("the requested Party") to supply in writing information on that entity's commercial activities relating to the implementation of this Chapter.

2. The requesting Party shall include, in a request pursuant to paragraph 1, an explanation as to how that Party believes that the activities of the entity may be affecting the interests of that Party under this Chapter and shall specify which information listed in paragraph 3 it requests.

3. The requested Party shall provide the following information, in accordance with paragraphs 1 and 2:

(a) the ownership and the voting structures of the entity, indicating the percentage of shares that the Party, its state-owned enterprises, enterprises granted special rights or privileges or designated monopolies cumulatively own, and the percentage of voting rights that they cumulatively hold, in the entity;

(b) a description of any special shares or special voting or other rights that the Party, its state- owned enterprises, enterprises granted special rights or privileges or designated monopolies hold, if such rights are different from those attached to the general common shares of the entity;

(c) the organisational structure of the entity and the composition of its board of directors or of an equivalent body;

(d) a description of which government departments or public bodies regulate or monitor the entity, a description of the reporting requirements imposed on it by those government departments or public bodies, and the rights and practices of those government departments or any public bodies in respect of the appointment, dismissal or remuneration of senior executives and members of its board of directors or any other equivalent management body;

(e) the annual revenue of the entity and total assets over the most recent three-year period for which information is available;

(f) any exemptions, immunities and related measures from which the entity benefits under the laws and regulations of the requested Party; and

(g) any additional information regarding the entity that is publicly available, including annual financial reports and third party audits.

4. Paragraphs 1, 2 and 3 do not require any Party to disclose confidential information the disclosure of which would be inconsistent with its laws and regulations, impede law enforcement, or otherwise be contrary to the public interest, or would prejudice the legitimate commercial interests of particular enterprises.

5. If the requested information is not available to the requested Party, that Party shall provide the requesting Party with the reasons therefor, in writing.

Article 22.7. Party-specific Annex

1. Article 22.4 does not apply in respect of the non-conforming activities of state-owned enterprises or designated monopolies that a Party lists in its schedule in Annex 22 in accordance with the terms of the schedule of the Party.

2. On request of either Party, the Trade Council may adopt a decision to amend Annex 22 pursuant to subparagraph (a) of Article 33.1(6) and shall in any event consider amendments to Annex 22 within five years of the date of entry into force of this Agreement.

Chapter 23. COMPETITION POLICY

Article 23.1. Principles

The Parties recognise the importance of free and undistorted competition in trade and investment. The Parties acknowledge that anti-competitive practices have the potential to distort the proper functioning of markets and undermine the benefits of trade liberalisation.

Article 23.2. Regulatory Framework

1. Each Party shall maintain or adopt competition law which applies to all sectors of the economy (1) and addresses the following practices in an effective manner:

(1) For greater certainty, competition law in the European Union applies to the agricultural sector in accordance with Regulation (EU) No1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ EU L 347, 20.12.2013, p. 671).

(a) agreements between enterprises, decisions by associations of enterprises and concerted practices which have as their object or effect the prevention, restriction or distortion of competition;

(b) abuses by one or more enterprises of a dominant position; and

(c) mergers between enterprises which significantly impede effective competition, in particular as a result of the creation or strengthening of a dominant position.

2. Each Party shall ensure that all enterprises, private or public, are subject to the competition law referred to in paragraph 1.

3. The application of the competition law of each Party should not obstruct the performance, in law or in fact, of any particular task of public interest assigned to the enterprises concerned. Exemptions from the competition law of a Party should be limited to tasks of public interest, limited to what is strictly necessary to achieve the desired public policy objective, and transparent.

Article 23.3. Implementation

1. Each Party shall maintain a functionally independent authority responsible for, and appropriately equipped with the powers and resources necessary for the full application and the effective enforcement of, the competition law referred to in Article 23.2.

2. Each Party shall apply its competition law in a transparent and non-discriminatory manner, respecting the principles of procedural fairness and right of defence of the enterprises concerned, irrespective of their nationality or ownership.

Article 23.4. Cooperation

1. The Parties acknowledge that it is in their common interest to promote cooperation on matters related to their competition policy and the enforcement thereof.

2. To facilitate cooperation, the competition authorities of the Parties may exchange information, subject to the confidentiality rules provided for in their respective laws and regulations.

3. The competition authorities of the Parties shall endeavour to coordinate, to the extent possible and if appropriate, their enforcement activities in the same or related conduct or cases.

Article 23.5. Consultations

1. To foster mutual understanding between the Parties, or to address specific matters on the interpretation or application of this Chapter, the Parties shall, on request of either Party, promptly enter into consultations on any matter concerning the interpretation or application of this Chapter (1). The Party requesting consultations shall indicate, if relevant, how the matter affects trade or investment between the Parties.

(1) For the European Union, the interlocutor is DG Competition of the European Commission.

2. To facilitate the consultations referred to in paragraph 1, each Party shall endeavour to provide relevant non-confidential information to the other Party.

Article 23.6. Non-application of Dispute Settlement

Chapter 31 does not apply to this Chapter.

Chapter 24. SUBSIDIES

Article 24.1. Principles

The Parties recognise that subsidies may be granted if they are necessary to achieve public policy objectives. The Parties acknowledge, however, that certain subsidies have the potential to distort the proper functioning of markets and undermine the benefits of trade liberalisation and competition. Therefore, in principle, a Party shall not grant subsidies if they negatively affect, or are likely to negatively affect, trade or competition between the Parties.

Article 24.2. Definition and Scope

1. For the purposes of this Chapter, a "subsidy" means a measure which fulfils the conditions set out in Article 1.1 of the SCM Agreement, irrespective of whether it is granted to an enterprise supplying goods or to an enterprise supplying services (1).

(1) For greater certainty, this Article does not prejudice the outcome of future discussions in the WTO or related plurilateral fora on the definition of subsidies for services.

2. This Chapter applies to subsidies which are specific in accordance with Article 2 of the SCM Agreement.

3. This Chapter applies to subsidies to any enterprise, including private and public enterprises.

4. Each Party shall ensure that subsidies to enterprises entrusted with the operation of services of general economic interest are subject to the rules set out in this Chapter, in so far as the application of those rules does not obstruct the performance, in law or in fact, of the particular tasks that are assigned to those enterprises. Assigned tasks shall be transparent, and any limitation to or deviation from the application of the rules set out in this Chapter shall not go beyond what is necessary to perform the assigned tasks.

5. Article 24.5 does not apply to subsidies related to trade in goods covered by Annex 1 to the Agreement on Agriculture.

6. Articles 24.5 and 24.6 do not apply to the audio-visual sector.

7. Articles 24.5 and 24.6 do not apply to subsidies granted to assist indigenous people and their communities in their economic development (1). Such subsidies shall be targeted, proportionate and transparent.

(1) For the purposes of this paragraph, indigenous people and their communities shall be understood as those defined in the law of each Party. For the European Union, its law encompasses both European Union law and the law of each of its Member States.

8. Articles 24.5 and 24.6 do not apply to subsidies granted to remedy the damage caused by natural disasters or other exceptional occurrences.

9. Article 24.5 does not apply to subsidies that are granted on a temporary basis to respond to an economic emergency (1). Such subsidies shall be proportionate and targeted to remedy that economic emergency.

(1) "Economic emergency" shall be understood as an economic event that causes a serious disturbance in the economy of a Party. For the European Union, "the economy of a Party" shall be understood as the economy of the European Union or of one or more of its Member States.

10. The Trade Council may adopt a decision amending the definition of "subsidy" in paragraph 1 of this Article in so far as it relates to enterprises supplying services, with a view to incorporating the outcome of future discussions in the WTO or related plurilateral fora on that matter, pursuant to subparagraph (a) of Article 33.1(6).

Article 24.3. Relation to the WTO Agreement

This Chapter applies without prejudice to the rights and obligations of a Party under Article XV of GATS, Article XVI of GATT 1994, the SCM Agreement and the Agreement on Agriculture.

Article 24.4. Transparency

1. With respect to a subsidy granted or maintained within its territory, each Party shall make available the following information:

(a) the legal basis and purpose of the subsidy;

(b) the form of the subsidy;

(c) the amount of the subsidy or the amount budgeted for the subsidy; and

(d) if possible, the name of the recipient of the subsidy.

2. A Party shall meet the requirements set out in paragraph 1 of this Article by means of:

(a) notification pursuant to Article 25 of the SCM Agreement, provided that the notification contains all the information referred to in paragraph 1 of this Article and is provided at least every two years;

(b) notification pursuant to Article 18 of the Agreement on Agriculture; or

(c) publication by the Party or on its behalf on a publicly accessible website, by 31 December of the calendar year following the year in which the subsidy was granted or maintained.

Article 24.5. Consultations

1. If a Party considers that a subsidy granted by the other Party has or could have a negative effect on its trade interests or on competition, that Party (the "requesting Party") may express its concern in writing to the other Party (the "responding Party") and request consultations on the matter. Such a request shall include an explanation of how the subsidy has or could have a negative effect on the trade interests of the requesting Party or on competition.

2. For the purposes of paragraph 1, the requesting Party may request from the responding Party the following information about the subsidy:

(a) the legal basis and policy objective or purpose of the subsidy;

(b) the form of the subsidy;

(c) the dates and duration of the subsidy and any other time limits attached to it;

(d) the eligibility requirements of the subsidy;

(e) the total amount or the annual amount budgeted for the subsidy;

(f) if possible, the name of the recipient of the subsidy; and

(g) any other information permitting an assessment of the negative effect of the subsidy.

3. The responding Party shall provide the information requested pursuant to paragraph 2 in writing no later than 60 days after the date of receipt of the request.

4. If the responding Party does not provide, in whole or in part, the information requested pursuant to paragraphs 2 and 3, the responding Party shall explain the reasons therefor in writing.

5. If, after having received the requested information and following the consultations, the requesting Party considers that the subsidy concerned has or may have a significant negative effect on its trade interests or competition, the responding Party shall use its best endeavours to eliminate or minimise that effect.

Article 24.6. Subsidies Subject to Conditions

1. When granting the following subsidies, each Party shall apply the following conditions:

(a) in respect of subsidies whereby a government, directly or indirectly, is responsible for guaranteeing debts or liabilities of certain enterprises, that the coverage of the debts or liabilities is not unlimited with regard to the amount of those debts or liabilities or that the duration of the government's responsibility is not unlimited; and

(b) in respect of subsidies to insolvent or ailing enterprises such as loans and guarantees, cash grants, capital injections, provision of assets below market prices and tax exemptions with a duration of more than one year, that a credible restructuring plan has been prepared which is based on realistic assumptions with a view to ensuring the return of the insolvent or ailing enterprises, within a reasonable time, to long-term viability and that the enterprise, with the exception of small and medium-sized enterprises, itself contributes to the costs of restructuring.

2. Subparagraph (b) of paragraph 1 does not apply to subsidies granted to enterprises as a temporary liquidity support in the form of loan guarantees or loans limited to the amount needed merely to keep an ailing company in business for the time necessary to adopt a restructuring or liquidation plan.

3. This Article applies only to subsidies that negatively affect trade and competition of the other Party or are likely to do so.

4. This Article does not apply to subsidies:

(a) which are granted to ensure the orderly market exit of a company; or

(b) the cumulative amounts or budgets of which are less than 170 000 SDR per enterprise over a period of three consecutive years.

Article 24.7. Use of Subsidies

Each Party shall ensure that enterprises use subsidies only for the explicitly defined policy objective for which those subsidies were granted (1).

(1) For greater certainty, when a Party has set up the appropriate legislative frameworks and administrative procedures to this effect, the obligation is considered to be fulfilled.

Article 24.8. Non-application of Dispute Settlement

Chapter 31 does not apply to Article 24.5(5).

Article 24.9. Confidentiality

1. When exchanging information under this Chapter, the Parties shall take into account the limitations imposed by their respective law concerning professional and business secrecy and shall ensure the protection of business secrets and other confidential information.

2. If a Party communicates information under this Chapter, the receiving Party shall maintain the confidentiality of that information.

Chapter 25. INTELLECTUAL PROPERTY

Section A. GENERAL PROVISIONS

Article 25.1. Objectives

1. The objectives of this Chapter are to:

(a) facilitate the production and commercialisation of innovative and creative goods and services between the Parties, contributing to a more sustainable and inclusive economy for the Parties;

(b) facilitate and govern trade between the Parties, as well as reduce distortions and impediments to such trade; and

(c) achieve an adequate and effective level of protection and enforcement of intellectual property rights.

2. The objectives set out in Article 7 of the TRIPS Agreement apply to this Chapter, mutatis mutandis.

Article 25.2. Scope

1. Each Party shall comply with its commitments under the international treaties in the field of intellectual property to which it is a party, including the TRIPS Agreement.

2. This Chapter shall complement and further specify the rights and obligations of each Party under the TRIPS Agreement and other international treaties in the field of intellectual property.

3. Nothing in this Chapter prevents a Party from applying provisions of its law introducing higher standards for the protection and enforcement of intellectual property rights, provided that those provisions are compatible with this Chapter.

Each Party shall be free to determine the appropriate method of implementing this Chapter within its own legal system and practice.

Article 25.3. Principles

1. The principles set out in Article 8 of the TRIPS Agreement apply to this Chapter, mutatis mutandis.

2. Taking into consideration the underlying public policy objectives of domestic systems, the Parties recognise the need to do the following through their respective intellectual property systems, while respecting the principles of transparency, taking into account the interests of relevant stakeholders, including right holders, users and the general public:

(a) promote innovation and creativity; and

(b) facilitate the diffusion of information, knowledge, technology, culture and the arts.

Article 25.4. Definitions

For the purposes of this Chapter and Annexes 25-A, 25-B and 25-C:

(a) "Berne Convention" means the Berne Convention for the Protection of Literary and Artistic Works, done at Berne on 9 September 1886, and as amended on 28 September 1979;

(b) "intellectual property" means all categories of intellectual property rights that are covered by Sub-Sections 1 to 7 of Section B of this Chapter or Sections 1 to 7 of Part II of the TRIPS Agreement; the protection of intellectual property includes protection against unfair competition pursuant to Article 10bis of the Paris Convention;

(c) "Paris Convention" means the Paris Convention for the Protection of Industrial Property, of 20 March 1883, as last revised at Stockholm on 14 July 1967 and as amended on 28 September 1979;

(d) "Rome Convention" means the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations, done at Rome on 26 October 1961; and

(e) "WIPO" means the World Intellectual Property Organization.

Article 25.5. National Treatment

1. In respect of all categories of intellectual property rights covered by this Chapter, each Party shall accord to nationals of the other Party treatment no less favourable than it accords to its own nationals with regard to the protection (1) of intellectual property rights, subject to the exceptions already provided in, respectively, the Paris Convention, the Berne Convention, the Rome Convention or the Treaty on Intellectual Property in Respect of Integrated Circuits, done at Washington on 26 May 1989 and the WIPO Performances and Phonograms Treaty ("WPPT"), done at Geneva on 20 December 1996. In respect of performers, producers of phonograms and broadcasting organisations, that obligation only applies in respect of the rights provided for under this Chapter.

(1) For the purposes of this paragraph, "protection" includes matters affecting the availability, acquisition, scope, maintenance, and enforcement of intellectual property rights as well as matters affecting the use of intellectual property rights specifically addressed in this Chapter. Further, for the purposes of this paragraph, "protection" also includes measures to prevent the circumvention of effective technological measures and measures concerning rights management information.

2. A Party may avail itself of the exceptions permitted under paragraph 1 in relation to its judicial and administrative procedures, including requiring a national of the other Party to designate an address for service of process in its territory, or to appoint an agent in its territory, provided that such exception is:

(a) necessary to secure compliance with the laws or regulations of the Party concerned that are not inconsistent with this Chapter; and

(b) not applied in a manner that would constitute a disguised restriction on trade.

3. Paragraph 1 does not apply to procedures provided in multilateral agreements concluded under the auspices of WIPO relating to the acquisition or maintenance of intellectual property rights.

Article 25.6. Intellectual Property and Public Health

1. The Parties recognise the importance of the Declaration on the TRIPS Agreement and Public Health, adopted at Doha on 14 November 2001 by the Ministerial Conference of the WTO (the "Doha Declaration"). In interpreting and implementing the rights and obligations under this Chapter, the Parties shall ensure consistency with the Doha Declaration.

2. Each Party shall implement Article 31bis of the TRIPS Agreement, as well as the Annex and the Appendix to that Annex, which entered into force on 23 January 2017.

Article 25.7. Exhaustion

Nothing in this Agreement prevents a Party from determining whether or under what conditions the exhaustion of intellectual property rights applies under its legal system.

Section B. STANDARDS CONCERNING INTELLECTUAL PROPERTY RIGHTS

Subsection 1. COPYRIGHT AND RELATED RIGHTS

Article 25.8. International Agreements

1. Each Party affirms their commitment to and shall comply with:

(a) the Berne Convention;

(b) the Rome Convention;

(c) the WIPO Copyright Treaty ("WCT"), done at Geneva on 20 December 1996;

(d) the WPPT; and

(e) the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who are Blind, Visually Impaired, or Otherwise Print Disabled, done in Marrakesh on 27 June 2013.

2. Each Party shall make all reasonable efforts to ratify or accede to the Beijing Treaty on Audiovisual Performances, adopted in Beijing on 24 June 2012.

Article 25.9. Authors

Each Party shall provide authors with the exclusive right to authorise or prohibit:

(a) direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part, of their works;

(b) any form of distribution to the public by sale or otherwise of the original of their works or copies thereof;

(c) any communication to the public of their works by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access them from a place and at a time individually chosen by them; and

(d) the commercial rental to the public of originals or copies of their computer programs or cinematographic works.

Article 25.10. Performers

Each Party shall provide performers with the exclusive right to authorise or prohibit:

(a) the fixation (1) of their performances;

(1) "Fixation" means the embodiment of sounds, or of the representations thereof, from which they can be perceived, reproduced or communicated through a device.

(b) the direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part, of

fixations of their performances;

(c) the distribution to the public, by sale or otherwise, of the fixations of their performances;

(d) the making available to the public of fixations of their performances, by wire or wireless means, in such a way that members of the public may access them from a place and at a time individually chosen by them; and

(e) the broadcasting by wireless means and the communication to the public of their performances, except where the performance is itself already a broadcast performance or is made from a fixation.

Article 25.11. Producers of Phonograms

Each Party shall provide phonogram producers with the exclusive right to authorise or prohibit:

(a) the direct or indirect, temporary or permanent, reproduction by any means and in any form, in whole or in part, of their phonograms;

(b) the distribution to the public, by sale or other transfer of ownership, of their phonograms, including copies thereof;

(c) the making available to the public of their phonograms, by wire or wireless means, in such a way that members of the public may access them from a place and at a time individually chosen by them; and

(d) the commercial rental of their phonograms to the public.

Article 25.12. Broadcasting Organisations

Each Party shall provide broadcasting organisations with the exclusive right to authorise or prohibit:

(a) the fixation of their broadcasts transmitted by wireless means;

(b) the direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part, of fixations of their broadcasts transmitted by wireless means; and

(c) the rebroadcasting of their broadcasts by wireless means, as well as the communication to the public (1) of their broadcasts if such communication is made in places accessible to the public against payment of an entrance fee.

(1) For greater certainty, nothing in this paragraph prevents a Party from determining the conditions under which this right may be exercised, in accordance with Article 13(d) of the Rome Convention.

Article 25.13. Broadcasting and Communication to the Public of Phonograms Published for Commercial Purposes (2)

(2) Each Party may grant more extensive rights, as regards the broadcasting and communication to the public of phonograms published for commercial purposes, to performers and producers of phonograms.

1. Each Party shall provide a right in order to ensure that a single equitable remuneration is paid by the user to the performers and producers of phonograms, if a phonogram published for commercial purposes, or a reproduction of such phonogram, is used for broadcasting or communication to the public3.

(3) For the purposes of this Article, "communication to the public" does not include the making available to the public of a phonogram, by wire or wireless means, in such a way that members of the public may access the phonogram from a place and at a time individually chosen by them.

2. Each Party shall ensure that the single equitable remuneration referred to in paragraph 1 is shared between the relevant performers and phonogram producers. Each Party may enact legislation that, in the absence of an agreement between performers and producers of phonograms, sets the terms according to which performers and producers of phonograms shall share such single equitable remuneration.

Article 25.14. Term of Protection

1. The rights of an author of a work shall run for the life of the author and for no less than 70 years after the death of the author, irrespective of the date when the work is lawfully made available to the public (1).

2. In the case of a work of joint authorship, the term of protection provided for in paragraph 1 shall be calculated from the death of the last surviving author.

3. In the case of anonymous or pseudonymous works, the term of protection shall run for no less than 70 years after the work is lawfully made available to the public. However, if the pseudonym adopted by the author leaves no doubt as to the identity of the author, or if the author discloses their identity during the period referred to in this paragraph, the term of protection applicable shall be that provided for in paragraph 1.

(1) If a Party provides a special term of protection in cases in which a juridical person is designated as the right holder, the term of protection shall run for not less than 70 years after the work is lawfully made available to the public.

4. The term of protection of cinematographic or audiovisual works shall expire no less than 70 years after the date of death of the last surviving author. It shall be a matter for the laws and regulations of the Parties to determine the persons that are to be considered authors of a cinematographic or audiovisual work.

5. The rights of broadcasting organisations shall expire 50 years after the date of the first transmission of a broadcast.

6. The rights of performers shall expire no less than 50 years after the date of the fixation of the performance; however:

(a) if a fixation of the performance is lawfully published or, where provided for by a Party, lawfully communicated to the public within the period of 50 years referred to in this paragraph, the term of protection shall be calculated from the date of the first such publication or, where provided for by a Party, the first such communication to the public; where a Party provides for both possibilities, the term of protection shall be calculated from whichever event occurs earlier; and

(b) if a fixation of the performance in a phonogram is lawfully published or, where provided for by a Party, lawfully communicated to the public within the period of 50 years referred to in this paragraph, the term of protection shall expire no less than 70 years after the date of the first such publication or, where provided for by a Party, the first such communication to the public; where a Party provides for both possibilities, the term of protection shall be calculated from whichever event occurs earlier.

7. The rights of producers of phonograms shall expire no less than 50 years after the fixation is made. However, if the phonogram is lawfully published or, where provided for by a Party, lawfully communicated to the public within that period, such rights shall expire no less than 70 years after the date of the first such publication or, where provided for by a Party, the first such communication to the public. The Parties may adopt or maintain effective measures to ensure that the profit generated during the 20 years of protection beyond 50 years is shared fairly between the performers and the producers of phonograms.

Article 25.15. Resale Right

1. Each Party shall provide for, for the benefit of the author of an original work of graphic or plastic art, a "resale right", to be defined as an inalienable right, which cannot be waived, even in advance, to receive a royalty based on the sale price obtained, for any resale of the work, subsequent to the first transfer of the work by the author (1).

(1) Notwithstanding this Article, for Chile the first paragraph of Article 36 of Law No 17.366 of 28 August 1970, as amended by Law No 21.045 of 13 October 2017 may continue to apply with respect to the calculation of royalties.

2. The resale right referred to in paragraph 1 shall apply to all acts of resale involving art market professionals, such as salesrooms, art galleries and, in general, any dealers in works of art, as sellers, buyers or intermediaries.

3. Each Party may provide that the resale right referred to in paragraph 1 shall not apply to acts of resale where the seller has acquired the work directly from the author less than three years before that resale and where the resale price does not exceed a certain minimum amount.

Article 25.16. Collective Management of Rights

1. The Parties shall promote cooperation between their respective collective management organisations for the purposes of fostering the availability of works and other protected subject matter in the territories of the Parties, and of the transfer of

rights revenue between their respective collective management organisations for the use of such works or other protected subject matter.

2. The Parties shall promote transparency of collective management organisations, in particular regarding rights revenue they collect, deductions they apply to rights revenue they collect, the use of the rights revenue collected, the distribution policy and their repertoire.

3. Each Party shall ensure that collective management organisations established in its territory that represent another collective management organisation established in the territory of the other Party through a representation agreement are encouraged to accurately, regularly and diligently pay amounts owed to the represented collective management organisation as well as to provide the represented collective management organisation with information on the amount of rights revenue collected on its behalf and on any deductions made to that rights revenue.

Article 25.17. Limitations and Exceptions

Each Party shall provide for limitations or exceptions to the rights set out in Articles 25.9 to 25.13 only in certain special cases which do not conflict with a normal exploitation of the work or other subject matter and do not unreasonably prejudice the legitimate interests of the right holders.

Article 25.18. Protection of Technological Measures

1. Each Party shall provide adequate legal protection against the circumvention of any effective technological measure, which the person concerned carries out in the knowledge, or with reasonable grounds to know, that the person is pursuing that objective.

2. Each Party shall provide adequate legal protection against the manufacture, import, distribution, sale, rental, advertisement for sale or rental, or possession for commercial purposes of devices, products or components or the provision of services which:

(a) are promoted, advertised or marketed for the purpose of circumventing any effective technological measures;

(b) have only a limited commercially significant purpose or use other than to circumvent any effective technological measures; or

(c) are primarily designed, produced, adapted or performed for the purpose of enabling or facilitating the circumvention of any effective technological measures.

3. For the purposes of this Sub-Section, "technological measure" means any technology, device or component that, in the normal course of its operation, is designed to prevent or restrict acts, in respect of works or other subject matter (1), which are not authorised by the right holder of any copyright or related right as provided for by the law of a Party. Technological measures shall be deemed to be effective if the use of a protected work or other subject matter is controlled by the right holders through the application of an access control or protection process, such as encryption, scrambling or other transformation of the work or other subject matter, or of a copy control mechanism which achieves the protection objective.

4. Notwithstanding the legal protection provided for in paragraph 1 of this Article, in the absence of voluntary measures taken by the right holders, each Party may take appropriate measures, as necessary, to ensure that the adequate legal protection against the circumvention of effective technological measures provided for in accordance with this Article does not prevent beneficiaries of exceptions or limitations provided for in accordance with Article 25.17 from enjoying such exceptions or limitations.

(1) For greater certainty, "works or other subject matter" does not apply to works or other subject matter for which the term of protection has expired.

Article 25.19. Obligations Concerning Rights-management Information

1. Each Party shall provide adequate legal protection against any person knowingly performing, without authority, any of the following acts, if such person knows, or has reasonable grounds to know, that by so doing that person is inducing, enabling, facilitating or concealing an infringement of any copyright or related rights as provided for in the law of that Party:

(a) the removal or alteration of any electronic rights-management information; and

(b) the distribution, importation for distribution, broadcasting, communication or making available to the public of works or other subject matter protected under this Sub-Section from which electronic rights-management information has been removed or altered without authority.

2. For the purposes of this Article, "rights-management information" means any information provided by right holders which identifies the work or other subject matter referred to in this Article, the author or any other right holder, or information about the terms and conditions of use of the work or other subject matter, and any numbers or codes that represent such information.

3. Paragraph 2 applies if any of the items of information referred to in that paragraph is associated with a copy of, or appears in connection with the communication to the public of, a work or other subject matter referred to in this Article.

Subsection 2. TRADEMARKS

Article 25.20. International Agreements

Each Party shall:

(a) comply with the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, adopted at Madrid on 27 June 1989, as amended on 12 November 2007;

(b) comply with the Trademark Law Treaty, done at Geneva on 27 October 1994, and with the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, of 15 June 1957, as amended on 28 September 1979; and

(c) make all reasonable efforts to accede to the Singapore Treaty on the Law of Trademarks, done at Singapore on 27 March 2006.

Article 25.21. Rights Conferred by a Trademark

Each Party shall provide that the owner of a registered trademark has the exclusive right to prevent third parties that do not have the owner's consent from using, in the course of trade, signs identical or similar to those in respect of which the trademark is registered, where such use would result in a likelihood of confusion. In the event of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

Article 25.22. Registration Procedure

1. Each Party shall provide for a system for the registration of trademarks in which each final negative decision taken by the relevant trademark administration, including a partial refusal of registration, shall be duly reasoned and communicated in writing to the relevant party.

2. Each Party shall provide for the possibility for third parties to oppose trademark applications or, where appropriate under its law, trademark registrations. Such opposition proceedings shall be adversarial.

3. Each Party shall provide for a publicly available electronic database of trademark applications and trademark registrations.

Article 25.23. Well-known Trademarks

For the purposes of giving effect to the protection of well-known trademarks, as referred to in Article 6bis of the Paris Convention and Article 16(2) and (3) of the TRIPS Agreement, the Parties affirm the importance of the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks, adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of WIPO at the Thirty-Fourth Series of Meetings of the Assemblies of the Member States of WIPO on 20 to 29 September 1999.

Article 25.24. Exceptions to the Rights Conferred by a Trademark

1. Each Party:

(a) shall provide for the fair use of descriptive terms as a limited exception to the rights conferred by trademarks; and

(b) may provide for other limited exceptions.

2. Paragraph 1 applies provided that the exceptions take account of the legitimate interests of the owners of the trademarks and of third parties.

3. The trademark shall not entitle the proprietor to prohibit a third party from using the following, in the course of trade:

(a) their own name or address;

(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services; or

(c) the trademark, where it is necessary to indicate the intended purpose of a good or service, in particular as accessories or spare parts.

4. Paragraph 3 applies where the use made by the third party is in accordance with honest practices in industrial or commercial matters (1).

5. A Party may provide that the trademark shall not entitle the proprietor to prohibit a third party from using, in the course of trade, an earlier right which only applies in a particular locality, if that right is recognised by the law of that Party and is used within the limits of the territory in which it is recognised.

(1) Alternatively, a Party may make such use subject to it not being misleading or creating confusion among the relevant part of the public.

Article 25.25. Grounds for Revocation

1. Each Party shall provide that a trademark shall be liable to revocation if, within a continuous period of five years, it has not been put to genuine use in the relevant territory in connection with the goods or services in respect of which it is registered, and there are no proper reasons for non-use. However, a Party may provide that no person shall claim that the proprietor's rights in a trademark should be revoked where, during the interval between expiry of the five-year period and filing of the application for revocation, genuine use of the trademark has started or resumed. The commencement or resumption of use within a period of three months preceding the filing of the application for revocation, which began at the earliest on expiry of the continuous period of five years of non-use, shall, however, be disregarded if preparations for the commencement or resumption occurred only after the proprietor becomes aware that the application for revocation may be filed.

2. A trademark shall also be liable to revocation if, after the date on which it was registered as a consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a good or service in respect of which it is registered (1).

(1) A trademark may also be liable to revocation if, after the date on which it was registered, as a consequence of the use made of it by the proprietor of the trademark or with his consent in respect of the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

Article 25.26. Bad Faith Applications

A trademark shall be liable to be declared invalid where the application for registration of the trademark was made in bad faith by the applicant. Each Party may also provide that such a trademark shall not be registered.

Subsection 3. DESIGNS (1)

Article 25.27. International Agreements

(1) References in this Chapter to designs shall be read as references to registered industrial designs.

Each Party shall make all reasonable efforts to accede to the Geneva Act to the Hague Agreement Concerning the International Registration of Industrial Designs, adopted at Geneva on 2 July 1999.

Article 25.28. Protection of Registered Designs (1)

(1) The Union also grants protection to the unregistered design when it meets the requirements of Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs (OJ EC L 3, 5.1.2002, p. 1).

1. Each Party shall provide for the protection of independently created designs that are new or original (2). That protection shall be provided by registration and shall confer an exclusive right upon its holder in accordance with the provisions of this Article.

(2) A Party may provide in its laws that individual character of designs can also be required. The European Union considers that a design has individual character if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public.

2. A holder of a registered design shall have the right to prevent third parties not having the holder's consent at least from making, selling, importing, exporting the product bearing and embodying the protected design or using articles bearing or embodying the protected design, where such acts are undertaken for commercial purposes, unduly prejudice the normal exploitation of the design, or are not compatible with fair trade practice.

3. A design applied to or incorporated in a product which constitutes a component part of a complex product shall only be considered to be new or original:

(a) if the component part, once it has been incorporated into the complex product, remains visible during normal use of the complex product, and

(b) to the extent that visible features of the component part referred to in subparagraph (a) fulfil in themselves the requirement of novelty or originality.

4. For the purposes of subparagraph (a) of paragraph 3, "normal use" means the use by the end user, excluding maintenance, servicing or repair work.

Article 25.29. Duration of Protection

The duration of protection available shall amount to at least 15 years from the date of filing of the application.

Article 25.30. Exceptions and Exclusions

1. Each Party may provide for limited exceptions to the protection of designs, provided that such exceptions do not unreasonably conflict with the normal exploitation of protected designs and do not unreasonably prejudice the legitimate interests of the holder of the protected design, taking account of the legitimate interests of third parties.

2. Design protection shall not extend to designs that are dictated essentially by technical or functional considerations.

3. A design shall not subsist in features of appearance of a product which must necessarily be reproduced in their exact form and dimensions in order to permit the product in which the design is incorporated or to which it is applied to be mechanically connected to, or placed in, around or against, another product so that either product can perform its own function.

4. By way of derogation from paragraph 3, a design may subsist in a design which has the purpose of allowing the multiple assembly or connection of mutually interchangeable products within a modular system.

Article 25.31. Relationship to Copyright

A design shall also be eligible for protection under the copyright law of a Party as from the date on which the design was created or fixed in any form. Each Party shall determine the extent to which, and the conditions under which, such a protection is conferred, including the level of originality required.

Subsection 4. GEOGRAPHICAL INDICATIONS

Article 25.32. Definition and Scope

1. For the purposes of this Agreement, "geographical indication" means an indication which identifies a good as originating in the territory of a Party, or a region or locality in its territory, where a given quality, reputation or other characteristic of the

good is essentially attributable to its geographical origin.

2. This Sub-Section applies to geographical indications, which identify the products listed in Annex 25-C.

3. The Parties agree to consider, after the entry into force of this Agreement, extend the scope of geographical indications covered by this Sub-Section to other product types of geographical indications not covered by paragraph 2, and in particular handicrafts, by taking into account the legislative developments of the Parties.

4. A Party shall protect geographical indications of the other Party, in accordance with this Sub-Section, provided that those geographical indications are protected as such in the country of origin.

Article 25.33. Listed Geographical Indications

Each Party, having examined both the legislation of the other Party referred to in Annex 25-A and the geographical indications of the other Party listed in Annex 25-C, and having completed proper publicity measures, in accordance with its laws and practices, shall protect the geographical indications of the other Party listed in Annex 25-C, in accordance with the level of protection laid down in this Sub-Section.

Article 25.34. Amendment of the List of Geographical Indications

1. The Parties agree on the possibility to amend the list of geographical indications in Annex 25-C pursuant to Article 25.40(1). Any addition by a Party to its list of geographical indications in Annex 25-C shall not exceed 45 geographical indications every three years after the date of entry into force of this Agreement. The Parties shall add new geographical indications after the completion of the opposition procedure in accordance with the criteria set out in Annex 25-B and after having examined the geographical indications, to the satisfaction of both Parties.

2. When an amendment of the list of geographical indications in Annex 25-C concerns a minor change related to the spelling of a listed geographical indication or the reference to the denomination of the geographical area to which it is attributable, the procedure referred to in Article 25.40(4) applies.

3. Any addition or change of a geographical indication pursuant to paragraph 1 or 2 shall be made by mutual consent of the Parties.

Article 25.35. Scope of Protection of Geographical Indications

1. The geographical indications listed in Annex 25-C, as well as those added pursuant to Article 25.34, shall be protected against:

(a) any commercial use of the geographical indication, for a product which is the same type of product and which:

(i) does not originate in the place of origin specified in Annex 25-C for that geographical indication; or

(ii) originates in the place of origin specified in Annex 25-C for that geographical indication, but which was not produced or manufactured in accordance with the product specification of the protected name, even where the name is accompanied by terms such as "kind", "type", "style", "imitation", "flavour", or other similar expressions;

(b) the use of any means in the designation or presentation of a product that indicates or suggests that the product in question originates in a geographical area other than the true place of origin in a manner which risks misleading the public as to the geographical origin of the product;

(c) any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention, including the exploitation of the reputation of a geographical indication or any false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material, or the documents related to the goods themselves, and any practice liable to mislead the consumer as to the true origin of the product.

2. Protected geographical indications shall not become generic in the territories of the Parties.

3. There shall be no obligation under this Sub-Section to protect geographical indications which are not, or cease to be, protected in their territory of origin.

4. A Party shall not preclude the possibility that the protection or recognition of a geographical indication may be cancelled by the competent authorities in the territory of its origin on the basis that the protected or recognised term has ceased to

meet the conditions on which the protection or recognition was originally granted in its territory of origin.

5. Each Party shall notify the other Party if a geographical indication ceases to be protected in its territory of origin. Such notification shall take place in accordance with the procedures laid down in Article 25.40.

6. Nothing in this Sub-Section shall prejudice the right of any person to use, in the course of trade, that person's name or the name of that person's predecessor in business, except if such name is used with the purpose of misleading the public.

7. The protection provided for under this Sub-Section shall apply to the translation of the geographical indications listed in Annex 25-C, if the use of such translation risks misleading the public.

8. If a translation of a geographical indication is identical to, or contains, generic or descriptive terms, including nouns and adjectives, or terms that are customarily used in common language as the common name for a product in the territory of a Party, or if a geographical indication is not identical to but contains such a term, the provisions of this Sub-Section shall not prejudice the right of any person to use that term in association with that product.

9. The protection provided for under this Sub-Section does not apply to an individual component of a multicomponent term that is protected as a geographical indication listed in Appendix 25-C-1, if the individual component (1) is a term that is customarily used in common language as the common name for the associated product.

(1) As set out in Appendix 25-C-1, which contains terms for which protection is not sought.

10. Nothing in this Sub-Section shall prevent the use, in the territory of a Party, with respect to any product, of a name of a plant variety or an animal breed (2).

(2) Explanatory notes in Annex 25-C define the plants varieties and animal breeds the use of which shall not be prevented.

11. For new geographical indications that a Party intends to add in accordance with Article 25.34, nothing shall require a Party to protect a geographical indication which is identical to the term that is customarily used in common language as the common name for the associated product in the territory of that Party (1).

(1) When a Party, in determining whether to add a new geographical indication, determines whether a term is the term customary in common language as the common name for the relevant good in its territory, a Party's authorities shall have the authority to take into account how consumers understand the term in the territory of that Party. Factors relevant to such consumer understanding may include: (a) whether the term is used to refer to the type of product in question, as indicated by competent sources such as dictionaries, newspapers and relevant websites; or (b) how the product referenced by the term is marketed and used in trade in the territory of that Party.

Article 25.36. Right of Use of Geographical Indications

1. A name protected under this Sub-Section as a geographical indication may be used by any operator marketing a product which conforms to the corresponding specification.

2. A name protected under this Sub-Section as a geographical indication shall not be subject to any registration of users, or further charges.

Article 25.37. Relation between Trademarks and Geographical Indications

1. The Parties shall refuse to register a trademark the use of which would breach Article 25.35 and which relates to the same type of product as the geographical indication, provided that the application to register such a trademark is submitted after the date of application for protection of the geographical indication in the territory of the Party concerned.

2. Trademarks registered in breach of paragraph 1 shall be invalidated, ex officio or on request of an interested party, in accordance with the law and practice of the Parties.

3. For the geographical indications referred to in Article 25.33, the date of submission of the application for protection referred to in paragraphs 1 and 2 shall be 1 November 2022.

4. For geographical indications added to Annex 25-C in accordance with Article 25.34, the date of submission of the application for protection shall be the date of the transmission of a request to the other Party to protect a geographical

indication subject to the successful conclusion of the process to amend the list of protected geographical indications referred to in Article 25.34.

5. The Parties shall protect geographical indications also if a prior trademark exists. A prior trademark registered in good faith may be renewed and may be subject to variations that require the filing of a new trademark application, provided that those variations do not undermine the protection of geographical indications and that there are no grounds for invalidation of the trademark under the law of the Parties.

6. For the purposes of paragraph 5 of this Article, a "prior trademark" means a trademark the use of which breaches Article 25.35, for which an application for registration has been made or which has been established by use if that possibility is provided for by the legislation concerned, in good faith in the territory of a Party before the date on which the application for protection of the geographical indication is submitted by the other Party under this Agreement.

Article 25.38. Enforcement of Protection

Each Party shall enforce the protection provided for in Articles 25.35, 25.36 and 25.37 by administrative action on request of an interested party. Each Party shall provide, within its law and practice, for additional administrative and judicial steps to prevent or stop the unlawful use of protected geographical indications.

Article 25.39. General Rules

1. A Party shall not be required to protect a name as a geographical indication under this Sub-Section if that name conflicts with the name of a plant variety or an animal breed and, as a result, is likely to mislead the consumer as to the true origin of the product.

2. If geographical indications of the Parties are homonymous, protection shall be granted by a Party to each geographical indication of the other Party, provided that there is sufficient distinction in practice between conditions of usage and presentation of the names so as to not mislead the consumer.

3. If a Party, in the context of bilateral negotiations with a third country, proposes to protect a geographical indication of that third country which is homonymous with a geographical indication of the other Party, it shall inform the other Party, which shall be given the opportunity to comment before that geographical indication is protected.

4. Import, export and marketing of products corresponding to the geographical indications listed in Annex 25-C shall be conducted in compliance with the laws and regulations applying in the territory of the Party in which the products are placed on the market.

5. Any matter arising from product specifications of protected geographical indications shall be dealt with in the Sub-Committee referred to in Article 25.40.

6. The geographical indications protected under this Sub-Section may only be cancelled by the Party in which the product originates. A Party shall notify the other Party if a geographical indication listed in Annex 25-C ceases to be protected in its territory. Following such notification, Annex 25-C shall be amended pursuant to Article 25.40(3).

7. A product specification referred to in this Sub-Section shall be that approved, including any amendments also approved, by the authorities of the Party in the territory in which the product originates.

Article 25.40. Sub-Committee, Co-operation and Transparency

1. For the purposes of this Sub-Section, the Sub-Committee referred to in Article 25.66 may recommend to the Trade Council to amend, pursuant to subparagraph (a) of Article 33.1(6):

(a) Annex 25-A as regards the references to the law applicable in the Parties;

(b) Annex 25-B as regards the criteria to be included in the opposition procedure; and

(c) Annex 25-C as regards the geographical indications.

2. For the purposes of this Sub-Section, the Sub-Committee referred to in Article 25.66 shall be responsible for exchanging information on:

(a) legislative and policy developments on geographical indications;

(b) geographical indications for the purpose of considering their protection in accordance with this Sub-Section; and

(c) any other matter of mutual interest in the area of geographical indications.

3. Following the notification referred to in Article 25.39(6), the Sub-Committee shall recommend that the Trade Council amend Annex 25-C in accordance with subparagraph (c) of paragraph 1 of this Article to end the protection under this Agreement.

4. In the case of a minor change related to the spelling of a listed geographical indication or the reference to the denomination of the geographical area to which it is attributable, a Party shall notify the other Party in the Sub-Committee of such change together with an explanation therefor. The Sub-Committee shall recommend that the Trade Council amend Annex 25-C, pursuant to subparagraph (a) of Article 33.1(6), with such minor change.

5. The Parties shall, directly or through the Sub-Committee, remain in contact on all matters relating to the implementation and the functioning of this Sub-Section. In particular, a Party may request from the other Party information relating to product specifications and their amendments, as well as to contact points for administrative enforcement.

6. The Parties may make publicly available the product specifications, or a summary thereof, and contact points for administrative enforcement corresponding to the geographical indications of the other Party protected pursuant to this Sub-Section.

Article 25.41. Other Protection

1. This Sub-Section applies without prejudice to the rights and obligations of the Parties in accordance with the WTO Agreement, or any other multilateral agreement on intellectual property law to which the European Union and Chile are parties.

2. This Sub-Section is without prejudice to the right to seek recognition and protection of a geographical indication under the relevant legislation of the Parties.

Subsection 5. PATENTS

Article 25.42. International Agreements

Each Party (1) shall comply with the Patent Cooperation Treaty, done at Washington on 19 June 1970, as amended on 28 September 1979, last modified on 3 October 2001.

(1) For the European Union, the obligation under this Article is fulfilled by the Member States.

Article 25.43. Supplementary Protection In Case of Delays In Marketing Approval for Pharmaceutical Products

1. The Parties recognise that pharmaceutical products protected by a patent in their respective territory may be subject to a marketing approval or sanitary permit procedure before being put on the market.

2. Each Party shall provide for an adequate and effective mechanism which provides an additional term of protection to compensate the patent owner for the reduction of the effective patent protection resulting from unreasonable delays (1) in granting the first marketing approval or sanitary permit in its territory. The additional term of protection shall not exceed five years.

(1) For the purposes of this Article, an unreasonable delay includes a delay of more than two years in the first substantive response to the applicant after the date of filing of the application for a marketing approval or sanitary permit. Any delays that occur in the granting of a marketing approval or sanitary permit due to periods attributable to the applicant or any period that is beyond the control of the authority processing the application for the marketing approval or of the sanitary registration authority need not be included in the determination of such delay.

3. Notwithstanding paragraph 2, a Party may provide for further protection, in accordance with its laws and regulations, for a product which is protected by a patent and which has been subject to a marketing approval or sanitary permit procedure, to compensate the holder of a patent for the reduction of the effective patent protection. The duration of such further

protection shall not exceed five years (2).

(2) This maximum duration is without prejudice to a possible further extension of the period of protection in the case of medicinal products for which pediatric studies have been carried out, and the results of those studies are reflected in the product information.

4. For greater certainty, in implementing the obligations of this Article, each Party may provide for conditions and limitations, provided that the Party continues to give effect to this Article.

5. Each Party shall make best efforts to process applications for a marketing approval or sanitary permit for pharmaceutical products in an efficient and timely manner, with a view to avoiding unreasonable or unnecessary delays. With the objective of avoiding unreasonable delays, a Party may adopt or maintain procedures that expedite the processing of applications for a marketing approval or sanitary permit.

Subsection 6. PROTECTION OF UNDISCLOSED INFORMATION

Article 25.44. Scope of Protection of Trade Secrets

1. In fulfilling its obligation to comply with the TRIPS Agreement, in particular paragraphs 1 and 2 of Article 39, each Party shall provide for appropriate civil judicial procedures and remedies for any trade secret holder to prevent, and obtain redress for, the acquisition, use or disclosure of a trade secret whenever carried out in a manner contrary to honest commercial practices.

2. For the purposes of this Sub-Section:

(a) "trade secret" means information that:

(i) is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question;

(ii) has commercial value because it is secret; and

(iii) has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret;

(b) "trade secret holder" means any natural or juridical person lawfully controlling a trade secret.

3. For the purposes of this Sub-Section, at least the following conducts shall be considered contrary to honest commercial practices:

(a) the acquisition of a trade secret without the consent of the trade secret holder, whenever carried out by unauthorised access to, appropriation of, or copying of any documents, objects, materials, substances or electronic files, lawfully under the control of the trade secret holder, containing the trade secret or from which the trade secret can be deduced;

(b) the use or disclosure of a trade secret whenever carried out, without the consent of the trade secret holder, by a person who is found to meet any of the following conditions:

(i) having acquired the trade secret in a manner referred to in subparagraph (a);

(ii) being in breach of a confidentiality agreement or any other duty not to disclose the trade secret; or

(iii) being in breach of a contractual or any other duty to limit the use of the trade secret;

(c) the acquisition, use or disclosure of a trade secret whenever carried out by a person who, at the time of the acquisition, use or disclosure, knew or ought, under the circumstances, to have known that the trade secret had been obtained directly or indirectly from another person who was using or disclosing the trade secret unlawfully within the meaning of subparagraph (b).

4. Nothing in this Sub-Section shall be understood as requiring either Party to consider any of the following conducts as being contrary to honest commercial practices:

(a) independent discovery or creation by a person of the relevant information;

(b) reverse engineering of a product by a person who is lawfully in possession of it and who is free from any legally valid duty to limit the acquisition of the relevant information;

(c) acquisition, use or disclosure of information required or allowed by the law of that Party; or

(d) use by employees of their experience and skills honestly acquired in the normal course of their employment.

5. Nothing in this Sub-Section shall be understood as restricting freedom of expression and information, including media freedom, as protected in each Party.

Article 25.45. Civil Judicial Procedures and Remedies of Trade Secrets

1. Each Party shall ensure that any person participating in the civil judicial proceedings referred to in Article 25.44 or who has access to documents that form part of those legal proceedings is not permitted to use or disclose any trade secret or alleged trade secret which the competent judicial authorities have, in response to a duly reasoned application by an interested party, identified as confidential and of which that person became aware as a result of such participation or access.

2. In the civil judicial proceedings referred to in Article 25.44, each Party shall provide that its judicial authorities have the authority at least to:

(a) order provisional measures, in accordance with the laws and regulations of a Party, to prevent the acquisition, use or disclosure of the trade secret in a manner contrary to honest commercial practices;

(b) order an injunction to prevent the acquisition, use or disclosure of the trade secret in a manner contrary to honest commercial practices;

(c) order the person that knew or ought to have known that they were acquiring, using or disclosing a trade secret in a manner contrary to honest commercial practices to pay the trade secret holder damages that are appropriate to the actual prejudice suffered as a result of such acquisition, use or disclosure of the trade secret;

(d) take specific measures to preserve the confidentiality of any trade secret or alleged trade secret produced in civil proceedings relating to the alleged acquisition, use and disclosure of a trade secret in a manner contrary to honest commercial practices; such specific measures may include, in accordance with the law of the Party concerned, the possibility of:

(i) restricting access to certain documents in whole or in part;

(ii) restricting access to hearings and their corresponding records or transcripts;

(iii) making available a non-confidential version of the judicial decision in which the passages containing trade secrets have been removed or redacted;

(e) impose sanctions on parties or any other persons participating in the legal proceedings who fail or refuse to comply with the orders of competent judicial authorities concerning the protection of the trade secret or alleged trade secret.

3. Each Party shall ensure that its judicial authorities do not have to apply the judicial procedures and remedies referred to in Article 25.44 if the conduct contrary to honest commercial practices is carried out, in accordance with its law, to reveal misconduct, wrongdoing or illegal activity or for the purpose of protecting a legitimate interest recognised by the law of that Party.

Article 25.46. Protection of Undisclosed Data Related to Pharmaceutical Products

1. If a Party requires, as a condition for a marketing approval or sanitary permit of a pharmaceutical product which utilises a new chemical entity that has not been previously approved, the submission of an undisclosed test or other data necessary to determine whether the use of that product is safe and effective, that Party shall protect such data against disclosure to third parties if the origination of such data involves considerable effort, except where the disclosure is necessary for an overriding public interest or unless steps are taken to ensure that the data are protected against unfair commercial use.

2. Each Party shall ensure that, for at least five years from the date of a first marketing approval or sanitary permit in the Party concerned, a pharmaceutical product subsequently authorised on the basis of the results of pre-clinical tests and clinical trials submitted in the application for the first marketing approval or sanitary permit shall not be placed on the market without the explicit consent of the holder of the first marketing approval or sanitary permit.

3. There shall be no limitation on either Party to implement abbreviated authorisation procedures for pharmaceutical products on the basis of bioequivalence and bioavailability studies.

4. Each Party may provide for conditions and limitations in implementing the obligations of this Article, provided that the Party continues to give effect to this Article.

Article 25.47. Protection of Data Related to Agrochemical Products

1. If a Party requires, as a condition for granting marketing authorisation for an agrochemical product which utilises a new chemical entity, the submission of tests or study reports concerning the safety and efficacy of that product, that Party shall not grant an authorisation for another agrochemical product on the basis of those tests or study reports without the consent of the person that previously submitted them, for at least ten years following the date of the first marketing authorisation of the agrochemical product.

2. A Party may limit the protection under this Article to tests or study reports that fulfil the following conditions:

(a) they are necessary for the authorisation or for the amendment of an authorisation to allow the use of the agrochemical product on other crops; and

(b) they are certified as compliant with the principles of good laboratory practice or of good experimental practice.

3. Each Party may establish rules to avoid duplicative testing on vertebrate animals.

4. Each Party may provide for conditions and limitations in implementing the obligations of this Article, provided that the Party continues to give effect to this Article.

Subsection 7. PLANT VARIETIES

Article 25.48. Protection of Plant Variety Rights

The Parties shall protect plant variety rights, in accordance with the International Convention for the Protection of New Varieties of Plants, of 2 December 1961, as lastly revised at Geneva on 19 March 1991 ("the UPOV Convention"), including the exceptions to the breeder's right as referred to in Article 15 of the UPOV Convention, and shall cooperate to promote and enforce those rights.

Section C. ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

Subsection 1. CIVIL AND ADMINISTRATIVE ENFORCEMENT

Article 25.49. General Obligations

1. Each Party reaffirms its commitments under the TRIPS Agreement and shall ensure the enforcement of intellectual property rights in accordance with its law and practice. The Parties shall provide for the measures, procedures and remedies provided for under this Sub-Section.

2. This Section does not apply to the rights covered by Sub-Section 6 of Section B.

3. A Party shall provide for measures, procedures and remedies that shall be fair and equitable, and shall not be unnecessarily complicated or costly or entail unreasonable time limits or unwarranted delays.

4. The measures, procedures and remedies referred to in paragraph 3 shall be effective, proportionate and dissuasive and shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and as to provide for safeguards against their abuse.

5. Nothing in this Section creates any obligation on either Party:

(a) to put in place a judicial system for the enforcement of intellectual property rights that is distinct from that for the enforcement of law in general; or

(b) with respect to the distribution of resources as between enforcement of intellectual property rights and the enforcement of law in general.

Article 25.50. Persons Entitled to Seek Application of Enforcement Measures, Procedures and Remedies

Each Party shall recognise the following as persons entitled to seek application of the measures, procedures and remedies referred to in this Section and in Part III of the TRIPS Agreement:

(a) holders of intellectual property rights in accordance with the law of each Party;

(b) all other persons authorised to use those rights, in particular licensees, in so far as permitted by and in accordance with the law of each Party;

(c) intellectual property collective rights management bodies which are regularly recognised as having a right to represent holders of intellectual property rights, in so far as permitted by and in accordance with the law of each Party;

(d) entities (1) which are regularly recognised as having a right to represent holders of intellectual property rights, in so far as permitted by and in accordance with the law of each Party.

(1) For Chile, the term "entities" means "federations and associations". For the European Union, the term "entities" means "professional defence bodies".

Article 25.51. Evidence

1. Each Party shall ensure that, even before the commencement of proceedings on the merits of the case, the competent judicial authorities may, upon submission of an application by a party who has presented reasonably available evidence to support their claims that their intellectual property right has been infringed or is about to be infringed, order prompt and effective provisional measures to preserve relevant evidence in respect of the alleged infringement, subject to the protection of confidential information under the law of that Party. In ordering provisional measures, the judicial authorities shall take into account the legitimate interests of the alleged infringer.

2. The provisional measures referred to in paragraph 1 may include a detailed description, with or without the taking of samples, or the physical seizure of the allegedly infringing goods and, in appropriate cases, the materials and implements predominantly used in the production or distribution of those goods and the documents relating thereto.

3. Each Party shall, in the case of infringement of an intellectual property right committed on a commercial scale, take the measures that are necessary to enable the competent judicial authorities to order, where appropriate, upon application by a party, the communication of banking, financial or commercial documents under the control of the opposing party, subject to the protection of confidential information.

Article 25.52. Right of Information

1. Each Party shall ensure that, during civil proceedings concerning an infringement of an intellectual property right and in response to a justified and proportionate request of the claimant, the competent judicial authorities may order the infringer or any other person to provide information on the origin and distribution networks of the goods or services which infringe an intellectual property right.

2. For the purposes of paragraph 1, "any other person" means a person who, at least:

(a) was found in possession of the infringing goods on a commercial scale;

(b) was found to be using the infringing services on a commercial scale;

(c) was found to be providing, on a commercial scale, services used in infringing activities; or

(d) was indicated by the person referred to in this paragraph as being involved in the production, manufacture or distribution of the infringing goods or the provision of the infringing services.

3. The information referred to in paragraph 1 may, as appropriate, comprise:

(a) the names and addresses of the producers, manufacturers, distributors, suppliers and other previous holders of the goods or services, as well as the intended wholesalers and retailers; and

(b) the quantities produced, manufactured, delivered, received or ordered, as well as the price obtained for the goods or services in question.

4. This Article shall apply without prejudice to laws of a Party which:

(a) grant the right holder rights to receive fuller information;

(b) govern the use, in civil proceedings, of the information communicated pursuant to this Article;

(c) govern responsibility for misuse of the right of information;

(d) afford an opportunity for refusing to provide information which would force the person referred to in paragraph 1 to admit their own participation or that of their close relatives in an infringement of an intellectual property right; or

(e) govern the protection of confidentiality of information sources or the processing of personal data.

Article 25.53. Provisional and Precautionary Measures

1. Each Party shall ensure that the judicial authorities may, at the request of the applicant, issue against the alleged infringer an interlocutory injunction intended to prevent any imminent infringement of an intellectual property right, or to forbid, on a provisional basis and, where appropriate, subject to a recurring penalty payment if provided for by the law of that Party, the continuation of the alleged infringements of that right, or to make such continuation subject to the lodging of guarantees intended to ensure the compensation of the right holder. An interlocutory injunction may also be issued, under the same conditions, where appropriate, against a third party (1) over whom the relevant judicial authority exercises jurisdiction and whose services are used to infringe an intellectual property right.

(1) For the purposes of this Article, a Party may provide that a "third party" includes an intermediary.

2. Each Party shall ensure that its judicial authorities may, on request of the applicant, order the seizure or the delivery up (2) of goods suspected of infringing an intellectual property right, so as to prevent their entry into, or movement within, the channels of commerce.

(2) A Party may choose between seizure and delivery up to implement this paragraph.

3. In the case of an alleged infringement committed on a commercial scale, each Party shall ensure that the judicial authorities may order, if the applicant demonstrates circumstances likely to endanger the recovery of damages, the precautionary seizure of the movable and immovable property of the alleged infringer, including the blocking of their bank accounts and other assets. For that purpose, the competent authorities may order the communication of bank, financial or commercial documents, or appropriate access to the relevant information.

Article 25.54. Remedies

1. Each Party shall ensure that the judicial authorities have the authority to order, on request of the applicant and without prejudice to any damages due to the right holder by reason of the infringement, and without compensation of any sort, the destruction, or at least the definitive removal from the channels of commerce, of goods that they have found to be infringing an intellectual property right. If appropriate, the judicial authorities may also order the destruction of materials and implements predominantly used in the creation or manufacture of those goods.

2. The judicial authorities of each Party shall have the authority to order that those measures be carried out at the expense of the infringer, unless particular reasons are invoked for not doing so.

3. In considering a request for remedies, the need for proportionality between the seriousness of the infringement and the remedies ordered, as well as the interests of third parties, shall be taken into account.

Article 25.55. Injunctions

Each Party shall ensure that, where a judicial decision is taken finding an infringement of an intellectual property right, the judicial authorities may issue against the infringer and, if appropriate, against a third party (1) over whom the relevant judicial authority exercises jurisdiction and whose services are used to infringe an intellectual property right, an injunction aimed at prohibiting the continuation of the infringement.

(1) For the purposes of this Article, a Party may provide that a "third party" includes an intermediary.

Article 25.56. Alternative Measures

Each Party may provide that the judicial authorities, in appropriate cases and on request of the person liable to be subject to the measures provided for in Article 25.54 or 25.55, may order pecuniary compensation to be paid to the injured party instead of applying the measures provided for in Article 25.54 or 25.55 if that person acted unintentionally and without negligence, if execution of the measures in question would cause that person disproportionate harm and if pecuniary compensation to the injured party appears reasonably satisfactory.

Article 25.57. Damages

1. Each Party shall ensure that the judicial authorities, on application of the injured party, order the infringer who knowingly, or with reasonable grounds to know, engaged in an infringing activity, to pay the right holder damages adequate to compensate for the injury that the right holder has suffered as a result of the infringement.

2. In determining the amount of damages under paragraph 1, the judicial authorities of each Party shall have the authority to consider, inter alia, any legitimate measure of value that the right holder submits, which may include lost profits, the value of the infringed goods or services measured by the market price, or the suggested retail price (1). At least in cases of infringement of copyright or related rights and trademark counterfeiting, each Party shall provide that, in civil judicial proceedings, its judicial authorities have the authority to order the infringer to pay the right holder the part of the infringer's profits that is attributable to the infringement, whether as an alternative to, in addition to or as part of the damages.

(1) For the European Union, this would also include, as appropriate, elements other than economic factors such as the moral prejudice caused to the right holder by the infringement.

3. As an alternative to paragraph 2, each Party may provide that its judicial authorities have the authority, in appropriate cases, to set the damages as a lump sum on the basis of elements such as at least the amount of royalties or fees which would have been due if the infringer had requested authorisation to use the intellectual property right in question.

4. Nothing in this Article precludes either Party from providing that if the infringer did not knowingly, or with reasonable grounds to know, engage in an infringing activity, its judicial authorities may order, in favour of the injured party, the recovery of profits or the payment of damages, which may be pre-established.

Article 25.58. Legal Costs

Each Party shall provide that its judicial authorities, where appropriate, have the authority to order, at the conclusion of civil judicial proceedings concerning the enforcement of intellectual property rights, that the prevailing party be awarded the payment by the losing party of legal costs and other expenses, as provided for under the law of the Party concerned.

Article 25.59. Publication of Judicial Decisions

Each Party shall ensure that, in legal proceedings instituted for infringement of an intellectual property right, the judicial authorities may order, on request of the applicant and at the expense of the infringer, appropriate measures for the dissemination of the information concerning the decision, including displaying the decision and publishing it in full or in part.

Article 25.60. Presumption of Authorship or Ownership

The Parties shall recognise that for the purposes of applying the measures, procedures and remedies provided for in this Section:

(a) for the author of a literary or artistic work to be regarded as such, and consequently to be entitled to institute infringement proceedings, it shall be sufficient, in the absence of proof to the contrary, for the name of the author to appear on the work in the usual manner; and

(b) subparagraph (a) shall apply mutatis mutandis to the holders of rights related to copyright with regard to their protected subject matter.

Article 25.61. Administrative Procedures

To the extent that any civil remedy can be ordered as a result of administrative procedures on the merits of a case, such procedures shall conform to principles that are equivalent in substance to those provided for in the relevant provisions of this Sub-Section.

Subsection 2. BORDER ENFORCEMENT

Article 25.62. Border Measures

1. With respect to goods under customs control, each Party shall adopt or maintain procedures under which a right holder may submit applications requesting competent authorities to suspend the release of, or to detain, suspected goods. For the purposes of this Sub-Section, "suspected goods" means goods suspected of infringing trademarks, copyrights and related rights, geographical indications, patents, utility models, industrial designs or topographies of integrated circuits.

2. Each Party shall have in place electronic systems for the management by competent authorities of the applications granted or recorded.

3. Each Party shall ensure that its competent authorities do not charge a fee to cover the administrative costs resulting from the processing of an application or a recordation.

4. Each Party shall ensure that its competent authorities decide on the granting or recording of an application within a reasonable period of time.

5. Each Party shall ensure that the granted or recorded application applies to multiple shipments.

6. With respect to goods under customs control, each Party shall ensure that its customs authorities may act upon their own initiative to suspend the release of, or to detain, goods suspected of infringing trademarks or copyright.

7. Customs authorities shall use risk analysis to identify suspected goods. Each Party shall implement this paragraph in accordance with its law.

8. Each Party may have in place procedures allowing for the destruction of suspected goods without the need for prior administrative or judicial proceedings for the formal determination of the infringements in cases where the persons concerned agree to or do not oppose such destruction. If such goods are not destroyed, each Party shall ensure that, except in exceptional circumstances, such goods are disposed of outside the commercial channels in such a manner as to avoid any harm to the right holder.

9. Each Party may have in place procedures allowing for the swift destruction of counterfeit trademark and pirated goods that are sent through postal or express courier consignments.

10. A Party may decide not to apply this Article to the import of goods that are put on the market of a third country by, or with the consent of, the right holders. A Party may also decide not to apply this Article to goods of a non-commercial nature contained in travellers' personal luggage.

11. The customs authorities of the Parties shall maintain a regular dialogue and promote cooperation with the relevant stakeholders and with other authorities involved in the enforcement of intellectual property rights.

12. The Parties shall cooperate in respect of international trade in suspected goods. In particular, the Parties shall share, as far as possible, information on trade in suspected goods affecting the other Party.

13. Without prejudice to other forms of cooperation, the Protocol to this Agreement on Mutual Administrative Assistance in Customs Matters applies to breaches of legislation on intellectual property rights for the enforcement of which the customs authorities of a Party are competent in accordance with this Article.

Article 25.63. Consistency with GATT and TRIPS Agreement

In implementing border measures for the enforcement of intellectual property rights by its customs authorities, whether or not covered by this Sub-Section, each Party shall ensure consistency with its obligations under GATT 1994 and the TRIPS Agreement and, in particular, with Article V of GATT 1994 and Article 41 and Section 4 of Part III of the TRIPS Agreement.

Section D. FINAL PROVISIONS

Article 25.64. Cooperation

1. The Parties shall cooperate with a view to supporting the implementation of the commitments and obligations undertaken pursuant to this Chapter.

2. The areas of cooperation on intellectual property rights protection and enforcement matters may include the following activities:

(a) exchange of information on the legal framework concerning intellectual property rights and relevant rules of protection and enforcement;

(b) exchange of experience between the Parties on legislative progress;

(c) exchange of experience between the Parties on the enforcement of intellectual property rights;

(d) exchange of experience between the Parties on enforcement at central and sub-central level by customs authorities, police, administrative and judiciary authorities;

(e) coordination to prevent exports of counterfeit goods, including with third countries;

(f) technical assistance, capacity building, and exchange and training of personnel;

(g) the protection and defence of intellectual property rights and the dissemination of information in that regard in, inter alia, business circles and civil society;

(h) public awareness of consumers and right holders, as well as enhancement of institutional cooperation, in particular between their intellectual property offices;

(i) active promotion of awareness and education of the general public on policies concerning intellectual property rights;

(j) public-private collaboration engaging SMEs, including at SME-focused events or gatherings, with regard to the protection and enforcement of intellectual property rights and the reduction of their infringement; and

(k) formulation of effective strategies to identify audiences and communication programmes to increase consumer and media awareness on the impact of infringement of intellectual property rights, including the risk to health and safety and the connection to organised crime.

3. Each Party may make publicly available the product specifications, or a summary of those specifications, and relevant contact points for control or management of the geographical indications of the other Party as protected pursuant to Sub-Section 4 of Section B.

4. The Parties shall, directly or through the Sub-Committee referred to in Article 25.66, maintain contact on all matters related to the implementation and functioning of this Chapter.

Article 25.65. Voluntary Stakeholder Initiatives

Each Party shall endeavour to facilitate voluntary stakeholder initiatives to reduce intellectual property rights infringements, including online and in other marketplaces, focusing on concrete problems and seeking practical solutions that are realistic, balanced, proportionate and fair for all concerned, including in the following ways:

(a) each Party shall endeavour to convene stakeholders consensually in its territory to facilitate voluntary initiatives to find solutions and resolve differences regarding the protection and enforcement of intellectual property rights and reducing infringement;

(b) each Party shall endeavour to exchange information with the other Party regarding efforts to facilitate voluntary stakeholder initiatives in its territory; and

(c) the Parties shall endeavour to promote open dialogue and cooperation among the Parties' stakeholders, and to encourage the Parties' stakeholders to jointly find solutions and resolve differences regarding the protection and enforcement of intellectual property rights and reducing their infringement.

Article 25.66. Sub-Committee on Intellectual Property

The Sub-Committee on Intellectual Property ("Sub-Committee"), established pursuant to Article 33.4(1), shall monitor and ensure proper implementation and functioning of this Chapter and Annexes 25-A, 25-B and 25-C. The Sub-Committee shall also perform specific tasks attributed to it in this Chapter, including in Article 25.40.

Chapter 26. TRADE AND SUSTAINABLE DEVELOPMENT

Section A. COMMON PROVISIONS

Article 26.1. Objectives

1. The Parties recall the Agenda 21 on Environment and Development, adopted at the UN Conference on Environment and Development held in Rio de Janeiro, on 3 to 14 June 1992, the Johannesburg Plan of Implementation of the World Summit on Sustainable Development of 2002, the International Labour Organization ("ILO") Declaration on Social Justice for a Fair Globalization, adopted by the International Labour Conference at its 97th Session, held in Geneva on 10 June 2008 (the "ILO Declaration on Social and Justice for a Fair Globalization"), the Outcome Document of the UN Conference on Sustainable Development of 2012 entitled "The Future We Want" and the 2030 Agenda, and its Sustainable Development Goals.

2. The Parties recognise that sustainable development encompasses economic development, social development and environmental protection, all three being interdependent and mutually reinforcing for the welfare of present and future generations.

3. In light of the above, the objective of this Chapter is to enhance the trade and investment relationship between the Parties in a way that contributes to sustainable development, in particular its labour (1) and environmental dimensions that are relevant to trade and investment.

(1) For the purposes of this Chapter, the term "labour" means the strategic objectives of the ILO under the Decent Work Agenda, which is expressed in the ILO Declaration on Social Justice for a Fair Globalization.

4. This Chapter embodies a cooperative approach based on common values and interests

Article 26.2. Right to Regulate and Levels of Protection

1. The Parties recognise the right of each Party to determine its sustainable development policies and priorities, in particular to establish its own levels of domestic labour and environmental protection and its own labour and environmental priorities, and to adopt or modify its law and policies related to labour and environment accordingly.

2. The levels of protection, law and policies referred to in paragraph 1 shall be consistent with each Party's commitment to the multilateral environmental agreements ("MEAs") and multilateral labour standards and agreements, as referred to in this Chapter, to which it is party.

3. Each Party shall strive to ensure that its environmental and labour laws, regulations and policies provide for and encourage a high level of environmental and labour protection, and shall strive to continue improving its levels of environmental and labour protection provided in its laws, regulations and policies.

4. A Party shall not weaken or reduce the levels of protection afforded in its environmental and labour laws and regulations in order to encourage trade or investment.

5. A Party shall not waive or otherwise derogate from, or offer to waive or otherwise derogate from, its environmental and labour laws and regulations in a manner that weakens or reduces the levels of protection afforded in those laws and regulations in order to encourage trade or investment.

6. A Party shall not, through a sustained or recurring course of action or inaction, fail to effectively enforce its environmental and labour laws and regulations in a manner affecting trade or investment.

7. Each Party retains the right to exercise reasonable discretion and to make bona fide decisions with regard to the allocation of enforcement resources in accordance with priorities for the enforcement of its environmental and labour laws and regulations.

8. A Party shall not apply its environmental and labour laws and regulations in a manner which would constitute a disguised restriction on trade or investment.

Article 26.3. Trade and Responsible Business Conduct and Management of Supply Chains

1. The Parties recognise the importance of responsible management of supply chains through responsible business conduct or corporate social responsibility practices, and the role of trade in pursuing that objective.

(a) promote responsible business conduct or corporate social responsibility by encouraging the uptake by businesses of relevant practices that are consistent with internationally recognised principles, standards and guidelines, including sectorial guidelines of due diligence, that have been endorsed or are supported by that Party; and

(b) support the dissemination and use of relevant international instruments that have been endorsed or are supported by that Party, such as the OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, adopted in Geneva in November 1977 (the "ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy"), the UN Global Compact and the UN Guiding Principles on Business and Human Rights endorsed by the Human Rights Council in its Resolution 17/4 of 16 June 2011.

3. The Parties recognise the utility of international sector-specific guidelines in the area of corporate social responsibility or responsible business conduct and shall promote joint work in that regard. The Parties shall also implement measures to promote the adherence to OECD Due Diligence Guidelines.

4. The Parties recognise the importance of promoting trade in goods that contribute to enhanced social conditions and environmentally sound practices, such as environmental goods and services contributing to a resource-efficient, low-carbon economy, goods whose production is not linked to deforestation and goods that are the subject of voluntary sustainability assurance schemes and mechanisms.

5. The Parties shall exchange information as well as best practices and, as appropriate, cooperate bilaterally, regionally and in international fora on issues covered by this Article.

Article 26.4. Scientific and Technical Information

1. When establishing or implementing measures aimed at protecting the environment or labour conditions that may affect trade or investment between the Parties, each Party shall take into account available scientific and technical evidence, preferably from recognised technical and scientific bodies, as well as relevant international standards, guidelines or recommendations, where they exist.

2. If scientific evidence or information is insufficient or inconclusive and there is a risk of serious environmental degradation or a risk to occupational health and safety in its territory, a Party may adopt measures based on the precautionary principle. Such measures shall be subject to review if new or additional scientific information becomes available.

3. If a measure adopted in accordance with paragraph 2 has an impact on trade or investment between the Parties, a Party may request the Party that adopted the measure to provide information indicating that the measure is consistent with its own levels of protection, and may request discussion of the matter in the Sub-Committee on Trade and Sustainable Development.

4. Such measures shall not be applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on trade or investment.

Article 26.5. Transparency and Good Regulatory Practices

The Parties recognise the importance of the application of the rules on transparency and good regulatory practices in accordance with Chapters 28 and 29, in particular the rules providing opportunities for interested persons to submit views in respect of:

(a) measures aimed at protecting the environment and labour conditions that may affect trade or investment; and

(b) trade or investment measures that may affect the protection of the environment or labour conditions.

Article 26.6. Public Awareness, Information, Participation and Procedural Guarantees

1. Each Party shall promote public awareness of its labour and environmental laws and regulations, including by ensuring that its labour and environmental laws and regulations and its enforcement and compliance procedures are publicly available.

2. Each Party shall seek to accommodate requests for information from any person regarding the Party's implementation of this Chapter.

3. Each Party shall make use of the mechanisms referred to in Articles 33.5, 33.6 and 33.7 to seek views on matters related to the implementation of this Chapter.

4. Each Party shall provide for the receipt of, and give due consideration to, communications and opinions by way of written submissions from a person of that Party on matters related to the implementation of this Chapter in accordance with its domestic procedures. A Party shall respond in writing and in a timely manner to such submissions. It may notify such communications and opinions to its Domestic Consultative Group established pursuant to Article 33.6 and the contact point of the other Party designated pursuant to Article 26.19(6).

5. Each Party shall, in accordance with its law, ensure that access to administrative or judicial procedures is available to persons with a legally recognised interest in a particular matter or who claim that their right has been infringed, in order to permit action against infringements of its environmental or labour law, including appropriate remedies for violations of such law.

6. Each Party shall, in accordance with its law, ensure that the procedures referred to in paragraph 5 comply with due process, are not prohibitively costly, do not entail unreasonable time limits or unwarranted delays, provide the possibility to order an injunction if appropriate, and are fair, equitable and transparent.

Article 26.7. Cooperation Activities

1. The Parties recognise the importance of cooperation activities on trade-related aspects of environmental and labour policies in order to achieve the objectives of this Agreement and implement this Chapter.

2. Cooperation activities can be developed and implemented with the participation of international and regional organisations as well as with third countries, businesses, employers' and workers' organisations, education and research organisations and other non-governmental organisations, as appropriate.

3. Cooperation activities shall be carried out on issues and topics agreed upon by the Parties to address matters of common interest.

4. The Parties may cooperate on issues as provided for in this Chapter as well as, inter alia:

(a) labour and environmental aspects of trade and sustainable development in international fora, including in particular the WTO, the UN High-level Political Forum on Sustainable Development, the UN Environment Programme ("UNEP"), the ILO and MEAs;

(b) the impact of labour and environmental laws and standards on trade and investment;

(c) the impact of trade and investment law on labour and the environment; and

(d) trade-related aspects of:

(i) initiatives on sustainable consumption and production, including those aimed at promoting a circular economy and green growth and pollution abatement; and

(ii) initiatives to promote environmental goods and services, including by addressing related non-tariff barriers.

5. The priorities for cooperation activities shall be decided jointly by the Parties on the basis of areas of mutual interest and available resources.

6. The Parties may carry out activities in the cooperation areas set out in this Chapter in person or by any technological means available to the Parties.

Section B. ENVIRONMENT AND TRADE

Article 26.8. Objectives

1. The Parties aim to promote mutually supportive trade and environmental policies, high levels of environmental protection in line with MEAs to which they are party, respectively, and effective enforcement of their respective environmental laws and regulations, and to enhance their capacity to address trade-related environmental issues, including through cooperation.

2. The Parties recognise that enhanced cooperation to protect and conserve the environment and sustainably manage their natural resources has benefits that can contribute to sustainable development, strengthen their environmental governance and complement the objectives of this Agreement.

3. The Parties recognise the importance of mutually supportive trade and environmental policies and practices to improve environmental protection in promoting sustainable development.

Article 26.9. Multilateral Environmental Governance and Agreements

1. The Parties recognise the importance of the UN Environment Assembly of the UNEP. The Parties recognise the critical role of MEAs in addressing global, regional and domestic environmental challenges. The Parties further recognise the need to enhance mutual supportiveness between trade and environmental policies. Accordingly, each Party shall effectively implement MEAs, including their protocols, to which it is party.

2. The Parties recognise the right of each Party to adopt or maintain measures to further the objectives of MEAs to which it is party.

3. The Parties shall engage in dialogue and cooperate, as appropriate, on trade and environmental issues of mutual interest, in particular with respect to MEAs. This shall include regular exchanges of information on the initiatives of each Party regarding the ratifications of MEAs, including their protocols and amendments.

Article 26.10. Trade and Climate Change

1. The Parties recognise the importance of MEAs in the area of climate change, in particular the need to achieve the objective of the United Nations Framework Convention on Climate Change, done at New York on 9 May 1992 ("UNFCCC"), and the purpose and goals of the Paris Agreement, in order to address the urgent threat of climate change. Accordingly, the Parties recognise the role of trade in achieving the goal of sustainable development and addressing climate change, as well as the importance of individual and collective efforts to address climate change impacts through mitigation and adaptation actions.

2. In accordance with paragraph 1, each Party shall:

(a) effectively implement the UNFCCC and the Paris Agreement, including its commitments with regard to its nationally determined contributions;

(b) promote the positive contribution of trade to the transition to a low greenhouse gas emission and circular economy and to climate-resilient development, including actions on climate change mitigation and adaptation; and

(c) facilitate and promote trade and investment in goods and services of particular relevance for climate change mitigation and adaptation, for sustainable renewable energy and for energy efficiency, in a manner consistent with other provisions of this Agreement.

3. In accordance with Article 26.7, the Parties shall cooperate, as appropriate, on trade-related aspects of climate change, bilaterally, regionally and in international fora, including in the UNFCCC, the WTO and the Montreal Protocol on Substances that Deplete the Ozone Layer, concluded at Montreal on 16 September 1987 ("Montreal Protocol"). Furthermore, the Parties may cooperate, as appropriate, on those issues also in the International Maritime Organization.

4. In accordance with paragraph 1, the Parties shall cooperate in areas such as:

(a) exchanging knowledge and experience regarding the implementation of the Paris Agreement, as well as on initiatives to promote climate resilience, renewable energy, low emission technologies, energy efficiency, carbon pricing, sustainable transport, sustainable and climate- resilient infrastructure development, emissions monitoring, and nature-based solutions; as well as exploring options to cooperate in areas such as short-life climate pollutants and soil carbon sequestration; and

(b) exchanging knowledge and experience regarding an ambitious phase-out of ozone depleting substances and the phase-down of hydrofluorocarbons under the Montreal Protocol through measures to control their production, consumption and trade, the introduction of environmentally friendly alternatives to those ozone depleting substances and hydrofluorocarbons, updating of safety and other relevant standards, and combating the illegal trade of substances regulated by the Montreal Protocol, as appropriate.

Article 26.11. Trade and Forests

1. The Parties recognise the importance of sustainable forest management, and the role of trade in pursuing that objective.

2. In accordance with paragraph 1, each Party shall:

(a) implement measures to combat illegal logging and related trade, including through cooperation activities with third

countries, as appropriate;

(b) encourage the conservation and sustainable management of forests;

(c) promote trade and consumption of timber and timber products which are legally obtained from sustainably managed forests; and

(d) exchange information and, as appropriate, cooperate with the other Party on trade-related initiatives on combating illegal logging, sustainable forest management, deforestation and forest degradation, forest governance and on the conservation of forest cover to maximise the impact and mutual supportiveness of their respective policies of common interest.

3. Recognising that forests and their sustainable management have a key role in combating climate change and maintaining biodiversity, each Party shall promote initiatives addressing deforestation, including through deforestation-free supply chains. Additionally, the Parties shall cooperate, as appropriate and in accordance with Article 26.7, bilaterally, regionally and in relevant international fora, to minimise deforestation and forest degradation worldwide.

Article 26.12. Trade and Wild Flora and Fauna

1. The Parties recognise the importance of ensuring that international trade of wild fauna and flora does not threaten their survival, as set out in the Convention on International Trade in Endangered Species of Wild Fauna and Flora, done at Washington D.C. on 3 March 1973 ("CITES").

2. In accordance with paragraph 1, each Party shall:

(a) implement effective measures to combat illegal trade in wild flora and fauna, including through cooperation activities with third countries, as appropriate; and

(b) promote the long-term conservation and sustainable use of the species listed in the Appendices to CITES, including by cooperating in the relevant CITES bodies to keep the Appendices to CITES up-to-date and by promoting the inclusion of species considered to be at risk because of international trade and other criteria established under CITES.

3. In accordance with Article 26.7, the Parties may, as appropriate, cooperate or exchange information bilaterally, regionally and in international fora on issues of mutual interest related to tackling illegal trade in wild flora and fauna, including through raising awareness to reduce demand for illegal wildlife products and initiatives to enhance cooperation on information sharing and enforcement.

Article 26.13. Trade and Biological Diversity

1. The Parties recognise the importance of conserving and sustainably using biological diversity, and the role of trade in pursuing those objectives, consistent with the Convention on Biological Diversity, done at Rio de Janeiro on 5 June 1992, other relevant MEAs to which they are party, and the decisions adopted thereunder.

2. In accordance with paragraph 1, each Party shall take measures to conserve biological diversity when it is subject to pressures linked to trade and investment, including through the exchange of information and experience, and measures to prevent the spread of invasive alien species, recognising that the movement of terrestrial and aquatic invasive alien species across borders through trade-related pathways can adversely affect the environment, economic activities and development, and human health.

3. The Parties recognise the importance of respecting, preserving and maintaining knowledge and practices of indigenous and local communities embodying traditional lifestyles that contribute to the conservation and sustainable use of biological diversity, and the role of trade therein.

4. The Parties recognise the importance of facilitating access to genetic resources and of promoting the fair and equitable sharing of benefits arising from the use of genetic resources, in accordance with their respective domestic measures and each Party's international obligations.

5. The Parties also recognise the importance of public participation and consultation, in accordance with their respective law or policy, in the development and implementation of measures concerning the conservation and sustainable use of biological diversity.

6. In accordance with Article 26.7, the Parties may, as appropriate, promote, cooperate or exchange information bilaterally, regionally and in international fora, on trade-related aspects of biological diversity policies and measures of mutual interest,

such as:

(a) initiatives and good practices concerning trade in natural resource-based products obtained through a sustainable use of biological resources and which contribute to the conservation of biodiversity;

(b) the conservation and sustainable use of biological diversity, and the protection, restoration and valuation of ecosystems and their services and related economic instruments; and

(c) access to genetic resources and the fair and equitable sharing of benefits from their utilisation.

Article 26.14. Trade and Sustainable Management of Fisheries and Aquaculture

1. The Parties recognise the importance of conserving and sustainably managing marine biological resources and marine ecosystems, and the role of trade in pursuing those objectives.

2. While developing and implementing conservation and management measures, the Parties shall take into consideration social, trade, development and environmental concerns and the importance of artisanal or small-scale fisheries to the livelihoods of local fishing communities.

3. The Parties acknowledge that illegal, unreported and unregulated (IUU) fishing (1) can have significant negative impacts on fish stocks, on the sustainability of trade in fisheries products, and on development and the environment, and confirm the need for action to address the problems of overfishing and unsustainable utilisation of fisheries resources.

(1) The term "illegal, unreported and unregulated fishing" is to be understood to have the same meaning as set out in paragraph 3 of the International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing of the UN Food and Agricultural Organization, adopted in Rome, 2001 ("2001 IUU Fishing Plan of Action").

4. In accordance with paragraphs 1, 2 and 3 of this Article, each Party shall:

(a) implement and act in accordance with the principles of the UN Convention on the Law of the Sea, done at Montego Bay on 10 December 1982, the UN Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks, adopted in New York, on 4 August 1995, the Food and Agriculture Organization of the UN ("FAO"), the Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas, adopted in Rome on 24 November 1993, the FAO Code of Conduct for Responsible Fisheries, adopted in Resolution 4/95 on 31 October 1995, and the FAO Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing, done in Rome on 22 November 2009;

(b) participate in the FAO's initiative on the Global Record of Fishing Vessels, Refrigerated Transport Vessels and Supply Vessels;

(c) seek to operate a fisheries management system based on the best available scientific evidence and on internationally recognised best practices for fisheries management and conservation, as reflected in the relevant provisions of international instruments aimed at ensuring the sustainable use and conservation of marine species (1), and designed, inter alia, to:

(1) Those instruments include, among others, and as they may apply, the UN Convention on the Law of the Sea, the UN Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks, the FAO Code of Conduct for Responsible Fisheries, the FAO Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas, the 2001 IUU Fishing Plan of Action, and the FAO Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing.

(i) prevent overfishing and overcapacity;

(ii) reduce bycatch of non-target species;

(iii) promote the recovery of overfished stocks for all marine fisheries; and

(iv) promote fisheries management with an ecosystem approach, including through cooperation among the Parties;

(d) in support of efforts to combat IUU fishing practices and to help deter trade in products from species harvested from

those practices:

(i) implement effective measures to combat IUU fishing;

(ii) ensure the use of monitoring, control, surveillance, compliance and enforcement systems, to:

(A) prevent and deter, in accordance with its international obligations and its law, vessels that are flying its flag and its natural persons from engaging in

IUU fishing activities; and

(B) address the transhipment at sea of fish or fish products to deter and avoid IUU fishing activities;

(iii) implement port state measures; and

(iv) implement measures to prevent IUU fishing and fish products from entering in each Party's supply chains and cooperate to that end, including by facilitating the exchange of information;

(e) participate actively in the work of the regional fisheries management organisations ("RFMOs") of which it is a member, observer, or to which it is cooperating non-contracting party, with the aim of achieving good fisheries governance and sustainable fisheries, such as through the promotion of scientific research and the adoption of conservation measures based on best scientific evidence available, the strengthening of compliance mechanisms, the undertaking of periodical performance reviews and the adoption of effective control, monitoring and enforcement of the RFMOs' management measures and, where applicable, the adoption and implementation of catch documentation or certification schemes and port state measures;

(f) strive to act in accordance with relevant conservation and management measures adopted by RFMOs of which it is not a member so as not to undermine those measures and endeavour not to undermine catch or trade documentation schemes operated by RFMOs or arrangements of which it is not a member; and

(g) promote the development of sustainable and responsible aquaculture, taking into account its economic, social and environmental aspects, according to the implementation of the objectives and principles contained in the FAO Code of Conduct for Responsible Fisheries.

5. The Parties shall cooperate, as appropriate and in accordance with Article 26.7, bilaterally and within RFMOs with the aim of promoting sustainable fishing practices and trade in fish products from sustainably managed fisheries. Additionally, the Parties may cooperate to exchange knowledge and good practices to support the implementation of this Article.

Section C. LABOUR AND TRADE

Article 26.15. Objectives

1. The Parties recognise that trade and investment provides opportunities for job creation and decent work, including for young people, with terms and conditions of employment that adhere to the principles laid down in the ILO Declaration on Fundamental Principles and Rights at Work, adopted by the International Labour Conference in Geneva on 18 June 1998 and as amended in 2022 (the "ILO Declaration on Fundamental Principles and Rights at Work") and the ILO Declaration on Social Justice for a Fair Globalization, adopted on 10 June 2008 and as amended in 2022 (the "ILO Declaration on Social Justice for a Fair Globalization").

2. The Parties aim to ensure high levels of labour protection in line with the international labour standards to which they adhere and to promote mutually supportive trade and labour policies with a view to improving the working conditions and quality of work life of employees. They will strive to improve the development and management of human capital for enhanced employability, business excellence, and greater productivity for the benefit of both workers and enterprise. Accordingly, the Parties endeavour to provide opportunities for young people to develop the necessary skills to successfully access and remain in the labour market.

3. The Parties aim to cooperate on trade-related labour issues of mutual interest in order to strengthen the broader relationship between the Parties.

Article 26.16. Multilateral Labour Standards and Agreements

1. The Parties affirm their commitment to promote the development of international trade in a way that is conducive to decent work for all, in particular women, young people and persons with disabilities, in line with their respective obligations

under the ILO, including those stated in the ILO Declaration on Fundamental Principles and Rights at Work and the ILO Declaration on Social Justice for a Fair Globalization.

2. Recalling the ILO Declaration on Social Justice for a Fair Globalization, the Parties note that the violation of fundamental principles and rights at work cannot be invoked or otherwise used as a legitimate comparative advantage and that labour standards should not be used for protectionist trade purposes.

3. Each Party shall effectively implement the ILO Conventions ratified by Member States and Chile respectively.

4. In accordance with the Constitution of the ILO, adopted as Part XIII of the Treaty of Versailles, signed on 28 June 1919, and the ILO Declaration on Fundamental Principles and Rights at Work, each Party shall respect, promote and effectively implement the internationally recognised core labour standards, as defined in the fundamental ILO Conventions, which are:

(a) freedom of association and the effective recognition of the right to collective bargaining;

(b) the elimination of all forms of forced or compulsory labour;

(c) the effective abolition of child labour including the prohibition on the worst forms of child labour;

(d) the elimination of discrimination in respect of employment and occupation; and

(e) a safe and healthy working environment.

5. The Parties shall regularly exchange information on their respective progress with regard to the ratification of ILO Conventions or protocols that are classified as up-to-date by the ILO and to which they are not yet party.

6. Each Party shall promote the ILO Decent Work Agenda as set out in the ILO Declaration on Social Justice for a Fair Globalization, in particular with regard to:

(a) decent working conditions for all, with regard to, inter alia, wages and earnings, working hours, other conditions of work and social protection; and

(b) social dialogue on labour matters among workers and employers and their respective organisations, and with relevant governmental authorities.

7. In accordance with its commitments under the ILO, each Party shall:

(a) adopt and implement measures and policies regarding occupational safety and health; and

(b) maintain a labour inspection system in accordance with the relevant ILO standards on labour inspection.

Article 26.17. Forced or Compulsory Labour

1. Recalling that the elimination of forced labour is among the objectives of the Agenda 2030, the Parties underline the importance of the ratification and the effective implementation of the Protocol of 2014 to the Forced Labour Convention 1930, adopted at Geneva on 11 June 2014.

2. The Parties recognise the goal of eliminating all forms of forced or compulsory labour, including forced or compulsory child labour.

3. Consequently, the Parties shall identify opportunities for cooperation, sharing information, experiences and good practices related to the elimination of all forms of forced or compulsory labour.

Article 26.18. Cooperation on Trade and Labour Issues

In accordance with Article 26.7, the Parties shall consult and cooperate, as appropriate, bilaterally and in the context of the ILO, on trade-related labour issues of mutual interest, including, but not limited to:

(a) job creation and the promotion of productive, high-quality employment, including policies to generate job-rich growth and promote sustainable enterprises and entrepreneurship;

(b) promotion of improvements in business and labour productivity, in particular in respect of small and medium-sized enterprises;

(c) human capital development, access to labour market and the enhancement of employability, in particular of young

people, including through lifelong learning and vocational training, continuous education, training and the development and upgrading of skills, including in emerging and environmental industries;

(d) work-life balance and innovative workplace practices to enhance workers' well-being;

(e) promotion of the awareness of the ILO Decent Work Agenda, including on the inter-linkages between trade and full and productive employment, labour market adjustment, core labour standards, decent work in global supply chains, social protection and social inclusion, social dialogue and gender equality;

(f) promotion of decent quality jobs through trade, including the safety and health at work of pregnant workers and workers who have recently given birth;

(g) occupational safety and health and labour inspection, for example, improving compliance and enforcement mechanisms;

(h) addressing the challenges and opportunities of a diverse, multigenerational workforce, including through the:

(i) promotion of equality and elimination of discrimination in respect of employment and occupation; and

(ii) protection of vulnerable workers;

(i) improving labour relations, for example, through the exchange of best practices in alternative dispute resolution and tripartite consultation;

(j) the implementation of fundamental, priority and other up-to-date ILO Conventions, as well as the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, and the UN Guiding Principles on Business and Human Rights; and

(k) labour statistics.

Section D. INSTITUTIONAL ARRANGEMENTS

Article 26.19. Sub-Committee on Trade and Sustainable Development and Contact Points

1. The Sub-Committee on Trade and Sustainable Development ("Sub-Committee"), established pursuant to Article 33.4(1), shall be composed, for Chile, of officials from the institutions responsible for trade, labour, environment and gender issues.

2. The Sub-Committee shall have specific sessions for environmental and labour matters (1), respectively, as well as for cross-cutting issues related to trade and sustainable development.

(1) The environmental and labour matters can be discussed in isolated sessions or in consecutive sessions.

3. The functions of the Sub-Committee shall be to:

(a) facilitate, monitor and review the implementation of this Chapter;

(b) determine, organise, oversee and assess the cooperation activities laid down in this Chapter, including exchange of information and experience on areas of mutual interest;

(c) report and make recommendations to the Trade Committee on any matter related to this Chapter, including with regard to topics for discussion with the civil society mechanisms referred to in Article 33.5;

(d) carry out the tasks referred to in Articles 26.21 and 26.22;

(e) coordinate with other Sub-Committees established under this Agreement, as appropriate, including as regards the efforts to integrate gender-related issues, considerations and activities in their work as referred to in Article 27.4(8); and

(f) carry out any other functions as the Parties may agree.

4. The Sub-Committee, as mutually agreed, may consult or seek the advice of relevant stakeholders or experts on matters relating to the implementation of this Chapter.

5. The Sub-Committee shall, by consensus, prepare a report on each meeting and shall publish it after the meeting.

6. Each Party shall designate a contact point within its administration to facilitate communication and coordination between the Parties on any matter relating to the implementation of this Chapter. For Chile, specific contact points for labour, environmental and gender matters shall be a representative of the Under-Secretariat of International Economic Relations of the Ministry of Foreign Affairs or its successor. Each Party shall promptly notify the other Party of its contact points and provide their contact information.

7. The contact points shall:

(a) facilitate regular communication and coordination between the Parties;

(b) notwithstanding Article 33.3(2), assist the Sub-Committee including by establishing the agenda and conducting all other necessary preparations for the meetings of the Sub-Committee.

(c) communicate with their respective civil society, as appropriate; and

(d) work together, including with other appropriate bodies of their administrations, to develop and implement cooperation activities.

Article 26.20. Dispute Resolution

1. The Parties shall make all possible efforts through dialogue, exchange of information and cooperation to address any disagreement between the Parties regarding the interpretation or application of this Chapter.

2. In the event of a disagreement between the Parties regarding the interpretation or application of this Chapter, the Parties shall have recourse exclusively to the dispute resolution procedures established pursuant to Articles 26.21 and 26.22.

Article 26.21. Consultations

1. A Party ("the requesting Party") may, at any time, request consultations with the other Party ("the responding Party") about any matter arising with regard to the interpretation or application of this Chapter by delivering a written request to the contact point of the responding Party. The request shall set out the reasons for requesting consultations, including a sufficiently specific description of the matter at issue and the provisions of this Chapter that it considers applicable.

2. The responding Party shall, unless agreed otherwise with the requesting Party, reply in writing no later than 10 days after the date of receipt of the request.

3. The Parties shall begin consultations no later than 30 days after the date of receipt of the request by the responding Party, unless the Parties agree otherwise.

4. The consultations may be held in person or by any technological means available to the Parties. If consultations are held in person, they shall be held in the territory of the responding Party, unless the Parties agree otherwise.

5. In the consultations the Parties shall:

(a) provide sufficient information to enable a full examination of the matter; and

(b) treat any information exchanged in the course of the consultations confidentially.

6. The Parties shall enter into consultations with the aim of reaching a mutually satisfactory resolution of the matter, taking into account opportunities for cooperation related to the matter. In respect of matters related to the multilateral agreements referred to in this Chapter, the Parties shall consider information from the ILO or relevant bodies established under those agreements. Where relevant, the Parties may agree to seek advice from such organisations or bodies, or any other expert or body they deem appropriate to assist them in the consultations.

7. If the Parties are unable to resolve the matter within 60 days of the delivery of the written request for consultations pursuant to paragraph 1, each Party may, by delivering a written request to the contact point of the other Party, request that the Sub-Committee be convened to consider the matter. The Sub-Committee shall convene promptly and endeavour to agree on a resolution of the matter.

8. Each Party or the Sub-Committee convened pursuant to paragraph 7 of this Article may, if appropriate, seek the views of the Domestic Consultative Groups referred to in Article 33.6 or other expert advice.

9. If the Parties are able to resolve the matter, they shall document the outcome thereof including, if appropriate, specific steps and timelines agreed upon. The Parties shall make the outcome available to the public, unless they agree otherwise.

Article 26.22. Panel of Experts

1. If the Parties fail to resolve the matter within 60 days of the delivery of a written request to convene the Sub-Committee as referred to in Article 26.21(7) or, if no such request is made, within 120 days of the delivery of a written request for consultations pursuant to Article 26.21(1), the requesting Party may request the establishment of a panel of experts to examine the matter.

Any such request shall be made in writing to the contact point of the responding Party. The request shall identify the reasons for requesting the establishment of a panel of experts, including a sufficiently specific description of the matter at issue, and explain how that matter constitutes a breach of specific provisions of this Chapter.

2. Except as otherwise provided for in this Article, Articles 31.6, 31.10, 31.13, Article 31.14(1), Articles 31.15, 31.19, Article 31.20(2), and Articles 31.21, 31.22, 31.24, 31.32, 31.33, 31.34 and 31.35, as well as the Rules of Procedure in Annex 31-A and the Code of Conduct in Annex 31-B, shall apply mutatis mutandis.

3. The Sub-Committee shall, at its first meeting, recommend to the Trade Committee the establishment of at least 15 individuals who are willing and able to serve on the panel of experts. Based on this recommendation, the Trade Committee shall no later than one year after entry into force of this Agreement establish a list of such individuals. The list shall be composed of three sub-lists:

(a) one sub-list of individuals established on the basis of proposals by the European Union;

(b) one sub-list of individuals established on the basis of proposals by Chile; and

(c) one sub-list of individuals who are not nationals of either Party and who shall serve as chairperson to the panel of experts.

4. Each sub-list shall include at least five individuals. The Trade Committee shall ensure that the list is kept up-to-date and that it is maintained at that minimum number of individuals.

5. The individuals referred to in paragraph 3 shall have specialised knowledge of or expertise in labour or environmental law, issues addressed in this Chapter, or the resolution of disputes arising under international agreements. They shall be independent, serve in their individual capacities and not take instructions from any organisation or government with regard to issues related to the disagreement, or be affiliated with the government of any Party, and shall comply with the Code of Conduct in Annex 31-B.

6. When the panel of experts is composed according to the procedures set out in Article 31.6(3), (4) and (6), the experts shall be selected from the relevant sub-lists referred to in paragraph 3 of this Article.

7. Unless the Parties agree otherwise within five days of the date of establishment of the panel of experts the terms of reference shall be:

"to examine, in the light of the relevant provisions of Chapter 26 of the Interim Agreement on Trade between the European Union and the Republic of Chile, the matter referred to in the request for the establishment of the panel of experts, and to issue a report, in accordance with Article 26.23 of that Agreement, with its findings and recommendations for the resolution of the matter".

8. With regard to matters related to the multilateral agreements referred to in this Chapter, the panel of experts should seek information from the ILO or relevant bodies established under those agreements, including any pertinent available interpretative guidance, findings or decisions adopted by the ILO and those bodies. Any such information shall be provided to both Parties for their comments.

9. The panel of experts shall interpret the provisions of this Chapter in accordance with the customary rules of interpretation of public international law, including those codified in the Vienna Convention on the Law of Treaties.

10. The panel of experts shall issue to the Parties an interim report and a final report setting out the findings of facts, the applicability of the relevant provisions and the rationale behind any findings, conclusions and the recommendations it makes.

11. The panel of experts shall deliver to the Parties the interim report within 100 days after the date of establishment of the panel of experts. If the panel of experts considers that this time limit cannot be met, the chairperson of the panel of experts shall notify the Parties in writing, stating the reasons for the delay and the date on which the panel of experts plans to deliver its interim report. The time limit set out in this paragraph may be extended by mutual agreement of the Parties.

12. A Party may deliver to the panel of experts a reasoned request to review particular aspects of the interim report within 25 days after the delivery of the interim report. A Party may comment on the other Party's request within 15 days of the delivery of the request.

13. After considering the request and comments, the panel of experts shall prepare the final report. If no request to review particular aspects of the interim report is delivered within the time period referred to in paragraph 12, the interim report shall become the final report of the panel of experts.

14. The panel of experts shall deliver its final report to the Parties within 175 days of the date of establishment of that panel. If the panel of experts considers that this time limit cannot be met, the chairperson of the panel shall notify the Parties in writing, stating the reasons for the delay and the date on which the panel of experts plans to deliver its final report. The time limit set out in this paragraph may be extended by mutual agreement of the Parties.

15. The final report shall include a discussion of any written request by the Parties on the interim report and clearly address any comments provided by the Parties.

16. The Parties shall make the final report available to the public within 15 days of its delivery by the panel of experts.

17. If the panel of experts finds in the final report that a Party has not complied with its obligations under this Chapter, the Parties shall discuss appropriate measures to be implemented, taking into account the report and recommendations of the panel of experts. The responding Party shall inform its Domestic Consultative Group referred to in Article 33.6 and the other Party of its decisions on any actions or measures to be implemented no later than three months after the report has been made publicly available.

18. The Sub-Committee shall monitor the follow-up to the final report and recommendations of the panel of experts. The Domestic Consultative Groups referred to in Article 33.6 may submit observations to the Sub-Committee in that regard.

Article 26.23. Review

1. For the purpose of enhancing the achievement of the objectives of this Chapter, the Parties shall discuss through the meetings of the Sub-Committee its effective implementation, taking into account, inter alia, major policy developments in each Party and developments in international agreements.

2. Taking into account the outcome of such discussions, a Party may request the review of this Chapter at any time after the date of entry into force of this Agreement. For that purpose, the Sub-Committee may recommend to the Parties amendments of the relevant provisions of this Chapter, in accordance with the amendment procedure established in Article 33.10(1).

Chapter 27. TRADE AND GENDER EQUALITY

Article 27.1. Context and Objectives

1. The Parties agree on the importance of incorporating a gender perspective into the promotion of inclusive economic growth, and on the key role that gender-responsive policies can play in that regard. This includes removing barriers to women's participation in the economy and international trade, including improving equal opportunities of access to work functions and sectors for men and women in the labour market.

2. The Parties acknowledge that international trade and investment are engines of economic growth and also recognise the important contribution of women to economic growth through their participation in economic activity, including business and international trade.

3. The Parties recognise that women's participation in international trade can contribute to advancing their economic empowerment and economic independence. Furthermore, women's access to, and ownership of, economic resources contribute to sustainable and inclusive economic growth, prosperity, competitiveness, and the well-being of society. Accordingly, the Parties underline their intention to implement this Agreement in a manner that promotes and enhances equality between men and women.

4. The Parties recall the United Nations 2030 Agenda for Sustainable Development and the SDGs pertaining to trade and gender equality, in particular Goal 5: achieve gender equality and empower all women and girls.

5. The Parties recall the objectives of the Joint Declaration on Trade and Women's Economic Empowerment on the Occasion of the WTO Ministerial Conference held in Buenos Aires in December 2017.

6. The Parties recall their commitments on mainstreaming gender equality and the empowerment of women and girls as well as the respect for democratic principles and human rights and fundamental freedoms, as set out in the Universal Declaration of Human Rights, adopted by the UN General Assembly on 10 December 1948, and other relevant international human rights instruments related to gender equality to which they are party.

7. The Parties reaffirm their commitments under the Beijing Declaration and Platform for Action, adopted at the Fourth World Conference of Women, held in Beijing from 4 to 15 September 1995, noting in particular the objectives and provisions related to women's equal access to resources, employment, markets and trade.

8. The Parties reaffirm the importance of inclusive trade policies which contribute to the promotion of equal rights, treatment and opportunities between men and women as well as to the elimination of all forms of discrimination against women.

9. The Parties emphasise the role of the private sector in fostering gender equality by applying non-discrimination and diversity policies in their corporate operations in line with international guidelines and standards endorsed or supported by the Parties.

10. The Parties aim to:

(a) enhance their trade relations, cooperation and dialogue in ways that are conducive to equal opportunities for, and treatment of, women and men, as workers, producers, traders or consumers, in accordance with their international commitments.

(b) facilitate cooperation and dialogue with the aim of enhancing the capacity and conditions for women to access opportunities created by trade.

(c) further improve their capacities to address trade-related gender issues, including through exchange of information and best practices.

Article 27.2. Multilateral Agreements

1. Each Party reaffirms its commitment to effectively implement its obligations under the Convention on the Elimination of All Forms of Discrimination Against Women, adopted by the UN General Assembly on 18 December 1979, noting in particular those provisions related to eliminating discrimination against women in economic life and in the field of employment.

2. The Parties recall their respective obligations under Article 26.16 of this Agreement regarding the ILO Conventions related to gender equality and the elimination of discrimination in respect of employment and occupation ratified by Member States and Chile.

3. Each Party reaffirms its commitment to effectively implement its obligations under other multilateral agreements to which it is party addressing gender equality or women's rights.

Article 27.3. General Provisions

1. The Parties recognise the right of each Party to establish its own scope and guarantees of equal opportunities for men and women and to adopt or modify accordingly its relevant laws and policies, in accordance with its commitments under the international agreements referred to in Article 27.2.

2. Each Party shall strive to ensure that its relevant laws and policies provide for, and promote equal rights, treatment and opportunities between men and women, in accordance with its international commitments. Each Party shall strive to improve such laws and policies.

3. Each Party shall endeavour to gather sex-disaggregated data related to trade and gender with a view to better understanding the different impacts of trade policy instruments on women and men in their roles as workers, producers, traders or consumers.

4. Each Party shall promote in its territory public awareness of its laws and policies related to gender equality, including their impact on and relevance for inclusive economic growth and for trade policy.

5. Each Party shall, when relevant, take into account the objective of equality between men and women when formulating, implementing and reviewing measures in the areas covered under this Agreement.

6. Each Party shall encourage trade and investment by promoting equal opportunities and the participation of women and men in the economy and international trade. This includes, inter alia, measures that aim at: progressively eliminating all types of discrimination on grounds of sex; promoting the principle of equal pay for work of equal value in order to address the gender pay gap and facilitating the non-discrimination of women in employment and occupation, including for reasons of pregnancy and maternity.

7. A Party shall not weaken or reduce the protection granted under its respective laws aimed at ensuring gender equality or equal opportunities for women and men in order to encourage trade or investment.

8. A Party shall not waive or otherwise derogate from, or offer to waive or otherwise derogate from, its respective laws aimed at ensuring gender equality or equal opportunities for women and men, in a manner that weakens or reduces the protection granted pursuant to those laws, in order to encourage trade or investment.

9. A Party shall not fail to effectively enforce, through a sustained or recurring course of action or inaction, the protection granted under its respective laws aimed at ensuring gender equality or equal opportunities for women and men in a manner affecting trade or investment.

Article 27.4. Cooperation Activities

1. The Parties acknowledge the benefits of sharing their respective experiences in designing, implementing, monitoring and strengthening trade-related aspects of gender equality measures.

2. In accordance with paragraph 1, the Parties shall carry out cooperation activities designed to improve the capacity and conditions for women, including workers, businesswomen and entrepreneurs, to access and fully benefit from the opportunities created by this Agreement.

3. Cooperation activities shall be carried out on issues and topics agreed upon by the Parties.

4. Cooperation activities may be developed and implemented with the participation of the UN, WTO, ILO, OECD and other international organisations, as well as of third countries, businesses, employers' and workers' organisations, education and research organisations and other non- governmental organisations, as appropriate.

5. Areas of cooperation may include sharing experiences and best practices relating to policies and programmes in order to encourage women's increased participation in international trade as well as trade-related aspects of:

(a) the promotion of women's financial inclusion and education as well as access to financing and financial assistance;

(b) the advancement of women's leadership and the development of women's networks;

(c) the promotion of women's full participation in the economy by encouraging their participation, leadership and education, in particular in fields in which they are underrepresented, such as science, technology, engineering, mathematics (STEM), as well as innovation and business;

(d) the promotion of gender equality within enterprises;

(e) women's participation in decision-making positions in the public and private sectors;

(f) public and private initiatives aimed at the promotion of female entrepreneurship, including the integration of women in the formal sector of the economy, enhancing the competitiveness of women-led enterprises to allow them to participate and compete in local, regional, and global value chains, and activities to promote the internationalisation of small and medium-sized enterprises led by women;

(g) policies and programmes to improve women's digital skills and access to online business tools and e-commerce platforms;

(h) the advancement of care policies and programmes as well as work-life balance measures with a gender perspective;

(i) the exploration of the link between the increased participation of women in international trade and the reduction of the gender pay gap;

(j) the development of gender-based analysis of trade policies, including design, implementation and monitoring of their effects;

(k) the collection of sex-disaggregated data, the use of indicators, monitoring and evaluation methodologies, and the analysis of statistics related to trade from a gender perspective;

(l) the exploration of linkages between women's participation in international trade and areas such as decent work, occupational segregation, and working conditions of women, including the safety and health at work of pregnant workers and workers who have recently given birth, in accordance with subparagraph (f) of Article 26.18;

(m) policies and programmes to prevent, mitigate and respond to the differentiated economic impact that crises and emergencies have on women and men; and

(n) other issues as agreed by the Parties.

6. The priorities for cooperation activities shall be decided jointly by the Parties on the basis of areas of mutual interest and available resources.

7. Cooperation, including in the areas set out in paragraph 5, may be undertaken in person or by any technological means available to the Parties, through activities such as: workshops, seminars, conferences, collaborative programmes and projects; exchange of experiences, and sharing of best practices on policies and procedures; and the exchange of experts.

8. Through the Sub-Committee on Trade and Sustainable Development established pursuant to Article 33.4(1), the Parties shall encourage efforts by the bodies established in this Agreement to integrate gender-related issues, considerations and activities in their work.

9. The Parties shall encourage inclusive participation of women in the implementation of the cooperation activities established pursuant to this Article, as appropriate.

Article 27.5. Institutional Arrangements

1. The Sub-Committee on Trade and Sustainable Development established pursuant to Article 33.4(1) shall be responsible for the implementation of this Chapter. Article 26.19 shall apply to this Chapter mutatis mutandis (1).

(1) For greater certainty, any reference to Chapter 26, or to environmental and labour issues or matters, in that Article shall be understood as referring to this Chapter, or gender issues or matters, as applicable.

2. When interacting with civil society in the Domestic Consultative Groups created or designated pursuant to Article 33.6 and in the Civil Society Forum organised pursuant to Article 33.7, the Parties shall encourage the participation of organisations promoting equality between men and women.

Article 27.6. Dispute Resolution

Articles 26.20, 26.21 and 26.22 apply to this Chapter mutatis mutandis (2).

(2) For greater certainty, any reference to Chapter 26, or to environmental and labour issues, matters or laws, in those Articles shall be understood as referring to this Chapter, or gender issues, matters or laws related to these issues or matters, as applicable.

Article 27.7. Review

1. The Parties agree on the importance of monitoring and assessing, jointly or individually, through their respective processes and institutions, as well as those set up under this Agreement, the impact of the implementation of this Agreement on equality between men and women and opportunities provided for women in relation to trade.

2. The Parties may review this Chapter in light of the experience gained in its implementation and if necessary, suggest how it may be strengthened.

Chapter 28. TRANSPARENCY

Article 28.1. Objective

1. The Parties, recognising the impact which their respective regulatory environments may have on trade and investment between them, aim at providing a predictable regulatory environment and efficient procedures for economic operators, especially small and medium-sized enterprises.

2. The Parties reaffirm their respective commitments under the WTO Agreement, and, in this Chapter, build on those commitments and lay down further arrangements for transparency.

Article 28.2. Definitions

For the purposes of this Chapter:

(a) "administrative decision" means a decision or action with legal effect that applies to a specific person, good or service in an individual case and covers the failure to take an administrative decision as provided for in the law of a Party; and

(b) "administrative ruling of general application" means an administrative ruling or interpretation that applies to all persons and fact situations that fall generally within the ambit of that administrative ruling or interpretation, and that establishes a norm of conduct, but does not include:

(i) a determination or ruling made in an administrative or quasi-judicial proceeding that applies to a particular person, good or service of the other Party in a specific case; or

(ii) a ruling that adjudicates with respect to a particular act or practice.

Article 28.3. Publication

1. Each Party shall ensure that its laws, regulations, procedures, administrative rulings of general application and judicial decisions with respect to any matter covered by this Agreement are promptly published via an officially designated medium and, where feasible, by electronic means, or otherwise made available in such a manner as to enable any person to become acquainted with them.

2. Each Party shall provide an explanation of the objective of, and rationale for, its laws, regulations, procedures, administrative rulings of general application and judicial decisions with respect to any matter covered by this Agreement.

3. Each Party shall provide a reasonable period of time between the date of publication and the date of entry into force of the laws and regulations with respect to any matter covered by this Agreement, except where it is not possible on grounds of urgency. This paragraph does not apply to administrative rulings of general application and judicial decisions.

Article 28.4. Enquiries and Provision of Information

1. Each Party shall establish or maintain appropriate mechanisms for responding to enquiries from any person regarding any laws or regulations with respect to any matter covered by this Agreement.

2. On request of a Party, the other Party shall promptly provide information and respond to enquiries pertaining to any laws or regulations, whether in force or planned, with respect to any matter covered by this Agreement, unless a specific mechanism is established under another Chapter of this Agreement.

Article 28.5. Administrative Proceedings

1. Each Party shall administer all laws, regulations, procedures and administrative rulings of general application with respect to any matter covered by this Agreement in an objective, impartial and reasonable manner.

2. If administrative proceedings relating to particular persons, goods or services of the other Party are initiated in respect of the application of laws, regulations, procedures or administrative rulings of general application referred to in paragraph 1, each Party shall:

(a) endeavour to provide persons who are directly affected by administrative proceedings with reasonable notice, in accordance with its laws and regulations, when proceedings are initiated, including a description of the nature of the proceedings, a statement of the legal authority under which the proceedings are initiated and a general description of any issue in question; and

(b) afford such persons a reasonable opportunity to present facts and arguments in support of their positions prior to any final administrative decision to the extent that time, the nature of the proceedings and the public interest permit.

Article 28.6. Review and Appeal

1. Each Party shall establish or maintain judicial, arbitral or administrative tribunals or procedures for the purpose of the

prompt review and, if warranted, the correction of administrative decisions with respect to any matter covered by this Agreement.

2. Each Party shall ensure that its judicial, arbitral or administrative tribunals carry out procedures for appeal or review in a non-discriminatory and impartial manner. Such tribunals shall be impartial and independent of the authority entrusted with administrative enforcement powers, and shall not have any interest in the outcome of the matter.

3. With respect to the tribunals or procedures referred to in paragraph 1, each Party shall ensure that the parties before such tribunals or to such proceedings are provided with:

(a) a reasonable opportunity to support or defend their respective positions; and

(b) a decision based on the evidence and submissions of records or, where required by its law, the records compiled by the relevant authority.

4. Each Party shall ensure that the decision referred to in subparagraph (b) of paragraph 3 is implemented by the authority entrusted with administrative enforcement powers, subject to appeal or further review as provided for in its laws and regulations.

Article 28.7. Relation to other Chapters

The provisions set out in this Chapter apply in addition to the specific rules set out in other Chapters.

Chapter 29. GOOD REGULATORY PRACTICES

Article 29.1. Scope

1. This Chapter applies to regulatory measures adopted or initiated by regulatory authorities in respect to any matter covered by this Agreement.

2. This Chapter does not apply to regulatory authorities and regulatory measures, practices or approaches of the Member States.

Article 29.2. General Principles

1. The Parties recognise the importance of:

(a) using good regulatory practices in the process of planning, designing, issuing, implementing, evaluating and reviewing regulatory measures for the purpose of achieving domestic policy objectives; and

(b) maintaining and enhancing the benefits of this Agreement in facilitating trade in goods and services and increasing investment between the Parties.

2. Each Party shall be free to determine its approach to good regulatory practices under this Agreement in a manner consistent with its own legal framework, practice and fundamental principles, including the precautionary principle, underlying its regulatory system.

3. Nothing in this Chapter shall be construed as requiring a Party to:

(a) deviate from domestic procedures for preparing and adopting regulatory measures;

(b) take actions that would undermine or impede the timely adoption of regulatory measures to achieve its public policy objectives; or

(c) achieve any particular regulatory outcome.

Article 29.3. Definitions

For the purposes of this Chapter:

(a) "regulatory authority" means:

(i) for the European Union: the European Commission; and

(ii) for Chile: any regulatory authority of the executive branch; and

(b) "regulatory measures" means:

(i) for the European Union:

(A) regulations and directives, as provided for in Article 288 of the Treaty on the Functioning of the European Union; and

(B) implementing and delegated acts, as provided for in Article 290 and Article 291 Treaty on the Functioning of the European Union, respectively; and

(ii) for Chile: laws and decrees of general application that are adopted by the regulatory authorities compliance with which is mandatory (1).

(1) According to paragraph II.1 of presidential instruction N° 3 of 2019 and its modifications.

Article 29.4. Internal Coordination of Regulatory Development

Each Party shall maintain internal coordination or review processes or mechanisms for the preparation, evaluation and review of regulatory measures. Such processes or mechanisms should seek, inter alia, to:

(a) foster good regulatory practices, including those set out in this Chapter;

(b) identify and avoid unnecessary duplication and inconsistent requirements in the Party's regulatory measures;

(c) ensure compliance with the international trade obligations of the Party; and

(d) promote the consideration of the impact of the regulatory measures under preparation, including the impact on small and medium-sized enterprises.

Article 29.5. Transparency of the Regulatory Processes and Mechanisms

Each Party shall make publicly available descriptions, in accordance with its respective rules and procedures, of the processes and mechanisms used by its regulatory authority to prepare, evaluate or review regulatory measures. Those descriptions shall refer to relevant guidelines, rules or procedures, including those allowing the public to provide comments.

Article 29.6. Early Information on Planned Regulatory Measures

1. Each Party shall endeavour to publish on an annual basis, in accordance with its respective rules and procedures, information on planned major (1) regulatory measures.

(1) The regulatory authority of each Party may determine what constitutes a major regulatory measure for the purposes of its obligations under this Chapter.

2. With respect to each major regulatory measure referred to in paragraph 1, each Party shall endeavour to make publicly available, in a timely manner:

(a) a brief description of its scope and objectives; and

(b) if available, the estimated timing for its adoption, including, where applicable, opportunities for public consultations.

Article 29.7. Public Consultations

1. When preparing a major regulatory measure, each Party shall, if applicable, in accordance with its respective rules and procedures:

(a) publish a draft regulatory measure or consultation documents providing sufficient details about the regulatory measure under preparation to allow any person (1) to assess whether and how the person's interests might be significantly affected;

(1) For greater certainty, this paragraph does not prevent a Party from undertaking targeted consultations with interested persons under

conditions defined by its rules and procedures.

(b) offer reasonable opportunities for any person, on a non-discriminatory basis, to provide comments; and

(c) consider the comments received.

2. The regulatory authority of each Party shall endeavour to make use of electronic means of communication and seek to maintain a dedicated electronic portal for the purpose of providing information and receiving comments related to public consultations.

3. The regulatory authority of each Party shall endeavour to make publicly available a summary of the results of the consultations or any comments received, except to the extent necessary to protect confidential information or withhold personal data or inappropriate content.

Article 29.8. Impact Assessment

1. Each Party shall promote the carrying out by its regulatory authority, in accordance with the applicable rules and procedures, of an impact assessment of the major regulatory measures it is preparing.

2. When carrying out an impact assessment, the regulatory authority of each Party shall promote processes and mechanisms that consider the following factors:

(a) the need for the regulatory measure, including the nature and the significance of the problem the regulatory measure is intended to address;

(b) feasible and appropriate regulatory and non-regulatory alternatives, if any, that would achieve the Party's public policy objective, including the option of not regulating;

(c) to the extent possible and relevant, the potential social, economic and environmental impact of those alternatives, including on international trade and on small and medium-sized enterprises; and

(d) how the options under consideration relate to relevant international standards, if any, including the reason for any divergence, where appropriate.

3. With respect to any impact assessment of a regulatory measure that a regulatory authority has carried out, that regulatory authority shall prepare a final report detailing the factors it considered in its assessment and the relevant findings. Such report shall be made publicly available when the regulatory measure concerned is made publicly available.

Article 29.9. Retrospective Evaluation

The Parties recognise the positive contribution of periodic retrospective evaluations of existing regulatory measures that are in effect to reducing unnecessary regulatory burden, including on small and medium-sized enterprises, and to achieving public policy objectives more effectively. The Parties shall endeavour to promote the use of periodic retrospective evaluations in their regulatory systems.

Article 29.10. Regulatory Register

Each Party shall ensure that regulatory measures that are in effect are published in a designated register that identifies regulatory measures by topic and that is publicly available on a single and freely accessible website. The website should allow searches for regulatory measures by citations or by word. Each Party shall periodically update its register.

Article 29.11. Cooperation and Exchange of Information

The Parties may cooperate in order to facilitate the implementation of this Chapter. That cooperation may include the organisation of any relevant activities to strengthen cooperation between their regulatory authorities and the exchange of information on the regulatory practices set out in this Chapter.

Article 29.12. Contact Points

Each Party shall designate a contact point to facilitate the exchange of information between the Parties, within one month of the date of entry into force of this Agreement.

Article 29.13. Non-application of Dispute Settlement

Chapter 31 does not apply to this Chapter.

Chapter 30. SMALL AND MEDIUM-SIZED ENTERPRISES

Article 30.1. Objectives

The Parties recognise the importance of small and medium-sized enterprises ("SMEs") in their bilateral trade and investment relations and affirm their commitment to enhance the ability of SMEs to benefit from this Agreement.

Article 30.2. Information Sharing

1. Each Party shall establish or maintain a publicly accessible SMEs-specific website that contains information regarding this Agreement, including:

(a) a summary of this Agreement; and

(b) information designed for SMEs that contains:

(i) a description of the provisions in this Agreement that each Party considers to be relevant to SMEs of both Parties; and

(ii) any additional information that the Party considers would be useful for SMEs interested in benefitting from the opportunities provided for by this Agreement.

2. Each Party shall include on the website provided for in paragraph 1 an internet link to the:

(a) text of this Agreement, including Annexes and Appendices thereto, in particular tariff schedules, and product-specific rules of origin;

(b) equivalent website of the other Party; and

(c) websites of its own authorities that the Party considers would provide useful information to persons interested in trading and doing business in that Party.

3. Each Party shall include on the website provided for in paragraph 1 an internet link to websites of its own authorities with information related to the following:

(a) customs regulations and procedures for importation, exportation and transit as well as relevant forms, documents and other information required;

(b) regulations and procedures concerning intellectual property rights, including geographical indications;

(c) technical regulations including, where necessary, obligatory conformity assessment procedures and links to lists of conformity assessment bodies, in the cases where third party conformity assessment is obligatory, as provided for in Chapter 9;

(d) sanitary and phytosanitary measures relating to importation and exportation as provided for in Chapter 6;

(e) rules on public procurement and a database containing public procurement notices and other relevant provisions of Chapter 21;

(f) company registration procedures; and

(g) other information which the Party considers may be of assistance to SMEs.

4. Each Party shall include on the website provided for in paragraph 1 an internet link to a database that is electronically searchable by Harmonized System code and that includes the following information with respect to access to its market:

(a) rates of customs duties and quotas, including most-favoured-nation customs duty rates, rates concerning non most-favoured-nation countries and preferential rates and tariff rate quotas;

(b) excise duties;

(c) taxes (such as value added tax);

(d) customs or other fees, including other product-specific fees;

(e) rules of origin as provided for in Chapter 3;

(f) duty drawback, deferral, or other types of relief that reduce, refund, or waive customs duties;

(g) criteria used to determine the customs value of the good;

(h) other tariff measures;

(i) information needed for import procedures; and

(j) information related to non-tariff measures or regulations.

5. Each Party shall regularly, or when requested by the other Party, update the information and links referred to in paragraphs 1 to 4 that it maintains on its website to ensure they are up-to-date and accurate.

6. Each Party shall ensure that the information referred to in this Article is presented in an adequate manner for the use of SMEs. Each Party shall endeavour to make such information available in English.

7. A Party shall not apply any fee for access to the information provided pursuant to paragraphs 1 to 4 for any person of a Party.

Article 30.3. SMEs Contact Points

1. Each Party shall communicate to the other Party its SMEs contact point that will carry out the functions listed in this Article. A Party shall notify the other Party promptly of any change in the details of those contact points.

2. The SMEs contact points shall:

(a) ensure that SMEs' needs are taken into account in the implementation of this Agreement so that SMEs of both Parties can take advantage of new opportunities under this Agreement;

(b) ensure that the information referred to in Article 30.2 is up-to-date and relevant for SMEs; either Party may, through the SMEs contact point, suggest additional information that the other Party may include in the information to be provided in accordance with Article 30.2;

(c) examine any matter relevant to SMEs in connection with the implementation of this Agreement, including:

(i) exchanging information to assist the Trade Committee in its tasks of monitoring and implementing the SMEs–related aspects of this Agreement;

(ii) assisting Sub-Committees and contact points established by this Agreement, in considering matters of relevance to SMEs;

(d) report periodically on their activities, jointly or individually, to the Trade Committee for its consideration; and

(e) consider any other matter arising under this Agreement pertaining to SMEs as the Parties may agree.

3. SMEs contact points shall meet as necessary and shall carry out their work through the communication channels agreed by the Parties, which may include electronic mail, video-conferencing or other means.

4. SMEs contact points may seek to cooperate with experts and external organisations, as appropriate, in carrying out their activities.

Article 30.4. Non-application of Dispute Settlement

Chapter 31 does not apply to this Chapter.

Chapter 31. DISPUTE SETTLEMENT

Section A. OBJECTIVE AND SCOPE

Article 31.1. Objective

The objective of this Chapter is to establish an effective and efficient mechanism for avoiding and settling any dispute

between the Parties concerning the interpretation and application of this Agreement with a view to reaching a mutually agreed solution.

Article 31.2. Scope

This Chapter applies with respect to any dispute between the Parties concerning the interpretation and application of the provisions of this Agreement (hereinafter referred to as "covered provisions"), unless otherwise provided for in this Agreement.

Article 31.3. Definitions

For the purposes of this Chapter and Annexes 31-A and 31-B:

(a) "complaining Party" means the Party that requests the establishment of a panel pursuant to Article 31.5;

(b) "mediator" means an individual who has been selected as mediator in accordance with Article 31.27;

(c) "panel" means a panel established pursuant to Article 31.6;

(d) "panellist" means a member of a panel; and

(e) "Party complained against" means the Party that is alleged to be in breach of a covered provision.

Section B. CONSULTATIONS

Article 31.4. Consultations

1. The Parties shall endeavour to resolve any dispute referred to in Article 31.2 by entering into consultations in good faith with a view to reaching a mutually agreed solution.

2. A Party shall seek consultations by means of a written request delivered to the other Party identifying the measure at issue and the covered provisions that it considers applicable.

3. The Party to which the request for consultations is made shall reply to the request promptly, but no later than 10 days after the date of delivery of the request for consultations. Consultations shall be held within 30 days after the date of delivery of the request for consultations and shall take place, unless the Parties agree otherwise, in the territory of the Party to which the request is made. The consultations shall be deemed concluded 46 days after the date of delivery of the request for consultations, unless the Parties agree to continue the consultations.

4. Consultations on matters of urgency, including those regarding perishable goods or seasonal goods or services, shall be held within 15 days after the date of delivery of the request for consultations. The consultations shall be deemed concluded 23 days after the date of delivery of the request for consultations, unless the Parties agree to continue the consultations.

5. During consultations, each Party shall provide sufficient factual information so as to allow a complete examination of the manner in which the measure at issue could affect the application of this Agreement. Each Party shall endeavour to ensure the participation of personnel of its competent governmental authorities who have expertise in the matter which is subject to the consultations.

6. Consultations and, in particular, all information designated as confidential and positions taken by a Party during consultations, shall be confidential and without prejudice to the rights of each Party in any further proceedings.

7. If the Party to which the request for consultations is made does not respond to the request within 10 days after the date of its delivery, if consultations are not held within the timeframes laid down in paragraph 3 or 4, if the Parties agree not to have consultations, or if consultations have been concluded and no mutually agreed solution has been reached, the Party that requested consultations may have recourse to Article 31.5.

Section C. PANEL PROCEDURES

Article 31.5. Initiation of Panel Procedures

1. If the Parties fail to resolve the matter through consultations as provided for in Article 31.4, the Party that requested consultations may request the establishment of a panel.

2. The request for the establishment of a panel shall be made by means of a written request delivered to the other Party. The complaining Party shall identify the measure at issue in its request, specify the covered provisions that it considers applicable, and explain how that measure constitutes a breach of the covered provisions in a manner that is sufficient to present the legal basis for the complaint clearly.

Article 31.6. Establishment of a Panel

1. A panel shall be composed of three panellists.

2. Within 14 days after the date of delivery to the Party complained against of the request for the establishment of a panel, the Parties shall consult with a view to agreeing on the composition of the panel.

3. If the Parties do not agree on the composition of the panel within the time period provided for in paragraph 2 of this Article, each Party shall appoint a panellist from the sub-list of that Party established under Article 31.8(1) within 10 days after the date of expiry of the time period provided for in paragraph 2 of this Article. If the Party complained against does not appoint a panellist from its sub-list within that time period, the co-chair of the Trade Committee of the complaining Party shall select by lot, within five days after the date of expiry of that time period, the panellist from the sub-list of that Party. The co-chair of the Trade Committee of the complaining Party may delegate such selection by lot of the panellist.

4. If the Parties do not agree on the chairperson of the panel within the time period provided for in paragraph 2 of this Article, the co-chair of the Trade Committee of the complaining Party shall select by lot, within 10 days after the date of expiry of that time period, the chairperson of the panel from the sub-list of chairpersons established under subparagraph (c) of Article 31.8(1). The co-chair of the Trade Committee from the complaining Party may delegate such selection by lot of the chairperson of the panel.

5. The panel shall be deemed to be established 15 days after the date on which the three selected panellists have notified the Parties of their acceptance of the appointment in accordance with Annex 31-A, unless the Parties agree otherwise. Each Party shall promptly make public the date of establishment of the panel.

6. If any of the lists provided for in Article 31.8 have not been established or do not contain sufficient names at the time a request is made pursuant to paragraph 3 or 4 of this Article, the panellists shall be selected by lot from the individuals who have been formally proposed by one Party or both Parties, in accordance with Annex 31-A.

Article 31.7. Choice of Forum

1. If a dispute arises concerning a particular measure in alleged breach of an obligation under this Agreement and a substantially equivalent obligation under another international agreement to which both Parties are party, including the WTO Agreement, the Party seeking redress shall select the forum in which to settle the dispute.

2. Once a Party has selected the forum and initiated dispute settlement procedures under this Section or under another international agreement with respect to the particular measure referred to in paragraph 1, that Party shall not initiate dispute settlement procedures under that other international agreement or this Section, respectively, unless the forum first selected fails to make findings for procedural or jurisdictional reasons.

3. For the purposes of this Article:

(a) dispute settlement procedures under this Section are deemed to be initiated by a Party's request for the establishment of a panel pursuant to Article 31.5;

(b) dispute settlement procedures under the WTO Agreement are deemed to be initiated by a Party's request for the establishment of a panel pursuant to Article 6 of the Understanding on Rules and Procedures Governing the Settlement of Disputes in Annex 2 to the WTO Agreement; and

(c) dispute settlement procedures under any other agreement are deemed to be initiated in accordance with the relevant provisions of that agreement.

4. Without prejudice to paragraph 2, nothing in this Agreement shall preclude a Party from suspending obligations authorised by the Dispute Settlement Body of the WTO or authorised under the dispute settlement procedures of another international agreement to which the Parties are party. The WTO Agreement or any other international agreement between the Parties shall not be invoked to preclude a Party from suspending obligations pursuant to this Section.

Article 31.8. Lists of Panellists

1. The Trade Committee shall, no later than one year after the date of entry into force of this Agreement, establish a list of at least 15 individuals who are willing and able to serve as panellists. The list shall be composed of three sub-lists:

(a) one sub-list of individuals established on the basis of proposals by the European Union;

(b) one sub-list of individuals established on the basis of proposals by Chile; and

(c) one sub-list of individuals who are not nationals of either Party and who shall serve as chairperson of the panel.

2. Each sub-list shall include at least five individuals. The Trade Committee shall ensure that the list is always maintained at that minimum number of individuals.

3. The Trade Committee may establish additional lists of individuals with expertise in specific sectors covered by this Agreement. If the Parties so agree, such additional lists shall be used to compose the panel in accordance with the procedure set out in Article 31.6.

Article 31.9. Requirements for Panellists

1. Each panellist shall:

(a) have demonstrated expertise in law, international trade and other matters covered by this Agreement;

(b) be independent of, and not be affiliated with or take instructions from, either Party;

(c) serve in their individual capacities and not take instructions from any organisation or government with regard to matters related to the dispute; and

(d) comply with Annex 31-B.

2. The chairperson shall, in addition to fulfilling the requirements set out in paragraph 1, have experience in dispute settlement procedures.

3. In view of the subject matter of a particular dispute, the Parties may agree to derogate from the requirements listed in subparagraph (a) of paragraph 1.

Article 31.10. Functions of the Panel

The panel:

(a) shall make an objective assessment of the matter before it, including an objective assessment of the facts of the case and the applicability of and conformity with the covered provisions;

(b) shall set out, in its decisions and reports, the findings of facts, the applicability of the covered provisions and the basic rationale behind any findings and conclusions that it makes; and

(c) should consult regularly with the Parties and provide adequate opportunities for the development of a mutually agreed solution.

Article 31.11. Terms of Reference

1. Unless the Parties agree otherwise within five days after the date of establishment of the panel, the terms of reference of the panel shall be:

"to examine, in the light of the relevant provisions of the Interim Agreement on Trade between the European Union and the Republic of Chile, cited by the Parties, the matter referred to in the request for the establishment of the panel, to make findings on the conformity of the measure at issue with the covered provisions of that Agreement and to deliver a report in accordance with Article 31.13 of that Agreement".

2. If the Parties agree on terms of reference other than those set out in paragraph 1, they shall notify the panel of the agreed terms of reference within the time period set out in paragraph 1.

Article 31.12. Decision on Urgency

1. If a Party so requests, the panel shall decide, within 10 days after the date of its establishment, whether the case concerns

a matter of urgency.

2. In cases of urgency, the applicable time periods set out in this Section shall be half of the time set out therein, except for the time periods referred to in Articles 31.6 and 31.11.

Article 31.13. Interim and Final Report

1. The panel shall deliver an interim report to the Parties within 90 days after the date of establishment of the panel. If the panel considers that that deadline cannot be met, the chairperson of the panel shall notify the Parties, stating the reasons for the delay and the date on which the panel plans to deliver its interim report. The panel shall under no circumstances deliver its interim report later than 120 days after the date of establishment of the panel.

2. Each Party may deliver to the panel a written request to review precise aspects of the interim report within 10 days after the date of its delivery. A Party may comment on the other Party's request within six days after the date of delivery of that request.

3. If no request is delivered pursuant to paragraph 2, the interim report shall become the final report.

4. The panel shall deliver its final report to the Parties within 120 days after the date of establishment of the panel. If the panel considers that that deadline cannot be met, the chairperson of the panel shall notify the Parties, stating the reasons for the delay and the date on which the panel plans to deliver its final report. The panel shall under no circumstances deliver its final report later than 150 days after the date of establishment of the panel.

5. The final report shall include a discussion of any written request by the Parties on the interim report and clearly address the comments of the Parties. The panel shall set out the following in the interim and the final report:

(a) a descriptive section containing a summary of the arguments of the Parties and of the comments referred to in paragraph 2;

(b) its findings on the facts of the case and on the applicability of the relevant covered provisions;

(c) its findings on whether the measure at issue is or is not in conformity with the relevant covered provisions; and

(d) the reasons for the findings referred to in subparagraphs (b) and (c).

6. The final report shall be final and binding on the Parties.

Article 31.14. Compliance Measures

1. The Party complained against shall take any measure necessary to comply promptly with the final report in order to bring itself in compliance with the covered provisions.

2. The Party complained against shall, no later than 30 days after the date of delivery of the final report, notify the complaining Party of any measure which it has taken or envisages to take to comply with the final report.

Article 31.15. Reasonable Period of Time

1. If immediate compliance is not possible, the Party complained against shall, no later than 30 days after the date of delivery of the final report, notify the complaining Party of the length of

the reasonable period of time it will require for compliance. The Parties shall endeavour to agree on the length of the reasonable period of time to comply with the final report.

2. If the Parties have not agreed on the length of the reasonable period of time, the complaining Party may, no earlier than 20 days after the date of delivery of the notification referred to in paragraph 1, request, in writing, the original panel to determine the length of the reasonable period of time. The panel shall deliver its decision to the Parties within 20 days after the date of delivery of the request.

3. The Party complained against shall, at least one month before the expiry of the reasonable period of time, notify the complaining Party of its progress in complying with the final report.

4. The Parties may agree to extend the reasonable period of time.

Article 31.16. Compliance Review

1. The Party complained against shall, no later than on the date of expiry of the reasonable period of time referred to in Article 31.15, notify the complaining Party of any measure that it has taken to comply with the final report.

2. When the Parties disagree on the existence or the consistency with the covered provisions of any measure taken to comply, the complaining Party may deliver a request, in writing, to the original panel to decide on the matter. The request shall identify any measure at issue and explain how that measure constitutes a breach of the covered provisions in a manner that is sufficient to present the legal basis for the complaint clearly. The panel shall deliver its decision to the Parties within 46 days after the date of delivery of the request.

Article 31.17. Temporary Remedies

1. On request of, and after consultations with, the complaining Party, the Party complained against shall present an offer for temporary compensation if:

(a) the Party complained against notifies the complaining Party that it is not possible to comply with the final report;

(b) the Party complained against fails to notify any measure taken to comply or which it envisages to take to comply within the time period referred to in Article 31.14, or fails to notify any measure taken to comply before the date of expiry of the reasonable period of time referred to in Article 31.15;

(c) the panel finds that no measure taken to comply exists, in accordance with Article 31.16; or

(d) the panel finds that the measure taken to comply is inconsistent with the covered provisions, in accordance with Article 31.16.

2. In any of the circumstances referred to in subparagraph (a), (b), (c) or (d) of paragraph 1, the complaining Party may notify the Party complained against that it intends to suspend the obligations set out in the covered provisions if:

(a) the complaining Party decides not to make a request pursuant to paragraph 1; or

(b) the complaining Party has made a request pursuant to paragraph 1 and the Parties do not agree on the temporary compensation within 20 days after the date of expiry of the reasonable period of time referred to in Article 31.15 or the delivery of the panel decision pursuant to Article 31.16.

3. The complaining Party may suspend the obligations 10 days after the date of delivery of the notification referred to in paragraph 2, unless the Party complained against has made a request pursuant to paragraph 6.

4. The level of the suspension of obligations shall not exceed the level equivalent to the nullification or impairment caused by the violation. The notification referred to in paragraph 2 shall specify the level of the intended suspension of obligations.

5. In considering which obligations to suspend, the complaining Party should first seek to suspend the obligations in the same sector or sectors as those affected by the measure which the panel has found to be inconsistent with the covered provisions. The suspension of obligations may be applied to a sector or sectors covered by this Agreement other than those in which the panel has found nullification or impairment, in particular if the complaining Party is of the view that such suspension in the other sector or sectors is practicable or effective in inducing compliance.

6. If the Party complained against considers that the notified level of intended suspension of obligations exceeds the level equivalent to the nullification or impairment caused by the violation, it may, before the expiry of the time period set out in paragraph 3, deliver a written request to the original panel to decide on the matter. The panel shall deliver its decision on the level of the suspension of obligations to the Parties within 30 days after the date of the request. The complaining Party shall not suspend any obligations until the panel has delivered its decision. The suspension of obligations shall be consistent with that decision.

7. The suspension of obligations, or the compensation referred to in this Article, shall be temporary and shall not be applied after:

(a) the Parties have reached a mutually agreed solution pursuant to Article 31.32;

(b) the Parties have agreed that the measure taken to comply brings the Party complained against into conformity with the covered provisions; or

(c) any measure taken to comply which the panel has found to be inconsistent with the covered provisions has been withdrawn or amended so as to bring the Party complained against into conformity with those provisions.

Article 31.18. Review of Measures Taken to Comply after Temporary Remedies

1. The Party complained against shall notify the complaining Party of any measure it has taken to comply following the suspension of obligations or following the application of temporary compensation, as the case may be. With the exception of the cases referred to in paragraph 2, the complaining Party shall terminate the suspension of obligations within 30 days after the date of delivery of that notification. In cases where compensation has been applied, and with the exception of the cases referred to in paragraph 2, the Party complained against may terminate the application of such compensation within 30 days after the date of delivery of its notification that it has complied.

2. If the Parties do not reach an agreement on whether the measure notified in accordance with paragraph 1 brings the Party complained against into conformity with the covered provisions within 30 days after the date of delivery of that notification, the complaining Party shall deliver a written request to the original panel to decide on the matter. The panel shall deliver its decision to the Parties within 46 days after the date of the delivery of the request. If the panel finds that the measure taken to comply is in conformity with the covered provisions, the suspension of obligations or compensation, as the case may be, shall be terminated. If relevant, the complaining Party shall adjust the level of suspension of obligations or of compensation in light of the panel's decision.

3. If the Party complained against considers that the level of suspension implemented by the complaining Party exceeds the level equivalent to the nullification or impairment caused by the violation, it may deliver a written request to the original panel to decide on the matter.

Article 31.19. Replacement of Panellists

If during panel procedures under this Section, a panellist is unable to participate, withdraws or needs to be replaced because he or she does not comply with the requirements of Annex 31-B, a new panellist shall be appointed in accordance with Article 31.6. The time period for the delivery of a report or a decision referred to in this Section shall be extended for the time necessary for the appointment of the new panellist.

Article 31.20. Rules of Procedure

1. Panel procedures under this Section shall be governed by this Chapter and Annex 31-A.

2. Any hearing of the panel shall be open to the public unless otherwise provided for in Annex 31-A.

Article 31.21. Suspension and Termination

1. On a joint request of the Parties, the panel shall suspend its work at any time for a period agreed by the Parties and not exceeding 12 consecutive months.

2. The panel shall resume its work before the end of the suspension period on a written request of both Parties, or at the end of the suspension period on a written request of either Party. The requesting Party shall notify the other Party accordingly. If a Party does not request the resumption of the work of the panel at the end of the suspension period, the authority of the panel shall lapse and the dispute settlement procedure shall be terminated.

3. If the work of the panel is suspended pursuant to this Article, the relevant time periods under this Section shall be extended by the same period of time for which the work of the panel was suspended.

Article 31.22. Right to Seek Information

1. On request of a Party or upon its own initiative, the panel may seek, from the Parties, information it considers necessary and appropriate. The Parties shall respond promptly and fully to any request by the panel for such information.

2. On request of a Party or upon its own initiative, the panel may seek information it considers necessary and appropriate from any source. The panel also has the right to seek the opinion, including information and technical advice, of experts, as it deems appropriate, and subject to any terms and conditions agreed by the Parties, if applicable.

3. The panel shall consider amicus curiae submissions from natural persons of a Party or juridical persons established in a Party in accordance with Annex 31-A.

4. Any information obtained by the panel pursuant to this Article shall be disclosed to the Parties, and the Parties may provide comments on that information.

Article 31.23. Rules of Interpretation

1. The panel shall interpret the covered provisions in accordance with customary rules of interpretation of public international law, including those codified in the Vienna Convention on the Law of Treaties.

2. The panel shall also take into account relevant interpretations in reports of WTO panels and the Appellate Body adopted by the Dispute Settlement Body of the WTO.

3. Reports and decisions of the panel cannot add to or diminish the rights and obligations of the Parties under this Agreement.

Article 31.24. Reports and Decisions of the Panel

1. The deliberations of the panel shall be kept confidential. The panel shall make every effort to draft reports and take decisions by consensus. If that is not possible, the panel shall decide the matter by majority vote. In no case shall separate opinions of panellists be disclosed.

2. Each Party shall make its submissions and the reports and decisions of the panel publicly available, subject to the protection of confidential information.

3. The reports and decisions of the panel shall be accepted unconditionally by the Parties. They shall not create any rights or obligations for persons.

4. The panel and the Parties shall treat as confidential any information submitted by a Party to the panel in accordance with Annex 31-A.

Section D. MEDIATION MECHANISM

Article 31.25. Objective

1. The objective of the mediation mechanism is to facilitate the finding of a mutually agreed solution through a comprehensive and expeditious procedure with the assistance of a mediator.

2. The mediation procedure may only be initiated by mutual agreement of the Parties in order to explore mutually agreed solutions and consider any advice from and proposed solutions by the mediator.

Article 31.26. Initiation of the Mediation Procedure

1. A Party ("the requesting Party") may, at any time, request the other Party ("the responding Party") in writing to enter into a mediation procedure with respect to any measure of the responding Party allegedly adversely affecting trade or investment between the Parties.

2. The request referred to in paragraph 1 shall be sufficiently detailed to present the concerns of the requesting Party clearly and shall:

(a) identify the measure at issue;

(b) provide a statement of the adverse effects that the requesting Party considers the measure has, or will have, on trade or investment between the Parties; and

(c) explain how the requesting Party considers that those effects are linked to the measure.

3. The responding Party shall give sympathetic consideration to the request and deliver its written acceptance or rejection to the requesting Party within 10 days after the date of its delivery; otherwise the request shall be regarded as rejected.

Article 31.27. Selection of the Mediator

1. The Parties shall endeavour to agree on a mediator within 14 days after the date of initiation of the mediation procedure.

2. If the Parties are unable to agree on the mediator within the time period laid down in paragraph 1 of this Article, either Party may request the co-chair of the Trade Committee of the requesting Party to select the mediator by lot, within five days after the date of the request, from the sub-list of chairpersons established pursuant to subparagraph (c) of Article 31.8(1).

The co-chair of the Trade Committee of the requesting Party may delegate such selection by lot of the mediator.

3. If the sub-list of chairpersons referred to in subparagraph (c) of Article 31.8(1) has not been established at the time a request is made pursuant to Article 31.26, the mediator shall be selected by lot from the individuals who have been formally proposed by one Party or both Parties for that sub-list.

4. A mediator shall not be a national of either Party or employed by either Party, unless the Parties agree otherwise.

5. A mediator shall comply with Annex 31-B.

Article 31.28. Rules of the Mediation Procedure

1. Within 10 days after the date of the appointment of the mediator, the requesting Party shall deliver to the mediator and to the responding Party a detailed written description of its concerns, in particular relating to the operation of the measure at issue and its possible adverse effects on trade or investment. Within 20 days after the date of delivery of that description, the responding Party may deliver written comments on that description. A Party may include any information that it deems relevant in its description or comments.

2. The mediator shall assist the Parties in a transparent manner in bringing clarity to the measure at issue and its possible adverse effects on trade or investment. In particular, the mediator may organise meetings between the Parties, consult the Parties jointly or individually, seek the assistance of, or consult with, relevant experts and stakeholders and provide any additional support requested by the Parties. The mediator shall consult with the Parties before seeking the assistance of, or consulting with, relevant experts and stakeholders.

3. The mediator may offer advice and propose a solution for the consideration of the Parties. The Parties may accept or reject the proposed solution, or agree on a different solution. The mediator shall not advise or comment on the consistency of the measure at issue with this Agreement.

4. The mediation procedure shall take place in the territory of the responding Party or, by mutual agreement of the Parties, in any other location or by any other means.

5. The Parties shall endeavour to reach a mutually agreed solution within 60 days after the date of the appointment of the mediator. Pending a final agreement, the Parties may consider possible interim solutions, in particular if the measure relates to perishable goods or seasonal goods or services.

6. On request of either Party, the mediator shall deliver a draft factual report to the Parties, providing:

(a) a brief summary of the measure at issue;

(b) the procedures followed; and

(c) if applicable, any mutually agreed solution reached, including possible interim solutions.

7. The mediator shall allow the Parties 15 days after the date of the delivery of the draft factual report to comment on the draft factual report. After considering the comments received from the Parties, the mediator shall, within 15 days of the receipt of the comments, deliver a final factual report to the Parties. The draft and final factual reports shall not include any interpretation of this Agreement.

8. The mediation procedure shall be terminated:

(a) by the adoption of a mutually agreed solution by the Parties, on the date of the notification thereof to the mediator;

(b) by mutual agreement of the Parties at any stage of the procedure, on the date of the notification of that agreement to the mediator;

(c) by a written declaration of the mediator, after consultation with the Parties, that further efforts at mediation would be to no avail, on the date of the notification of that declaration to the Parties; or

(d) by a written declaration of a Party after having explored mutually agreed solutions under the mediation procedure and after having considered any advice from and proposed solutions by the mediator, on the date of the notification of that declaration to the mediator and the other Party.

Article 31.29. Confidentiality

Unless the Parties agree otherwise, all steps of the mediation procedure, including any advice or proposed solution, are confidential. A Party may disclose to the public the fact that a mediation is taking place.

Article 31.30. Relationship to Dispute Settlement Procedures

1. The mediation procedure is without prejudice to the Parties' rights and obligations under Sections B and C or dispute settlement procedures under any other agreement.

2. A Party shall not rely on, or introduce as evidence, in other dispute settlement procedures under this Agreement or any other agreement, and a panel shall not take into consideration:

(a) positions taken by the other Party in the course of the mediation procedure or information exclusively gathered under Article 31.28(2);

(b) the fact that the other Party has indicated its willingness to accept a solution to the measure subject to mediation; or

(c) advice given or proposals made by the mediator.

3. Unless the Parties agree otherwise, a mediator shall not serve as a panellist in dispute settlement procedures under this Agreement or under any other agreement involving the same matter for which he or she has been a mediator.

Section E. COMMON PROVISIONS

Article 31.31. Request for Information

1. Before a request for consultations or mediation is made pursuant to Article 31.4 or 31.26 respectively, a Party may request information from the other Party regarding a measure allegedly adversely affecting trade or investment between the Parties. The Party to which such request is made shall, within 20 days after the date of delivery of the request, deliver a written response with its comments on the requested information.

2. If the Party to which the request is made considers it will not be able to deliver a response within 20 days after the date of delivery of the request, it shall promptly notify the other Party, stating the reasons for the delay and providing an estimate of the shortest period within which it will be able to deliver its response.

3. A Party is normally expected to request information pursuant to paragraph 1 of this Article before a request for consultations or mediation is made pursuant to Article 31.4 or 31.26 respectively.

Article 31.32. Mutually Agreed Solution

1. The Parties may reach a mutually agreed solution at any time with respect to any dispute referred to in Article 31.2.

2. If a mutually agreed solution is reached during the panel or mediation procedure, the Parties shall jointly notify that solution to the chairperson of the panel or the mediator, respectively. Upon such notification, the panel or mediation procedure shall be terminated.

3. Each Party shall take the measures necessary to implement the mutually agreed solution immediately or within the agreed time period, as applicable.

4. No later than at the expiry of the agreed time period, the implementing Party shall inform the other Party, in writing, of any measure that it has taken to implement the mutually agreed solution.

Article 31.33. Time Periods

1. All time periods set out in this Chapter shall be counted from the day following the act to which they refer.

2. Any time period referred to in this Chapter may be modified by mutual agreement of the Parties.

3. Under Section C, the panel may at any time propose to the Parties to modify any time period referred to in this Chapter, stating the reasons for the proposal.

Article 31.34. Costs

1. Each Party shall bear its own expenses derived from the participation in the panel or mediation procedure.

2. The Parties shall share jointly and equally the expenses derived from organisational matters, including the remuneration and expenses of the panellists and of the mediator. The remuneration of the panellists shall be determined in accordance with Annex 31-A. The rules on the remuneration of the panellists laid down in Annex 31-A shall apply to mediators mutatis mutandis.

Article 31.35. Amendment of Annexes

The Trade Council may adopt a decision to amend Annexes 31-A and 31-B, pursuant to subparagraph (a) of Article 33.1(6).

Chapter 32. EXCEPTIONS

Article 32.1. General Exceptions

1. For the purposes of Chapters 2, 4, 8, 10(1), 19 and 22 of this Agreement, Article XX of GATT 1994, including its Notes and Supplementary Provisions, is incorporated into and made part of this Agreement, mutatis mutandis.

2. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where like conditions prevail, or a disguised restriction on investment liberalisation or trade in services, nothing in Chapter 8, Chapters 10(2) to 20(3) or Chapter 22 of this Agreement shall be construed as preventing the adoption or enforcement by either Party of measures:

(a) necessary to protect public security or public morals or to maintain public order (4);

(b) necessary to protect human, animal or plant life or health;

(c) necessary to secure compliance with laws or regulations which are not inconsistent with this Agreement, including those relating to:

(i) the prevention of deceptive and fraudulent practices or to deal with the effects of a default on contracts;

(ii) the protection of privacy in relation to the processing and dissemination of personal data, and the protection of the confidentiality of individual records and accounts; or

(iii) safety.

3. For greater certainty, the Parties understand that, to the extent that such measures are inconsistent with the provisions of the Chapters of this Agreement referred to in paragraphs 1 and 2 of this Article:

(a) the measures referred to in subparagraph (b) of Article XX of GATT 1994 and in subparagraph (b) of paragraph 2 of this Article include environmental measures which are necessary to protect human, animal or plant life or health;

(b) subparagraph (g) of Article XX of GATT 1994 applies to measures relating to the conservation of living and non-living exhaustible natural resources; and

(c) measures taken to implement multilateral environmental agreements can fall under subparagraph (b) or (g) of Article XX of GATT 1994 or under subparagraph (b) of paragraph 2 of this Article.

4. Before a Party applies any measure provided for in subparagraphs (i) and (j) of Article XX of GATT 1994, that Party shall provide the other Party with all relevant information, with a view to seeking a solution acceptable to the Parties. If an acceptable solution is not reached within 30 days of the provision of the relevant information, the Party intending to apply the measure may do so. Where exceptional and critical circumstances requiring immediate action prevent the prior provision and examination of information, the Party intending to apply the measures may immediately apply any precautionary measures necessary to address the situation. That Party shall inform the other Party immediately of the application of such measures.

(1) This provision does not apply to Article 10.7.

(2) This provision does not apply to Article 10.7.

(3) For greater certainty, nothing in this Article shall be construed as limiting the rights set out in Annex 20.

(4) The exceptions set out in this subparagraph may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.

Article 32.2. Security Exceptions

1. Nothing in this Agreement shall be construed:

(a) to require a Party to furnish or provide access to any information the disclosure of which it considers contrary to its essential security interests; or

(b) to prevent a Party from taking any action which it considers necessary for the protection of its essential security interests:

(i) connected to the production of or traffic in arms, ammunition and implements of war and to such traffic and transactions in other goods and materials, services and technology, and to economic activities, as carried out directly or indirectly for the purposes of supplying a military establishment;

(ii) relating to fissionable and fusionable materials or the materials from which they are derived; or

(iii) taken in time of war or other emergency in international relations; or

(c) to prevent a Party from taking any action pursuant to its obligations under the Charter of the United Nations for the maintenance of international peace and security.

2. A Party shall inform the Trade Committee to the fullest extent possible of any action it takes under subparagraphs (b) and (c) of paragraph 1 and of the termination of that action.

Article 32.3. Taxation

1. For the purposes of this Article:

(a) "residence" means residence for tax purposes;

(b) "tax agreement" means an agreement on the avoidance of double taxation or any other international agreement or arrangement relating wholly or mainly to taxation to which any Member State, the European Union or Chile is a party; and

(c) "taxation measure" means a measure applying the tax law of the European Union, of any Member State, or of Chile.

2. This Agreement applies to taxation measures only in so far as their application is necessary to give effect to the provisions of this Agreement.

3. Nothing in this Agreement shall affect the rights and obligations of either the European Union, or its Member States or Chile under any tax agreement. In the event of any inconsistency between this Agreement and any tax agreement, the tax agreement shall prevail to the extent of the inconsistency. With regard to a tax agreement between the European Union or its Member States and Chile, the relevant competent authorities, of the European Union or of its Member States, on the one hand, and of Chile, on the other hand, under this Agreement and that tax agreement, shall jointly determine whether an inconsistency exists between this Agreement and that tax agreement.

4. Any most-favoured-nation obligation under this Agreement shall not apply with respect to an advantage accorded by the European Union, its Member States or Chile pursuant to a tax agreement.

5. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where like conditions prevail, or a disguised restriction on trade and investment, nothing in this Agreement shall be construed as preventing the adoption, maintenance or enforcement by a Party of any measure aimed at ensuring the equitable or effective imposition or collection of direct taxes that:

(a) distinguishes between taxpayers who are not in the same situation, in particular with regard to their place of residence or with regard to the place where their capital is invested; or

(b) aims at preventing the avoidance or evasion of taxes under a tax agreement or fiscal law of that Party.

Article 32.4. Disclosure of Information

1. Nothing in this Agreement shall be construed as requiring a Party to make available confidential information the disclosure of which would impede law enforcement or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private, except where a panel requires such confidential information in dispute settlement proceedings under Chapter 31. In such cases, the panel shall ensure that confidentiality is fully protected.

2. When a Party submits information considered confidential under its law to the Trade Council, Trade Committee, Sub-Committees or other bodies established under this Agreement, the other Party shall treat that information as confidential, unless the submitting Party agrees otherwise.

Article 32.5. WTO Waivers

If an obligation under this Agreement is substantially equivalent to an obligation under the WTO Agreement, any measure taken in conformity with a waiver adopted pursuant to Article IX of the WTO Agreement shall be deemed to be in conformity with the substantively equivalent obligation under this Agreement.

Chapter 33. INSTITUTIONAL AND FINAL PROVISIONS

Section A. INSTITUTIONAL PROVISIONS

Article 33.1. Trade Council

1. The Parties hereby establish a Trade Council. The Trade Council shall oversee the fulfilment of the objectives of this Agreement and supervise its implementation. It shall examine any matters arising within the framework of this Agreement.

2. The Trade Council shall meet within a year of the date of entry into force of this Agreement, and thereafter on a biennial basis, or as otherwise agreed by the Parties. The meetings of the Trade Council shall take place in person or by any technological means in accordance with its rules of procedure. Meetings that take place in person shall be held in Brussels and Santiago alternately. The agenda of a meeting of the Trade Council shall be established by the coordinators of this Agreement, pursuant to Article 33.3(2).

3. The Trade Council shall be composed of representatives of the Parties with responsibility for trade and investment matters. The Trade Council shall be co-chaired by a representative of each Party.

4. The Trade Council shall have the power to adopt decisions in the cases provided for in this Agreement and to make recommendations, in accordance with its rules of procedure. The Trade Council shall adopt its decisions and make recommendations by mutual agreement. Decisions shall be binding on the Parties, which shall take all necessary measures to implement those decisions (1). Recommendations shall have no binding force.

(1) For greater certainty, Chile will implement any decisions adopted by the Trade Council through acuerdos de ejecución (executive agreements), in accordance with Chilean law.

5. The Trade Council shall establish its own rules of procedure and the rules of procedure of the Trade Committee at its first meeting.

6. The Trade Council may:

(a) adopt decisions to amend:

(i) the tariff schedules in Appendices 2-1 and 2-2 in order to accelerate tariff dismantling;

(ii) Chapter 3 and Annexes 3-A to 3-E;

(iii) Annexes 6-F and 6-G, and Appendix 6-E-1;

(iv) Annexes 9-A, 9-D, 9-E, and paragraph 1 of Annex 9-B;

(v) Annex 14-B;

(vi) Annex 22;

(vii) the definition of "subsidy" in Article 24.2(1) insofar as it relates to enterprises supplying services, with a view to incorporating the outcome of future discussions in the WTO or related plurilateral fora on that matter;

(viii) Annex 25-A as regards the references to the law applicable in the Parties;

(ix) Annex 25-B as regards the criteria to be included in the opposition procedure;

(x) Annex 25-C as regards the geographical indications;

(xi) Annexes 31-A and 31-B; and

(xii) any other provision, annex, appendix or protocol, the amendment of which is provided for in this Agreement;

(b) adopt decisions to issue interpretations of the provisions of this Agreement, which shall be binding on the Parties and all bodies established under this Agreement and the panels referred to in Chapters 26 and 31;

(c) delegate any of its functions to the Trade Committee, including the power to adopt decisions and to make recommendations;

(d) establish additional Sub-Committees and other bodies pursuant to Article 33.4(2); and

(e) if it deems it appropriate, establish the rules of procedure of the Sub-Committees and other bodies pursuant to Article 33.4(7).

Article 33.2. Trade Committee

1. The Parties hereby establish a Trade Committee. The Trade Committee shall assist the Trade Council in the performance of its functions.

2. The Trade Committee shall be responsible for the general implementation of this Agreement. The circumstance that a matter or issue is being considered by the Trade Committee shall not prevent the Trade Council from also dealing with it.

3. The Trade Committee shall meet within a year of the date of entry into force of this Agreement, and thereafter once a year, or as otherwise agreed by the Parties. The meetings of the Trade Committee shall take place in person or by any technological means in accordance with its rules of procedure. Meetings that take place in person shall be held in Brussels and Santiago alternately. The agenda of a meeting of the Trade Committee shall be established by the coordinators of this Agreement, pursuant to Article 33.3(2).

4. The Trade Committee shall be composed of representatives of the Parties with responsibility for trade and investment matters. The Trade Committee shall be co-chaired by a representative of each Party.

5. The Trade Committee shall have the power to adopt decisions in the cases provided for in this Agreement or when such power has been delegated to it by the Trade Council pursuant to subparagraph (c) of Article 33.1(6). The Trade Committee shall also have the power to make recommendations, including when that power has been delegated pursuant to subparagraph (c) of Article 33.1(6). The Trade Committee shall adopt its decisions and make recommendations by mutual agreement and in accordance with its rules of procedure. When exercising delegated functions, the Trade Committee shall adopt its decisions and make recommendations in accordance with the rules of procedure of the Trade Council. Decisions shall be binding on the Parties, which shall take all necessary measures to implement those decisions (1). Recommendations shall have no binding force.

(1) For greater certainty, Chile will implement any decisions adopted by the Trade Committee through acuerdos de ejecución (executive agreements), in accordance with Chilean law.

6. The Trade Committee shall:

(a) be responsible for the proper implementation of this Agreement; in this respect, and without prejudice to the rights established under Chapter 31, a Party may refer for discussion within the Trade Committee any issue relating to the application or interpretation of this Agreement;

(b) oversee the further elaboration the provisions of this Agreement as necessary and evaluate the results obtained from its application;

(c) seek appropriate ways of preventing and solving problems, which might otherwise arise in areas covered by this Agreement;

(d) supervise the work of all Sub-Committees established under Article 33.4; and

(e) examine any effect on this Agreement of the accession of a new Member State to the European Union.

7. The Trade Committee may:

(a) establish additional Sub-Committees and other bodies pursuant to Article 33.4(2);

(b) adopt decisions to amend this Agreement pursuant to subparagraph (a) of Article 33.1(6) and to issue the interpretations referred to in subparagraph (b) of Article 33.1(6) in between meetings of the Trade Council, when the Trade Council cannot meet or as otherwise provided for in this Agreement; and

(c) establish the rules of procedure of the Sub-Committees and other bodies, if it deems so appropriate, pursuant to Article 33.4(7).

Article 33.3. Coordinators

1. Each Party shall appoint a coordinator for this Agreement, within 60 days of the date of entry into force of this Agreement, and notify the other Party of the contact details of that coordinator.

2. The coordinators shall jointly establish the agenda and conduct all other necessary preparations for the meetings of the Trade Council, the Trade Committee, and the Sub-Committees and other bodies established pursuant to Article 33.4. The coordinators shall follow-up on the decisions of the Trade Council and the Trade Committee, as appropriate.

Article 33.4. Sub-Committees and other Bodies

1. The Parties hereby establish the following Sub-Committees:

(a) the Sub-Committee on Customs, Trade Facilitation and Rules of Origin;

(b) the Sub-Committee on Financial Services;

(c) the Sub-Committee on Intellectual Property;

(d) the Sub-Committee on Public Procurement;

(e) the Sub-Committee on Sanitary and Phytosanitary Measures;

(f) the Sub-Committee on Services and Investment;

(g) the Sub-Committee on Sustainable Food Systems;

(h) the Sub-Committee on Technical Barriers to Trade;

(i) the Sub-Committee on Trade in Goods; and

(j) the Sub-Committee on Trade and Sustainable Development.

2. The Trade Council or the Trade Committee may adopt a decision to establish an additional Sub-Committee or other body. The Trade Council or the Trade Committee may assign to a Sub-Committee or other body established pursuant to this paragraph tasks within their respective competence to assist in the performance of their respective functions and to address specific tasks or subject matters. The Trade Council or the Trade Committee may change the tasks assigned to, or dissolve, any Sub-Committee or other body established pursuant to this paragraph.

3. Sub-Committees and other bodies shall be composed of representatives of the Parties and shall be co-chaired by a representative of each Party.

4. Except as otherwise provided for in this Agreement or as otherwise agreed by the Parties, Sub-Committees shall meet within a year of their establishment and, thereafter, on request of either Party or of the Trade Council or the Trade Committee, at an appropriate level. Sub-Committees may also convene at their own initiative, subject to their respective rules of procedure. The meetings of the Sub-Committees shall take place in person or by any technological means in accordance with their respective rules of procedure. Meetings that take place in person shall be held in Brussels and

Santiago alternately. The agenda of a meeting of the Sub-Committees and other bodies shall be established by the coordinators of this Agreement, pursuant to Article 33.3(2).

5. Except as otherwise provided for in this Agreement, Sub-Committees and other bodies shall report on their activities to the Trade Committee regularly, as well as on request of the Trade Committee.

6. The circumstance that a matter or issue is being considered by any of the Sub-Committees or other bodies shall not prevent the Trade Council or the Trade Committee from also dealing with it.

7. The Trade Council or the Trade Committee may establish rules of procedure of the Sub-Committees and other bodies, if it deems it appropriate. If the Trade Council or the Trade Committee does not establish such rules of procedure, the rules of procedure for the Trade Committee shall apply mutatis mutandis.

8. The Sub-Committees and other bodies may make recommendations, in accordance with their respective rules of procedure. The Sub-Committees and other bodies shall make recommendations by mutual agreement. Recommendations of the Sub-Committees and other bodies shall have no binding force.

Article 33.5. Participation of Civil Society

Each Party shall promote the participation of civil society in the implementation of this Agreement, in particular through interaction with the respective Domestic Consultative Group referred to in Article 33.6, and with the Civil Society Forum referred to in Article 33.7.

Article 33.6. Domestic Consultative Groups

1. Each Party shall create or designate a Domestic Consultative Group within two years of the date of entry into force of this Agreement. Each Domestic Consultative Group shall comprise a balanced representation of independent civil society organisations, including non-governmental organisations, trade unions, and business and employers' organisations. For that purpose, each Party shall establish its own appointment rules in order to determine the composition of the respective Domestic Consultative Group, providing opportunities of access to actors from different sectors. The membership of each Domestic Consultative Group shall be renewed at periodic intervals, in accordance with the appointment rules established pursuant to this paragraph.

2. Each Party shall meet with its respective Domestic Consultative Group at least once a year in order to discuss the implementation of this Agreement. Each Party may consider views or recommendations submitted by its respective Domestic Consultative Group.

3. In order to promote public awareness of its respective Domestic Consultative Group, each Party shall publish a list of the organisations participating in its respective Domestic Consultative Group, as well as its contact information.

4. The Parties shall promote interaction between the Domestic Consultative Groups, through appropriate means.

Article 33.7. Civil Society Forum

1. The Parties shall promote the regular organisation of a Civil Society Forum to conduct a dialogue on the implementation of this Agreement.

2. The Parties shall convene meetings of the Civil Society Forum by mutual agreement. When convening a meeting of the Civil Society Forum, each Party shall invite independent civil society organisations established in its territory, including the members of its respective Domestic Consultative Group referred to in Article 33.6. Each Party shall promote a balanced representation, allowing for the participation of non-governmental organisations, trade unions, and business and employers' organisations. Each organisation shall bear the costs associated with its participation in the Civil Society Forum.

3. Representatives of the Parties participating in the Trade Council or in the Trade Committee shall, as appropriate, take part in the meetings of the Civil Society Forum. The Parties shall, jointly or individually, publish any formal statements made at the Civil Society Forum.

Section B. FINAL PROVISIONS

Article 33.8. Territorial Application

1. This Agreement applies:

(a) with respect to the European Union, to the territories in which the Treaty on European Union and the Treaty on the Functioning of the European Union are applied, and under the conditions laid down in those Treaties; and

(b) with respect to Chile, to the land, maritime, and air space under its sovereignty, and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction in accordance with international law (1) and the law of Chile (2).

References to "territory" in this Agreement shall be understood in accordance with this paragraph, except as otherwise expressly provided in this Agreement.

(1) For greater certainty, international law includes, in particular, the United Nations Convention on the Law of the Sea, done at Montego Bay on 10 December 1982.

(2) For greater certainty, in case of an inconsistency between the law of Chile and international law, the latter shall prevail.

2. As regards the provisions concerning the tariff treatment of goods, including rules of origin and the temporary suspension of such treatment, this Agreement also applies to those areas of the customs territory of the European Union within the meaning of Article 4 of Regulation (EU) No 952/2013 of the European Parliament and of the Council (1) that are not covered by subparagraph (a) of paragraph 1 of this Article.

(1) Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ EU L 269, 10.10.2013, p. 1).

Article 33.9. Entry Into Force

1. This Agreement shall enter into force on the first day of the third month following the date of the last notification by which the Parties inform each other of the completion of their respective internal procedures required for the entry into force of this Agreement.

2. Notifications made in accordance with paragraph 1 shall be sent, for the European Union, to the Secretary General of the Council of the European Union, and, for Chile, to the Ministry of Foreign Affairs.

Article 33.10. Amendments

1. The Parties may agree, in writing, to amend this Agreement. Amendments shall enter into force in accordance with Article 33.9, mutatis mutandis.

2. Notwithstanding paragraph 1 of this Article, the Trade Council may adopt decisions to amend this Agreement in the cases referred to in subparagraph (a) of Article 33.1(6) and in Article 33.13(4).

Article 33.11. Other Agreements

1. Part IV of the Association Agreement, including any decisions taken under its Institutional Framework, shall cease to have effect upon the entry into force of this Agreement.

2. This Agreement replaces Part IV of the Association Agreement, including any decisions taken under its Institutional Framework. References to the Association Agreement, including any decisions taken under its Institutional Framework, in all other agreements and understandings between the Parties shall be construed as referring to this Agreement.

3. Existing agreements falling within the scope of this Agreement shall cease to have effect upon the entry into force of this Agreement.

4. The Agreement on Trade in Wines in Annex V to the Association Agreement ("Wine Agreement") and the Agreement on Trade in Spirit Drinks and Aromatised Drinks in Annex VI to the Association Agreement ("Spirits Agreement") (1), including all appendices, are incorporated into and made part of this Agreement, mutatis mutandis and as follows:

(1) For greater certainty, the date of signature and the date of entry into force of the Wine Agreement and the Spirits Agreement are the same as the date of signature and the date of entry into force of the Association Agreement.

(a) references in the Wine Agreement and the Spirits Agreement to the dispute settlement mechanism referred to in Part IV of the Association Agreement, as well as to the Code of Conduct referred to in Annex XVI to the Association Agreement, are to be read as referring to the dispute settlement mechanism provided for in Chapter 31 and to the Code of Conduct provided for in Annex 31-B, respectively, of this Agreement;

(b) references in the Wine Agreement and the Spirits Agreement to the Community are to be read as referring to the European Union;

(c) references in the Wine Agreement and the Spirits Agreement to the Association Committee established by the Association Agreement are to be read as referring to the Trade Committee established pursuant to Article 33.2 of this Agreement;

(d) references in the Wine Agreement and the Spirits Agreement to Annex IV of the Association Agreement are to be read as references to Chapter 6 of this Agreement;

(e) for greater certainty, the Joint Committee established by Article 30 of the Wine Agreement and the Joint Committee established by Article 17 of the Spirits Agreement are to remain in place, and are to continue exercising the functions indicated in Article 29 of the Wine Agreement and in Article 16 of the Spirits Agreement; and

(f) for greater certainty, Article 1.5(2) of this Agreement applies to the Wine Agreement and to the Spirits Agreement.

5. Any decision taken under the Institutional Framework of the Association Agreement concerning the Wine Agreement or the Spirits Agreement that is in force upon the entry into force of this Agreement shall be deemed to have been adopted by the Trade Committee, established pursuant to Article 33.2 of this Agreement.

6. The Parties may amend the appendices to the Wine Agreement and to the Spirits Agreement, as incorporated, by exchange of letters (1).

(1) For greater certainty, Chile will implement any amendments to the Wine Agreement and to the Spirits Agreement as incorporated into this Agreement through acuerdos de ejecución (executive agreements), in accordance with Chilean law.

Article 33.12. Annexes, Appendices, Protocols, Notes and Footnotes

The annexes, appendices, protocols, notes and footnotes to this Agreement shall form an integral part thereof.

Article 33.13. Future Accessions to the European Union

1. The European Union shall notify Chile of any request for accession of a third country to the European Union.

2. The European Union shall notify Chile of the date of the signature and of the entry into force of the accession treaty of a new Member State to the European Union ("Accession Treaty").

3. In respect of a new Member State, this Agreement shall apply as from the date of accession of that new Member State to the European Union.

4. In order to facilitate the implementation of paragraph 3 of this Article, as from the date of signature of an Accession Treaty, the Trade Committee shall examine any effects on this Agreement deriving from the accession of a new Member State to the European Union, pursuant to subparagraph (e) of Article 33.2(6). The Trade Council shall adopt a decision on any necessary amendments to the Annexes to this Agreement, and on any other necessary adaptations, including transitional measures. Any decision of the Trade Council adopted pursuant to this paragraph shall take effect on the date of accession of that new Member State to the European Union.

Article 33.14. Private Rights

1. Nothing in this Agreement shall be construed as directly conferring rights or imposing obligations on persons, other than rights or obligations created between the Parties under public international law, or as allowing this Agreement to be directly invoked in the legal systems of the Parties.

2. A Party shall not provide for a right of action under the law of that Party against the other Party on the grounds that a measure of the other Party is inconsistent with this Agreement.

Article 33.15. Private Rights

This Agreement shall remain in force until the date of entry into force of the Advanced Framework Agreement.

Article 33.16. Termination

Notwithstanding Article 33.15, either Party may notify the other Party of its intention to terminate this Agreement. That notification shall be sent, for the European Union, to the Secretary-General of the Council of the European Union and, for Chile, to the Ministry of Foreign Affairs. The termination shall take effect six months after the date of that notification.

Article 33.17. Authentic Texts

This Agreement is drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages, each text being equally authentic.

IN WITNESS WHEREOF, the undersigned, duly authorised to this effect, have signed this Agreement.

Done at ..., this ... day of ... in the year ...

For the European Union For the Republic of Chile

ANNEX 10-A. RESERVATIONS FOR EXISTING MEASURES

Headnotes

1. The schedules of the Parties in Appendices 10-A-1 and 10-A-2 set out, pursuant to Articles 10.11 and 11.8, the reservations taken by the Parties with respect to existing measures that do not conform with obligations imposed by:

(a) Article 11.6;

(b) Article 10.6 or 11.4;

(c) Article 10.8;

(d) Article 10.10; or

(e) Article 10.9.

2. The reservations of a Party are without prejudice to the rights and obligations of the Parties under GATS.

3. Each reservation sets out the following elements:

(a) "sector" refers to the general sector in which the reservation is taken;

(b) "sub-sector" refers to the specific sector in which the reservation is taken;

(c) "industry classification" refers, where applicable, to the activity covered by the reservation according to the CPC, ISIC Rev. 3.1, or as expressly otherwise described in that reservation;

(d) "type of reservation" specifies the obligation referred to in paragraph 1 of this Annex for which the reservation is taken;
(e) "level of government" indicates the level of government maintaining the measure for which the reservation is taken;

(f) "measures" identifies the laws or other measures as qualified, where indicated, by the "description" element for which the reservation is taken; a "measure" cited in the "measures" element:

(i) means the measure as amended, continued or renewed as of the date of entry into force of this Agreement;

(ii) includes any subordinate measure adopted or maintained under the authority of, and consistent with, the measure; and

(iii) in respect of the schedule of the European Union, includes any laws or other measures which implement a directive at Member State level; and

(g) "description" sets out the non-conforming aspects of the existing measure for which the reservation is taken.

4. For greater certainty, if a Party adopts a new measure at a level of government different to that at which the reservation was originally taken, and that new measure effectively replaces, within the territory to which it applies, the non-conforming aspect of the original measure cited in the "measures" element, the new measure shall be deemed to constitute a modification to the original measure within the meaning of subparagraph (c) of Article 10.11(1) or subparagraph (c) of Article 11.8(1).

5. In the interpretation of a reservation, all elements of the reservation shall be considered. A reservation shall be interpreted in the light of the relevant obligations laid down in the Chapters or Sections against which the reservation is taken. The "measures" element shall prevail over all other elements.

6. For the purposes of the schedules of the Parties, "ISIC Rev. 3.1" means the International Standard Industrial Classification of All Economic Activities as set out in Statistical Office of the United Nations, Statistical Papers, Series M, No. 4, ISIC Rev. 3.1, 2002.

7. For the purposes of the schedules of the Parties, a reservation for a requirement to have a local presence in the territory of the Parties is taken with respect to Article 11.6, and not with respect to Article 11.4 or, in Annex 10-C, with respect to Article 11.7. Furthermore, such a requirement is not taken as a reservation with respect to Article 10.6.

8. A reservation taken at the level of the European Union applies to a measure of the European Union, to a measure of a Member State at the central level or to a measure of a government within a Member State, unless the reservation excludes a Member State. A reservation taken by a Member State applies to a measure of a government at the central, regional or local level within that Member State. For the purposes of the reservations of Belgium, the central level of government covers the federal government and the governments of the regions and the communities as each of them holds equipollent legislative powers. For the purposes of the reservations of the European Union and its Member States, a regional level of government in Finland means the Åland Islands. A reservation taken at the level of Chile applies to a measure of the central government or a local government.

9. The schedules of the Parties do not include measures relating to qualification requirements and procedures, technical standards and licensing requirements and procedures where they do not constitute a limitation within the meaning of Article 10.6, 11.4 or 11.6. Those measures may include, in particular, the need to obtain a licence, to satisfy universal service obligations, to have recognised qualifications in regulated sectors, to pass specific examinations, including language examinations, to fulfil a membership requirement of a particular profession, such as membership in a professional organisation, to have a local agent for service, or to maintain a local address, or any other non-discriminatory requirements that certain activities may not be carried out in protected zones or areas. Although they are not listed in this Annex, such measures continue to apply.

10. For greater certainty, for the European Union, the obligation to grant national treatment does not entail a requirement to extend to natural or juridical persons of Chile the treatment granted in a Member State, pursuant to the Treaty on the Functioning of the European Union, or any measure adopted pursuant to that Treaty, including their implementation in the Member States, to:

(a) natural persons or residents of another Member State; or

(b) juridical persons constituted or organised under the law of another Member State or of the European Union and having their registered office, central administration or principal place of business in the European Union.

11. Treatment granted to juridical persons established by investors of a Party in accordance with the law of the other Party (including, in the case of the European Union, the law of a Member State) and having their registered office, central administration or principal place of business within that other Party, is without prejudice to any condition or obligation, pursuant to Chapter 10, which may have been imposed on such juridical person when it was established in that other Party, and which shall continue to apply.

12. The schedules of the Parties apply only to the territories of the Parties in accordance with Article 33.8 and are only relevant in the context of trade relations between the European Union and its Member States and Chile. They do not affect the rights and obligations of the Member States under European Union law.

13. The following abbreviations are used in the schedule of the European Union:

EU European Union, including all its Member States

AT Austria

BE Belgium

BG Bulgaria

CY Cyprus

CZ Czechia

DE Germany

DK Denmark

EE Estonia

EL Greece

ES Spain

FI Finland

FR France

HR Croatia

HU Hungary

IE Ireland

IT Italy

LT Lithuania

LU Luxembourg

LV Latvia

MT Malta

NL Netherlands

PL Poland

PT Portugal

RO Romania

SE Sweden

SI Slovenia

SK Slovakia

EEA European Economic Area

Appendix 10-A-1. SCHEDULE OF THE EUROPEAN UNION

Reservation No. 1 – All sectors

Sector: All sectors Type of reservation: National treatment Most-favoured-nation treatment Performance requirements Senior management and boards of directors Chapter/Section: Investment liberalisation and Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) EU/CL/ITA/Annex 10/en 11 Description: (a) Type of establishment With respect to Investment liberalisation – National treatment: The EU: Treatment granted pursuant to the Treaty on the Functioning of the European Union to juridical persons formed in accordance with the law of the European Union or of a Member State and having their registered office, central administration or principal place of business within

the European Union, including those established in the European Union by investors of Chile, is not accorded to juridical persons established outside the European Union, nor to branches or representative offices of such juridical persons, including to branches or representative offices of juridical persons of Chile. Treatment less favourable may be accorded to juridical persons formed in accordance with the law of the European Union or of a Member State which have only their registered office in the European Union, unless it can be shown that they possess an effective and continuous link with the economy of one of the Member States. Measures: EU: Treaty on the Functioning of the European Union. EU/CL/ITA/Annex 10/en 12 With respect to Investment liberalisation – National treatment, Senior management and boards of directors: This reservation applies only to health, social or education services: The EU (applies also to the regional level of government): Any Member State, when selling or disposing of its equity interests in, or the assets of, an existing state enterprise or an existing governmental entity providing health, social or education services (CPC 93, 92), may prohibit or impose limitations on the ownership of such interests or assets, and/or restrict the ability of owners of such interests and assets to control any resulting enterprise, with respect to investors of Chile or their enterprises. With respect to such a sale or other disposition, any Member State may adopt or maintain any measure relating to the nationality of senior management or members of the boards of directors. For the purposes of this reservation: (i) any measure maintained or adopted after the date of entry into force of this Agreement that, at the time of the sale or other disposition, prohibits or imposes limitations on the ownership of equity interests or assets or imposes nationality requirements as described in this reservation shall be deemed to be an existing measure; and (ii) "state enterprise" means an enterprise owned or controlled through ownership interests by any Member State and includes an enterprise established after the date of entry into force of this Agreement solely for the purposes of selling or disposing of equity interests in, or the assets of, an existing state enterprise or governmental entity. EU/CL/ITA/Annex 10/en 13 Measures: EU: As set out in the description element as indicated above. With respect to Investment liberalisation – National Treatment: In AT: For the operation of a branch, non-European Economic Area (non-EEA) corporations must appoint at least one person responsible for its representation who is resident in Austria. Executives (managing directors, natural persons) responsible for the observance of the Austrian Trade Act (Gewerbeordnung) must be domiciled in Austria. In BG: Foreign juridical persons, unless established under the law of a Member State of the EEA, may conduct business and pursue activities if established in the Republic of Bulgaria in the form of a company registered in the Commercial Register. Establishment of branches is subject to authorisation. Representative offices of foreign enterprises are to be registered with the Bulgarian Chamber of Commerce and Industry and may not engage in economic activity but are only entitled to advertise their owner and act as representatives or agents. EU/CL/ITA/Annex 10/en 14 In EE: If the residence of at least half of the members of the management board of a private limited company, a public limited company or a branch is not in Estonia, in another Member State of the EEA or in the Swiss Confederation, the private limited company, the public limited company or the foreign company shall appoint a point of contact whose Estonian address can be used for the delivery of the procedural documents of the undertaking and the declarations of intent addressed to the undertaking (i.e. the branch of a foreign company). With respect to Investment liberalisation – National treatment, Senior management and boards of directors, and Cross-border trade in services – Local presence: In FI: At least one of the partners in a general partnership or of the general partners in a limited partnership needs to have residency in the EEA or, if the partner is a juridical person, be domiciled (no branches allowed) in the EEA. Exemptions may be granted by the registration authority. To carry on trade as a private entrepreneur, residency in the EEA is required. If a foreign organisation from a country outside the EEA intends to carry on a business or trade by establishing a branch in Finland, a trade permit is required. Residency in the EEA is required for at least one of the ordinary and one of the deputy members of the board of directors and for the managing director. Company exemptions may be granted by the registration authority. EU/CL/ITA/Annex 10/en 15 In SE: A foreign company which has not established a legal entity in Sweden or is conducting its business through a commercial agent shall conduct its commercial operations through a branch, registered in Sweden, with independent management and separate accounts. The managing director and the vice-managing director, if appointed, of the branch, must reside in the EEA. A natural person not resident in the EEA who conducts commercial operations in Sweden shall appoint and register a resident representative responsible for the operations in Sweden. Separate accounts shall be kept for the operations in Sweden. The competent authority may in individual cases grant exemptions from the branch and residency requirements. Building projects with a duration of less than a year, conducted by a company located or a natural person residing outside the EEA, are exempted from the requirements of establishing a branch or appointing a resident representative. For limited liability companies and co-operative economic associations, at least 50 % of the members of the board of directors, at least 50 % of the deputy board members, the managing director, the vice-managing director, and at least one of the persons authorised to sign for the company, if any, must reside within the EEA. The competent authority may grant exemptions from this requirement. If none of the company's or society's representatives reside in Sweden, the board must appoint and register a person resident in Sweden who has been authorised to receive servings on behalf of the company or society. Corresponding conditions prevail for establishment of all other types of legal entities. In SK: A foreign natural person whose name is to be registered in the appropriate register (Commercial register, Entrepreneurial or other professional register) as a person authorised to act on behalf of an entrepreneur is required to submit a residence permit for Slovakia. EU/CL/ITA/Annex 10/en 16 Measures: AT: Aktiengesetz, BGBL. Nr. 98/1965, § 254 (2); GmbH-Gesetz, RGBL. Nr. 58/1906, § 107 (2); and Gewerbeordnung, BGBL. Nr. 194/1994, § 39 (2a). BG: Commercial Law, Article 17a; and Law for Encouragement of Investments, Article 24. EE: Äriseadustik (Commercial Code) § 631 (1, 2 and 4). FI: Laki elinkeinon harjoittamisen oikeudesta

(Act on the Right to Carry on a Trade) (122/1919), § 1; Osuuskuntalaki (Co-Operatives Act) 1488/2001; Osakeyhtiölaki (Limited Liabilities Company Act) (624/2006); and Laki luottolaitostoiminnasta (Act on Credit Institutions) (121/2007). SE: Lag om utländska filialer m.m. (Foreign Branch Offices Act) (1992:160); Aktiebolagslagen (Companies Act) (2005:551); EU/CL/ITA/Annex 10/en 17 The Co-operative Economic Associations Act (2018:672); and Act on European Economic Interest Groupings (1994:1927). SK: Act 513/1991 on Commercial Code (Article 21); Act 455/1991 on Trade Licensing; and Act no 404/2011 on Residence of Aliens (Articles 22 and 32). With respect to Investment liberalisation – National Treatment and Performance requirements: In BG: Established enterprises may employ third-country nationals only for positions for which there is no requirement for Bulgarian nationality. The total number of third-country nationals employed by an established enterprise over a period of the preceding 12 months must not exceed 20 % (35 % for small and medium-sized enterprises) of the average number of Bulgarian nationals, nationals of other Member States, of states parties to the Agreement on the EEA or of the Swiss Confederation hired on an employment contract. In addition, the employer must demonstrate that there is no suitable Bulgarian, EU, EEA or Swiss worker for the respective position by conducting a labour market test before employing a third-country national. For highly qualified, seasonal and posted workers, as well as for intra-corporate transferees, researchers and students there is no limitation on the number of third-country nationals working for a single enterprise. For the employment of third-country nationals in these categories, no labour market test is required. EU/CL/ITA/Annex 10/en 18 Measures: BG: Labour Migration and Labour Mobility Act. With respect to Investment liberalisation – National treatment: In PL: The scope of operations of a representative office may only encompass advertising and promotion of the foreign parent company represented by the office. For all sectors except legal services, establishment by non-European Union investors and their enterprises may only be in the form of a limited partnership, limited joint-stock partnership, limited liability company, and joint-stock company, while domestic investors and enterprises have access also to the forms of non-commercial partnership companies (general partnership and unlimited liability partnership). EU/CL/ITA/Annex 10/en 19 Measures: PL: Act of 6 March 2018 on rules regarding economic activity of foreign entrepreneurs and other foreign persons in the territory of the Republic of Poland. (b) Acquisition of real estate With respect to Investment liberalisation – National treatment: In AT (applies to the regional level of government): The acquisition, purchase and rental or leasing of real estate by non-European Union natural persons and enterprises requires authorisation by the competent regional authorities (Länder). Authorisation will only be granted if the acquisition is considered to be in the public (in particular economic, social and cultural) interest. In CY: Cypriots or persons of Cypriot origin, as well as nationals of a Member State, are allowed to acquire any property in Cyprus without restrictions. A foreigner shall not acquire, otherwise than mortis causa, any immovable property without obtaining a permit from the Council of Ministers. For foreigners, where the acquisition of immovable property exceeds the extent necessary for the erection of a premises for a house or professional roof, or otherwise exceeds the extent of two donums (2 676 square meter), any permit granted by the Council of Ministers shall be subject to such terms, limitations, conditions and criteria which are set by Regulations made by the Council of Ministers and approved by the House of Representatives. A foreigner is any person who is not a citizen of the Republic of Cyprus, including a foreign controlled company. The term does not include foreigners of Cypriot origin or non-Cypriot spouses of citizens of the Republic of Cyprus. EU/CL/ITA/Annex 10/en 20 In CZ: Specific rules apply to agricultural land under state ownership. State agricultural land can be acquired only by Czech nationals, nationals of another Member State, or states parties to the Agreement on the EEA or the Swiss Confederation. Juridical persons can acquire state agriculture land from the state only if they are agricultural entrepreneurs in the Czech Republic or persons with similar status in other Member State, or states parties to the Agreement on the EEA or the Swiss Confederation. In DK: Natural persons who are not resident in Denmark, and who have not previously been resident in Denmark for a total period of five years, must in accordance with the Danish Acquisition Act obtain permission from the Ministry of Justice to acquire title to real property in Denmark. This also applies for juridical persons that are not registered in Denmark. For natural persons, acquisition of real property will be permitted if the applicant is going to use the real property as his or her primary residence. For juridical persons that are not registered in Denmark, acquisition of real property will in general be permitted if the acquisition is a prerequisite for the business activities of the purchaser. Permission is also required if the applicant is going to use the real property as a secondary dwelling. Such permission will only be granted if the applicant through an overall and concrete assessment is regarded to have particular strong ties to Denmark. EU/CL/ITA/Annex 10/en 21 Permission under the Acquisition Act is only granted for the acquisition of a specific real property. The acquisition of agricultural land by natural or juridical persons is, in addition, governed by the Danish Agricultural Holdings Act, which imposes restrictions on all persons, Danish or foreign, when acquiring agricultural property. Accordingly, any natural or juridical person who wishes to acquire agricultural real property must fulfil the requirements in this Act. This generally means that a limited residence requirement on the agricultural holding applies. The residence requirement is not personal. Legal entities must be of the types listed in §20 and §21 of the Act and must be registered in the Union or EEA. In EE: A juridical person from an OECD Member State has the right to acquire an immovable which contains: (i) less than ten hectares of agricultural land, forest land or agricultural and forest land in total without restrictions; (ii) ten hectares or more of agricultural land if the juridical person has been engaged, for three years immediately preceding the year of making the transaction of acquisition of the immovable, in production of agricultural products listed in Annex I to the Treaty on the Functioning of the European Union, except fishery products and cotton ("agricultural product"); (iii) ten hectares or more of forest land if the juridical person has been engaged, for three years immediately preceding the year of making the

transaction of acquisition of the immovable, in forest management within the meaning of the Forest Act (hereinafter referred to as "forest management") or the production of agricultural products; EU/CL/ITA/Annex 10/en 22 (iv) less than ten hectares of agricultural land and less than ten hectares of forest land, but ten hectares or more of agricultural and forest land in total, if the juridical person has been engaged, for three years immediately preceding the year of making the transaction of acquisition of the immovable, in the production of agricultural products or forest management. If a juridical person does not meet the requirements provided for in subparagraphs (ii), (iii) and (iv), the juridical person may acquire an immovable which contains ten hectares or more of agricultural land, forest land or agricultural and forest land in total only with the authorisation of the council of the local government of the location of the immovable to be acquired. Restrictions on acquiring immovable property apply in certain geographical areas for non-EEA nationals. In EL: Real estate acquisition or tenancy in the border regions is prohibited to natural or juridical persons whose nationality or base is outside the Member States and the European Free Trade Association. The ban may be lifted with a discretionary decision taken by a committee of the appropriate Decentralised Administration (or the Minister of National Defence in case the properties to be exploited belong to the Fund for the Exploitation of Private Public Property). In HR: Foreign companies are only allowed to acquire real estate for the supply of services if they are established and incorporated in Croatia as juridical persons. Acquisition of real estate necessary for the supply of services by branches requires the approval of the Ministry of Justice. Agricultural land cannot be acquired by foreigners. EU/CL/ITA/Annex 10/en 23 In MT: Non-nationals of a Member State may not acquire immovable property for commercial purposes. Companies with 25 % (or more) of non-European Union shareholding must obtain an authorisation from the competent authority (Minister responsible for Finance) to buy immovable property for commercial or business purposes. The competent authority will determine whether the proposed acquisition represents a net benefit to the Maltese economy. In PL: The acquisition of real estate, direct and indirect, by foreigners requires a permit. A permit is issued through an administrative decision by a minister competent in internal affairs, with the consent of the Minister of National Defence, and in the case of agricultural real estate, also with the consent of the Minister of Agriculture and Rural Development. Measures: AT: Burgenländisches Grundverkehrsgesetz, LGBL. Nr. 25/2007; Kärntner Grundverkehrsgesetz, LGBL. Nr. 9/2004; NÖ- Grundverkehrsgesetz, LGBL. 6800; OÖ- Grundverkehrsgesetz, LGBL. Nr. 88/1994; Salzburger Grundverkehrsgesetz, LGBL. Nr. 9/2002; Steiermärkisches Grundverkehrsgesetz, LGBL. Nr. 134/1993; EU/CL/ITA/Annex 10/en 24 Tiroler Grundverkehrsgesetz, LGBL. Nr. 61/1996; Voralberger Grundverkehrsgesetz, LGBL. Nr. 42/2004; and Wiener Ausländergrundverkehrsgesetz, LGBL. Nr. 11/1998. CY: Immovable Property Acquisition (Aliens) Law (Chapter 109), as amended. CZ: Act No. 503/2012, Coll. on State Land Office as amended. DK: Danish Act on Acquisition of Real Property (Consolidation Act No. 265 of 21 March 2014 on Acquisition of Real Property); Acquisition Executive Order (Executive Order No. 764 of 18 September 1995); and The Agricultural Holdings Act (Consolidation Act No. 27 of 4 January 2017). EE: Kinnisasja omandamise kitsendamise seadus (Restrictions on Acquisition of Immovables Act) Chapter 2 § 4, Chapter 3§ 10, 2017. EL: Law 1892/1990, as it stands today, in combination, as far as the application is concerned, with the ministerial decision F.110/3/330340/S.120/7-4-14 of the Minister of National Defence and the Minister of Citizen Protection. EU/CL/ITA/Annex 10/en 25 HR: Ownership and other Proprietary Rights Act (OG 91/96, 68/98, 137/99, 22/00, 73/00, 129/00, 114/01, 79/06, 141/06, 146/08, 38/09, 143/12, 152/14), Articles 354 to 358.b; Agricultural Land Act (OG 20/18, 115/18, 98/19) Article 2; General Administrative Procedure Act. MT: Immovable Property (Acquisition by Non-Residents) Act (Cap. 246); and Protocol No 6 of the EU Accession Treaty on the acquisition of secondary residences in Malta. PL: Law of 24 March 1920 on the Acquisition of Real Estate by Foreigners (Journal of Laws of 2016, item 1061 as amended). With respect to Investment liberalisation – National treatment: In HU: The purchase of real estate by non-residents is subject to obtaining authorisation from the appropriate administrative authority responsible for the geographical location of the property. Measures: HU: Government Decree No. 251/2014 (X. 2.) on the Acquisition by Foreign Nationals of Real Estate other than Land Used for Agricultural or Forestry Purposes; and Act LXXVIII of 1993 (Paragraph 1/A). EU/CL/ITA/Annex 10/en 26 With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment: In LV: Acquisition of urban land by nationals of Chile is permitted through juridical persons registered in Latvia or other Member States: (i) if more than 50 % of their equity capital is owned by nationals of Member States, the Latvian government or a municipality, separately or in total; (ii) if more than 50 % of their equity capital is owned by natural persons and companies of a third country with which Latvia has concluded bilateral agreements on promotion and reciprocal protection of investments and which have been approved by the Latvian Parliament before 31 December 1996; (iii) if more than 50 % of their equity capital is possessed by natural persons and companies of a third country with which Latvia has concluded bilateral agreements on promotion and reciprocal protection of investments after 31 December 1996, if in those agreements the rights of Latvian natural persons and companies on acquisition of land in the respective third country have been determined; (iv) if more than 50 % of their equity capital is possessed jointly by persons referred to in points (i) to (iii); or (v) which are public joint stock companies, if their shares thereof are quoted in the stock exchange. EU/CL/ITA/Annex 10/en 27 Where Chile allows Latvian nationals and enterprises to purchase urban real estate in their territories, Latvia will allow nationals and enterprises of Chile to purchase urban real estate in Latvia under the same conditions as Latvian nationals. Measures: LV: Law on land reform in the cities of the Republic of Latvia, Section 20 and 21. With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment: In DE: Certain conditions of reciprocity may apply for the acquisition of real estate. In ES: Foreign investment in activities directly relating to real estate investments for diplomatic missions by states that are not Member States requires an administrative authorisation from the Spanish Council of Ministers, unless there is a reciprocal

liberalisation agreement in place. In RO: Foreign nationals, stateless persons and juridical persons (other than nationals and juridical persons of a Member State of the EEA) may acquire property rights over lands, under the conditions regulated by international treaties, based on reciprocity. Foreign nationals, stateless persons and juridical persons may not acquire the property right over lands under more favourable conditions than those applicable to natural or juridical persons of the European Union. EU/CL/ITA/Annex 10/en 28 Measures: DE: Einführungsgesetz zum Bürgerlichen Gesetzbuche (EGBGB; Introductory Law to the Civil Code). ES: Royal Decree 664/1999 of 23 April 1999 relating to foreign investment. RO: Law 17/2014 on some measures regulating the selling-buying agricultural land situated outside town and amending; and Law No 268/2001 on the privatization of companies that own land in public ownership and private management of the state for agricultural and establishing the State Domains Agency, with subsequent amendments. EU/CL/ITA/Annex 10/en 29 Reservation No. 2 – Professional services (except health-related professions) Sector – sub-sector: Professional services – legal services; patent agent, industrial property agent, intellectual property attorney; accounting and bookkeeping services; auditing services, taxation advisory services; architecture and urban planning services, engineering services and integrated engineering services Industry classification: CPC 861, 862, 863, 8671, 8672, 8673, 8674, part of 879 Type of reservation: National treatment Most-favoured-nation treatment Senior management and boards of directors Local presence Chapter/Section: Investment liberalisation, Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) EU/CL/ITA/Annex 10/en 30 Description: (a) Legal services (part of CPC 861)1 For greater certainty, consistent with the Headnotes, in particular paragraph 9, requirements to register with a Bar may include a requirement to have obtained a law degree in the host country or its equivalent, or to have completed some training under the supervision of a licensed lawyer, or to have an office or a postal address within the jurisdiction of a specific Bar in order to be eligible to apply for membership in that Bar. Some Member States may impose the requirement of having the right to practise host-jurisdiction law on those natural persons holding certain positions within a law firm/company/enterprise or for shareholders. 1 For the purposes of this reservation: (a) "domestic law" means the law of the specific Member State and European Union law; (b) "public international law" excludes European Union law and includes law established by international treaties and conventions, as well as international customary law; (c) "legal advice" includes provision of advice to and consultation with clients in matters, including transactions, relationships and disputes, involving the application or interpretation of law; participation with or on behalf of clients in negotiations and other dealings with third parties in such matters; and preparation of documents governed in whole or in part by law, and the verification of documents of any kind for purposes of and in accordance with the requirements of law; (d) "legal representation" includes preparation of documents intended to be submitted to administrative agencies, the courts or other duly constituted official tribunals; and appearance before administrative agencies, the courts or other duly constituted official tribunals; (e) "legal arbitration, conciliation and mediation" means the preparation of documents to be submitted to the preparation for and appearance before, an arbitrator, conciliator or mediator in any dispute involving the application and interpretation of law; it does not include arbitration, conciliation and mediation services in disputes not involving the application and interpretation of law, which fall under services incidental to management consulting; it also does not include acting as an arbitrator, conciliator or mediator; as a sub-category, international legal arbitration, conciliation or mediation services refers to the same services when the dispute involves parties from two or more countries. EU/CL/ITA/Annex 10/en 31 With respect to Investment liberalisation – National Treatment and Cross-border trade in services – National treatment, Local presence: In EU: Legal representation of natural or juridical persons before the European Union Intellectual Property Office (EUIPO) may only be undertaken by a legal practitioner qualified in one of the Member States of the EEA and having their place of business within the EEA, to the extent that they are entitled, within the said Member State, to act as a representative in trade mark matters or in industrial property matters and by professional representatives whose names appear on the list maintained for this purpose by the EUIPO (part of CPC 861). In AT: EEA or Swiss nationality as well as residency (commercial presence) is required for the practice of legal services in respect of domestic (European Union and Member State) law, including representation before courts. Only lawyers of EEA or Swiss nationality are allowed to provide legal services through commercial presence. The practice of legal services in respect of public international law and home country law is only allowed on a cross-border basis. Equity participation and shares in the operating result of any law firm by foreign lawyers (who must be fully qualified in their home country) is allowed up to 25 %; the rest must be held by fully qualified EEA or Swiss lawyers and only the latter may exercise decisive influence in the decision making of the law firm. In BE: (with respect also to Most-favoured-nation treatment) Residency is required for full admission to the Bar, and necessary for the practice of legal services in respect of Belgian domestic law, including representation before courts. The residency requirement for a foreign lawyer to obtain full admission to the Bar is at least six years from the date of application for registration, three years under certain conditions. Requirement to have a certificate issued by the Belgian Minister of Foreign Affairs under which the national law or international convention allows reciprocity (reciprocity condition). EU/CL/ITA/Annex 10/en 32 Foreign lawyers may practise as legal consultants. Lawyers who are members of foreign (non- EU) Bars and want to establish in Belgium but do not meet the conditions for registration on the Tableau of fully qualified lawyers, on the EU-list or on the List of Trainee Lawyers, may request registration on the "B-List". Such a "B-List" only exists at the Brussels Bar. A lawyer on the B-List is allowed to give advice. Representation before "the Cour de Cassation" is subject to nomination on a specific list. In BG (with respect also to Most-favoured-nation treatment): Reserved to nationals of a Member State, of another State which is a party to the Agreement on the EEA, or of the Swiss Confederation who have been granted

authorisation to pursue the profession of lawyer according to the legislation of any of the aforementioned countries. A foreign national (except for the above mentioned) who has been authorised to pursue the profession of lawyer in accordance with the legislation of his or her own country, may appeal before judicial bodies of the Republic of Bulgaria as defence-counsel or mandatary of a national of his or her own country, acting on a specific case, together with a Bulgarian attorney-at-law, in cases where this has been envisaged in an agreement between the Bulgarian and the respective foreign state, or on the basis of mutuality, making a preliminary request to this effect to the Chairperson of the Supreme Bar Council. Countries, in respect of which mutuality exists, shall be designated by the Minister of Justice, upon request of the Chairperson of the Supreme Bar Council. In order to provide legal mediation, a foreign national must have a permit for long-term or permanent residence in the Republic of Bulgaria and has been entered in the Uniform Register of Mediators with the Minister of Justice. In CY: EEA or Swiss nationality as well as residency (commercial presence) is required. Only advocates enrolled in the Bar may be partners or shareholders or members of the board of directors in a law company in Cyprus. EU/CL/ITA/Annex 10/en 33 In CZ: Full admission to the Bar is required. For the practice of legal services in respect of domestic (European Union and Member State) law, including representation before courts, EEA or Swiss nationality is required. For all legal services, residence (commercial presence) is required. In DE: Only lawyers with EEA and Swiss qualification may be admitted to the Bar and are thus entitled to provide legal services in respect of domestic law. Commercial presence is required in order to obtain full admission to the Bar. Exemptions may be granted by the competent bar association. For foreign lawyers (with other than EEA and Swiss qualification) there may be restrictions for holding shares of a lawyers company which provides legal services in domestic law. Foreign lawyers can offer legal services in foreign law and in public international law when they prove expert knowledge; registration is required to provide legal services in Germany. In DK: Legal services provided under the title "advokat" (advocate) or any similar title, as well as representation before the courts, is reserved for advocates with a Danish licence to practice. EU, EEA and Swiss advocates may practice under the title of their country of origin. Shares of a law firm can only be owned by advocates who actively practice law in the firm, its parent company or its subsidiary company, other employees in the firm, or another law firm registered in Denmark. Other employees in the firm may collectively only own less than 10 % of the shares and of the voting rights, and in order to be shareholders they must pass an exam on the rules of particular importance for the practice of law. EU/CL/ITA/Annex 10/en 34 Only advocates who actively practice law in the firm, its parent company or its subsidiary company, other shareholders, and representatives of employees, may be members of the board. The majority of the members of the board must be advocates who actively practice law in the firm, its parent company or its subsidiary company. Only advocates who actively practice law in the firm, its parent company or its subsidiary company, and other shareholders having passed the exam mentioned above, may be a director of the law firm. In EE: Residency (commercial presence) is required for the practice of legal services in respect of domestic (European Union and Member State) law, and participation in criminal proceedings representation before the Supreme Court. In EL: EEA or Swiss nationality and residency (commercial presence) is required for the practice of legal services in respect of domestic (European Union and Member State) law, including representation before courts. In ES: EEA or Swiss nationality is required for the practice of legal services in respect of domestic law, including representation before courts. The competent authorities may grant nationality waivers. A professional address is required in order to provide any legal services. In FI: EEA or Swiss residency and Bar membership is required for the use of the professional title of "advocate" (in Finnish "asianajaja" or in Swedish "advokat"). Legal services, including Finnish domestic law, may also be provided by non-Bar members. EU/CL/ITA/Annex 10/en 35 In FR: Residency or establishment in the EEA is required for full admission to the Bar, which is necessary for the practice of legal services in respect of domestic law, including representation before courts. Representation before "the Cour de Cassation" and "Conseil d'Etat" is subject to quotas and reserved for French and EU nationals. Members of a Bar in Chile may register as a foreign legal consultant in France to offer certain legal services in France on a temporary or permanent basis, in respect of Chilean law and public international law. A business address within the jurisdiction of the French Bar of registration or establishment in the EEA is required to practice on a permanent basis. In HR: European Union nationality is required for the practice of legal services in respect of domestic (European Union and Member State) law, including representation before courts. In proceedings involving public international law, parties may be represented before arbitration courts and ad hoc courts by foreign lawyers who are members of their home country bar association. Only a lawyer who has the Croatian title of lawyer can establish a law firm (Chilean firms can establish branches, which may not employ Croatian lawyers). In HU: Full admission to the Bar is subject to EEA or Swiss nationality and residency (commercial presence) for the practice of legal services in respect of domestic law, including representation before courts. Foreign lawyers may provide legal advice on home country and public international law in partnership with a Hungarian attorney or a law firm. A cooperation contract concluded with a Hungarian attorney (ügyvéd) or law firm (ügyvédi iroda) is required. A foreign legal adviser cannot be a member of a Hungarian law firm. A foreign lawyer is not authorised for the preparation of documents to be submitted to, or act as the client's legal representative before, an arbitrator, conciliator or mediator in any dispute. EU/CL/ITA/Annex 10/en 36 In LT (with respect also to Most-favoured-nation treatment): EEA or Swiss nationality and residency (commercial presence) is required for the practice of legal services in respect of domestic (European Union and Member State) law, including representation before courts. Attorneys from foreign countries can practice as advocates in court only in accordance with international agreements, including specific provisions regarding representation before courts. In LU (with respect also to Most-favoured-nation treatment): EEA or Swiss nationality and residency (commercial presence) is required

for the practice of legal services in respect of domestic law, including representation before courts. The Council of the Order may, on the basis of reciprocity, agree to waive the nationality requirement for a foreign national. In LV (with respect also to Most-favoured-nation treatment): EEA or Swiss nationality is required for the practice of domestic law, including representation before courts. Attorneys from foreign countries can practice as advocates in court only in accordance with bilateral agreements on mutual legal assistance. For European Union or foreign advocates, special requirements exist. For example, participation in court proceedings in criminal cases is only permitted in association with an advocate of the Latvian Collegium of Sworn Advocates. In MT: EEA or Swiss nationality as well as residency (commercial presence) is required for the practice of legal services in respect of domestic law, including representation before courts. EU/CL/ITA/Annex 10/en 37 In NL: Only locally-licensed lawyers registered in the Dutch registry can use the title "advocate". Instead of using the full term "advocate", (non-registered) foreign lawyers are obliged to mention their home country professional organisation for the purposes of their activities in the Netherlands. In PT (with respect also to Most-favoured-nation treatment): residency (commercial presence) is required in order to practice Portuguese domestic law. For representation before courts, full admission to the Bar is required. Foreigners holding a diploma awarded by any Faculty of Law in Portugal, may register with the Portuguese Bar (Ordem dos Advogados), under the same terms as Portuguese nationals, if their respective country grants Portuguese nationals reciprocal treatment. Other foreigners holding a Degree in Law which has been acknowledged by a Faculty of Law in Portugal may register as members of the Bar Association provided that they undergo the required training and pass the final assessment and admission exam. Only law firms where the shares belong exclusively to lawyers admitted to the Portuguese Bar can practise in Portugal. Legal consultation is allowed in any area of foreign and public international law by jurists of recognised merit, masters and doctors in law (even if non-lawyers and non-university professors), provided that they have their professional residence (domiciliação) in PT, pass an admission exam and are registered in the Bar. In RO: A foreign lawyer may not make oral or written conclusions before the courts and other judicial bodies, except for international arbitration. EU/CL/ITA/Annex 10/en 38 In SE: (with respect also to Most-favoured-nation treatment) EEA or Swiss residency is required for admission to the Bar and use of the title of "advokat". Exemptions may be granted by the board of the Swedish Bar Association. Admission to the Bar is not necessary for the practice of Swedish domestic law. A member of the Swedish Bar Association may not be employed by anyone other than a Bar member or a company conducting the business of a Bar member. However, a Bar member may be employed by a foreign company conducting the business of an advocate, provided that the company in question is domiciled in a country within the European Union, the EEA or Switzerland. Subject to an exemption from the Board of the Swedish Bar Association, a member of the Swedish Bar Association may also be employed by a non-European Union law firm. Bar members conducting their practice in the form of a company or a partnership may not have any other objective and may not carry out any other business than the practice of an advocate. Collaboration with other advocate businesses is permitted, however, collaboration with foreign businesses requires permission by the Board of the Swedish Bar Association. Only a Bar member may directly or indirectly, or through a company, practice as an advocate, own shares in the company or be a partner. Only a member may be a member or deputy member of the Board or deputy managing director, or an authorised signatory or secretary of the company or the partnership. In SI (with respect also to Most-favoured-nation treatment): Representing clients before the court against payment is conditioned by commercial presence in Republic of Slovenia. A foreign lawyer who has the right to practice law in a foreign country may perform legal services or practice law under the conditions laid down in Article 34a of the Attorneys Act, provided that the condition of actual reciprocity is fulfilled. EU/CL/ITA/Annex 10/en 39 Commercial presence for appointed attorneys by the Slovene Bar Association is restricted to sole proprietorship, law firm with limited liability (partnership) or to a law firm with unlimited liability (partnership) only. The activities of a law firm shall be restricted to the practice of law. Only attorneys may be partners in a law firm. In SK (with respect also to Most-favoured-nation treatment): EEA nationality as well as residency (commercial presence) in the Slovak Republic is required for the practice of legal services in respect of domestic law, including representation before courts. For non-EU lawyers actual reciprocity is required. Measures: EU: Article 120 of Regulation (EU) 2017/1001 of the European Parliament and of the Council1; Article 78 of Council Regulation (EC) No 6/2002 of 12 December 20012. AT: Rechtsanwaltsordnung (Lawyers Act) - RAO, RGBl. Nr. 96/1868, Articles 1 and 21c.; Rechtsanwaltsgesetz - EIRAG, BGBl. Nr. 27/2000 as amended; § 41 EIRAG. BE: Belgian Judicial Code (Articles 428-508); Royal Decree of 24 August 1970. BG: Attorney Law; Law for Mediation; and Law for the Notaries and Notarial Activity. 1 Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ EU L 154, 16.6.2017, p. 1). 2 Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs (OJ EU L 3, 5.1.2002, p. 1). EU/CL/ITA/Annex 10/en 40 CY: Advocates Law (Chapter 2), as amended. CZ: Act No. 85/1996 Coll., the Legal Profession Act. DE: Bundesrechtsanwaltsordnung (BRAO; Federal Lawyers Act); Gesetz über die Tätigkeit europäischer Rechtsanwälte in Deutschland (EuRAG); and § 10 Rechtsdienstleistungsgesetz (RDG). DK: Retsplejeloven (Administration of Justice Act) chapters 12 and 13 (Consolidated Act No. 1284 of 14 November 2018). EE: Advokatuuriseadus (Bar Association Act);Tsiviilkohtumenetluse seadustik (Code of Civil Procedure); halduskohtumenetluse seadustik (Code of Administrative Court Procedure); kriminaalmenetluse seadustik (Code of Criminal Procedure); and väärteomenetluse seadustik (Code of Misdemeanour Procedure). EL: New Lawyers' Code n. 4194/2013. ES: Estatuto General de la Abogacía Española, aprobado por Real Decreto 658/2001, Article 13.1ª. EU/CL/ITA/Annex 10/en 41 FI: Laki asianajajista (Advocates Act) (496/1958), 1 and 3 §; and Oikeudenkäymiskaari (4/1734) (Code of Judicial Procedure). FR: Loi 71-1130 du 31 décembre 1971, Loi 90- 1259 du 31 décembre 1990 and Ordonnance du 10 septembre 1817 modifiée. HR:

Legal Profession Act (OG 9/94, 117/08, 75/09, 18/11). HU: Act LXXVIII of 2017 on the professional activities of attorneys-at-law. LT: Law on the Bar of the Republic of Lithuania of 18 March 2004 No. IX-2066 as last amended on 12 December 2017 by law No XIII-571. LU: Loi du 16 décembre 2011 modifiant la loi du 10 août 1991 sur la profession d'avocat. LV: Criminal Procedure Law, s. 79; and Advocacy Law of the Republic of Latvia, s. 4. MT: Code of Organisation and Civil Procedure (Cap. 12). NL: Advocatenwet (Act on Advocates). PT: Law 145/2015, 9 set., alterada p/ Lei 23/2020, 6 jul. (art.º 194 substituído p/ art.º 201.º; e art.º 203.º substituído p/ art.º 213.º); EU/CL/ITA/Annex 10/en 42 Portuguese Bar Statute (Estatuto da Ordem dos Advogados) and Decree-Law 229/2004, Articles 5, 7 – 9; Decree-law 88/2003, Articles 77 and 102; Solicitadores Public Professional Association Statute (Estatuto da Câmara dos Solicitadores), as amended by Law 49/2004, mas alterada p/ Lei 154/2015, 14 set; by Law 14/2006 and by Decree-Law n.º 226/2008 alterado p/ Lei 41/2013, 26 jun; Law 78/2001, Articles 31, 4 Alterada p/ Lei 54/2013, 31 jul.; Regulation of family and labour mediation (Ordinance 282/2010), alterada p/ Portaria 283/2018, 19 out; Law 21/2007 on criminal mediation, Article 12; Law 22/2013, 26 fev., alterada p/ Lei 17/2017, 16 maio, alterada pelo Decreto-Lei 52/2019, 17 abril. RO: Attorney Law; Law for Mediation; and Law for the Notaries and the Notarial Activity. SE: Rättegångsbalken (The Swedish Code of Judicial Procedure) (1942:740); and Swedish Bar Association Code of Conduct adopted 29 August 2008. SI: Zakon o odvetništvu (Neuradno prečiščeno besedilo-ZOdv-NPB8 Državnega Zbora RS z dne 7 junij 2019 (Attorneys Act) unofficial consolidated text prepared by the Slovenian parliament from 7 June 2019). SK: Act 586/2003 on Advocacy, Articles 2 and 12. With respect to Investment liberalisation – National Treatment: In PL: Foreign lawyers may establish only in the form of a registered partnership, a limited partnership or a limited joint-stock partnership. EU/CL/ITA/Annex 10/en 43 Measures: PL: Act of 5 July 2002 on the provision by foreign lawyers of legal assistance in the Republic of Poland, Article 19; The Law on Tax Advisory With respect to Cross-border trade in services – Local presence: In IE, IT: Residency (commercial presence) is required for the practice of legal services in respect of domestic (European Union and Member State) law, including representation before courts. Measures: IE: Solicitors Acts 1954-2011. IT: Royal Decree 1578/1933, Article 17 law on the legal profession. (b) Patent agents, industrial property agents, intellectual property attorneys (part of CPC 879, 861, 8613) With respect to Investment liberalisation – National treatment and Cross-border trade in services – Local presence: In AT: EEA or Swiss nationality is required for the practice of patent agency services; residency there is required. EU/CL/ITA/Annex 10/en 44 In BG and CY: EEA or Swiss nationality is required for the practice of patent agency services. In CY, residency is required. In DE: Only patent lawyers having EEA and Swiss qualifications may be admitted to the Bar and are thus entitled to provide patent agent services in Germany in domestic law. Commercial presence is required in order to obtain full admission to the Bar. Exemptions may be granted by the bar association. Foreign patent lawyers can offer legal services in foreign law when they prove expert knowledge, registration is required for legal services in Germany. Foreign (other than EEA and Swiss qualification) patent lawyers may not establish a firm together with national patent lawyers. Foreign (other than EEA and Swiss) patent lawyers may have their commercial presence only in the form of a Patentanwalts-GmbH or Patentanwalt-AG by acquiring a minority share. In EE: Estonian or EU nationality as well as permanent residency is required for the practice of patent agency services. In ES and PT: EEA nationality is required for the practice of industrial property agent services. In FR: To be registered on the industrial property agent services list, establishment or residency in the EEA is required. EEA nationality is required for natural persons. To represent a client in front of the national intellectual property office, establishment in the EEA is required. More than half of shares and voting rights must be held by EEA professionals. Law firms may be entitled to provide industrial property agent services (see reservation for legal services). EU/CL/ITA/Annex 10/en 45 With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In LV: EU nationality required for patent attorneys. Measure: LV: The Law on Industrial Property Institutions and Procedures Chapter XVIII (Articles 119-136). With respect to Cross-border trade in services – Local presence: In FI and HU: EEA residency is required for the practice of patent agency services. In SI: Residency in Slovenia is required for a holder/applicant of registered rights (patents, trademarks, design protection). Alternatively, a patent agent or a trademark and design agent registered in Slovenia is required for the main purpose of services of process, notification, etc. Measures: AT: Patent Attorney Act, BGBl. 214/1967 as amended, §§ 2 and 16a. BG: Chapter 8b of the Act on Patents and Registration of Utility Models. CY: Advocates Law (Chapter 2), as amended. EU/CL/ITA/Annex 10/en 46 DE: Patentanwaltsordnung (PAO), Gesetz über die Tätigkeit europäischer Patentanwälte in Deutschland (EuPAG) and § 10 Rechtsdienstleistungsgesetz (RDG). EE: Patendivoliniku seadus (Patent Agents Act) § 2, § 14. ES: Ley 11/1986, de 20 de marzo, de Patentes de Invención y Modelos de utilidad, Articles 155-157. FI: Tavaramerkkilaki (Trademarks Act) (7/1964); Laki auktorisoiduista teollisoikeusasiamiehistä (Act on Authorised Industrial Property Attorneys) (22/2014); and Laki kasvinjalostajanoikeudesta (Plant Breeder's Right Act) 1279/2009; and Mallioikeuslaki (Registered Designs Act) 221/1971. FR: Code de la propriété intellectuelle. HU: Act XXXII of 1995 on Patent Attorneys. PT: Decree-Law 15/95, as modified by Law 17/2010, by Portaria 1200/2010, Article 5, and by Portaria 239/2013; and Law 9/2009. SI: Zakon o industrijski lastnini (Industrial Property Act), Uradni list RS, št. 51/06 – uradno prečiščeno besedilo in 100/13 and 23/20 (Official Gazette of the Republic of Slovenia, No. 51/06 – official consolidated text 100/13 and 23/20). EU/CL/ITA/Annex 10/en 47 With respect to Investment liberalisation – National treatment and Cross-border trade in services – National Treatment, Local presence: In IE: For establishment, at least one of the directors, partners, managers or employees of a company to be registered as a patent or intellectual property attorney in Ireland. Cross-border basis requires EEA nationality and commercial presence, principal place of business in an EEA Member State, qualification under the law of an EEA Member State. Measures: IE: Section 85 and 86 of the Trade Marks Act 1996, as amended; Rule 51, Rule 51A and Rule 51B of the Trade Marks Rules 1996,

as amended; Section 106 and 107 of the Patent Act 1992, as amended; and Register of Patent Agent Rules S.I. 580 of 2015. (c) Accounting and bookkeeping services (CPC 8621 other than auditing services, 86213, 86219, 86220) With respect to Investment liberalisation – National treatment and Cross-border trade in services – Local presence: In AT: The capital interests and voting rights of foreign accountants, bookkeepers, qualified according to the law of their home country, in an Austrian enterprise may not exceed 25 %. The service supplier must have an office or professional seat in the EEA (CPC 862). EU/CL/ITA/Annex 10/en 48 In FR: Establishment or residency is required. In IT: Residence or business domicile is required for enrolment in the professional register, which is necessary for the provision of accounting and bookkeeping services (CPC 86213, 86219, 86220). In PT (with respect also to Most-favoured-nation treatment): Residence or business domicile is required for enrolment in the professional register by the Chamber of Certified Accountants (Ordem dos Contabilistas Certificados), which is necessary for the provision of accounting services, provided that there is reciprocal treatment for Portuguese nationals. Measures: AT: Wirtschaftstreuhandberufsgesetz (Public Accountant and Auditing Profession Act, BGBl. I Nr. 58/1999), § 12, § 65, § 67, § 68 (1) 4; and Bilanzbuchhaltungsgesetz (BibuG), BGBL. I Nr. 191/2013, §§ 7, 11, 28. FR: Ordonnance 45-2138 du 19 septembre 1945. IT: Legislative Decree 139/2005; and Law 248/2006. PT: Decree-Law n.º 452/99, changed by Law n.º 139/2015, September 7th. EU/CL/ITA/Annex 10/en 49 With respect to Cross-border trade in services – Local presence: In SI: Establishment in the European Union is required in order to provide accounting and bookkeeping services (CPC 86213, 86219, 86220). Measures: SI: Act on services in the internal market, Official Gazette RS No 21/10. (d) Auditing services (CPC – 86211, 86212 other than accounting and bookkeeping services) With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment, Most-favoured-nation treatment: In EU: Supply of statutory auditing services requires approval by the competent authorities of a Member State that may recognise the equivalence of the qualifications of an auditor who is a national of Chile or of any third country subject to reciprocity (CPC 8621). EU/CL/ITA/Annex 10/en 50 Measures: EU: Directive 2013/34/EU of the European Parliament and of the Council1; and Directive 2006/43/EC of the European Parliament and of the Council2. Measures: BG: Independent Financial Audit Act. With respect to Investment liberalisation – National treatment, and Cross-border trade in services – Local presence: In AT: The capital interests and voting rights of foreign auditors, qualified according to the law of their home country, in an Austrian enterprise may not exceed 25 %. The service supplier must have an office or professional seat in the EEA. 1 Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ EU L 182, 29.6.2013, p. 19). 2 Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (OJ EU L 157, 9.6.2006, p. 87). EU/CL/ITA/Annex 10/en 51 Measures: AT: Wirtschaftstreuhandberufsgesetz (Public Accountant and Auditing Profession Act, BGBl. I Nr. 58/1999), § 12, § 65, § 67, § 68 (1) 4. With respect to Cross-border trade in services – Local presence: In DK: Provision of statutory auditing services requires Danish approval as an auditor. Approval requires residency in a Member State of the EEA. Voting rights in approved audit firms of auditors and audit firms not approved in accordance with regulation implementing Directive 2006/43/EC based on Article 54(3)(g) of the Treaty on statutory audit must not exceed 10 % of the voting rights. In FR (with respect also to Most-favoured-nation treatment): For statutory audits: establishment or residency is required. Chilean nationals may provide statutory auditing services in France, subject to reciprocity. In PL: Establishment in the European Union is required in order to provide auditing services. Measures: DK: Revisorloven (The Danish Act on Approved Auditors and Audit Firms), Act No. 1287 of 20 November 2018. EU/CL/ITA/Annex 10/en 52 FR: Code de commerce PL: Act of 11 May 2017 on statutory auditors, audit firms and public oversight – Journal of Laws of 2017, item 1089. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In CY: Authorisation is required, subject to an economic needs test. Main criteria: the employment situation in the sub-sector. Professional associations (partnerships) between natural persons are permitted. In SK: Only an enterprise in which at least 60 % of capital interests or voting rights are reserved to Slovak nationals or nationals of a Member State may be authorised to carry out audits in the Slovak Republic. Measures: CY: Auditors Law of 2017 (Law 53(I)/2017). SK: Act No. 423/2015 on Statutory audit. EU/CL/ITA/Annex 10/en 53 With respect to Cross-border trade in services – National treatment, Local presence: In DE: Auditors from third countries registered in accordance with Article 134 WPO may carry out the statutory audit of annual fiscal statements or provide the consolidated financial statements of a company with its headquarters outside the European Union, whose transferable securities are offered for trading in a regulated market. Measures: DE: Handelsgesetzbuch (HGB; Code of Commercial Law); Gesetz über eine Berufsordnung der Wirtschaftsprüfer (Wirtschaftsprüferordnung - WPO; Public Accountant Act). With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In ES: Statutory auditors must be a national of a Member State. This reservation does not apply to the auditing of non-European Union companies listed in a Spanish regulated market. Measures: ES: Ley 22/2015, de 20 de julio, de Auditoría de Cuentas (new Auditing Law: Law 22/2015 on Auditing services). EU/CL/ITA/Annex 10/en 54 With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – Local presence: In SI: Commercial presence is required. A third country audit entity may hold shares or form partnerships in a Slovenian audit company provided that, under the law of the country in which the third-country audit entity is incorporated, Slovenian audit companies may hold shares or form a partnership in an audit

entity in that country (reciprocity requirement). Measures: SI: Auditing Act (ZRev-2), Official Gazette RS No 65/2008 (as last amended No 84/18); and Companies Act (ZGD-1), Official Gazette RS No 42/2006 (as last amended No 22/19 - ZPosS). With respect to Investment liberalisation – National treatment: In EE: The majority of the votes represented by the shares of an audit firm shall belong to sworn auditors subject to supervision of a competent authority of an EEA Member State, who have acquired their qualification in an EEA Member State, or to audit firms. At least three-fourths of the persons representing an audit firm on the basis of law shall have acquired their qualifications in an EEA Member State. EU/CL/ITA/Annex 10/en 55 Measures: EE: Auditors Activities Act (Audiitortegevuse seadus) § 76-77. With respect to Cross-border trade in services – Local presence: In BE: An establishment in Belgium is required where the professional activity will take place and where acts, documents and correspondence relating to it will be maintained, and to have at least one administrator or manager of the establishment approved as auditor. In FI: EEA residency required for at least one of the auditors of a Finnish Limited Liability company and of companies which are under the obligation to carry out an audit. An auditor must be a locally-licensed auditor or a locally-licensed audit firm. In HR: Auditing services may be provided only by juridical persons established in Croatia or by natural persons resident in Croatia. In IT: Residency is required for the provision of auditing services by natural persons. In LT: Establishment in the EEA is required for the provision of auditing services. EU/CL/ITA/Annex 10/en 56 In SE: Only auditors approved in Sweden and auditing firms registered in Sweden may perform statutory auditing services. EEA residency is required. The titles of "approved auditor" and "authorised auditor" may only be used by auditors approved or authorised in Sweden. Auditors of co-operative economic associations and certain other enterprises who are not certified or approved accountants must be resident within the EEA, unless the Government, or a Government authority appointed by the Government, in a particular case allows otherwise. Measures: BE: Law of July 22nd, 1953 creating an Institute of the Auditors of Firms and organising the public supervision of the occupation of auditor of firms, coordinated on April 30th, 2007. (Public Accountant Act). FI: Tilintarkastuslaki (Auditing Act) (459/2007), Sectoral laws requiring the use of locally licensed auditors. HR: Audit Act (OG 146/05, 139/08, 144/12), Article 3. IT: Legislative Decree 58/1998, Articles 155, 158 and 161; Decree of the President of the Republic 99/1998; and Legislative Decree 39/2010, Article 2. LT: Law on Audit of 15 June 1999 No. VIII -1227 (a new version of 3 July 2008 No. X1676). SE: Revisorslagen (Auditors Act) (2001:883); EU/CL/ITA/Annex 10/en 57 Revisionslag (Auditing Act) (1999:1079); Aktiebolagslagen (Companies Act) (2005:551); Lag om ekonomiska föreningar (The Co-operative Economic Associations Act) (2018:672); and Others, regulating the requirements to make use of approved auditors. (e) Taxation advisory services (CPC 863, not including legal advice and legal representation on tax matters, which are to be found under legal services) With respect to Investment liberalisation – National treatment and Cross-border trade in services – Local presence: In AT: The capital interests and voting rights of foreign tax advisors, qualified according to the law of their home country, in an Austrian enterprise may not exceed 25 %. The service supplier must have an office or professional seat in the EEA. Measures: AT: Wirtschaftstreuhandberufsgesetz (Public Accountant and Auditing Profession Act, BGBl. I Nr. 58/1999), § 12, § 65, § 67, § 68 (1) 4. EU/CL/ITA/Annex 10/en 58 With respect to Cross-border trade in services – Local presence: In FR: Establishment or residency is required. Measures: FR: Ordonnance 45-2138 du 19 septembre 1945. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In BG: Nationality of a Member State is required for tax advisors. Measures: BG: Accountancy Act; Independent Financial Audit Act; Income Taxes on Natural Persons Act; and Corporate Income Tax Act. With respect to Cross-border trade in services – Local presence: In HU: EEA residency is required for the supply of taxation advisory services, in so far as they are being supplied by a natural person present in the territory of Hungary. EU/CL/ITA/Annex 10/en 59 In IT: Residency is required. Measures: HU: Act XCII of 2003 on the Rules of Taxation; and Decree of the Ministry of Finance no. 26/2008 on the licensing and registration of taxation advisory activities. IT: Legislative Decree 139/2005; and Law 248/2006. (f) Architecture and urban planning services, engineering and integrated engineering services (CPC 8671, 8672, 8673, 8674) With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In BG: Residency in the EEA or the Swiss Confederation is required for architecture, urban planning and engineering services provided by natural persons. For architectural and engineering projects of national or regional significance, foreign investors must act in partnership with, or as subcontractors to, local investors (CPC 8671, 8672, 8673). Measures: BG: Spatial Development Act; EU/CL/ITA/Annex 10/en 60 Chamber of Builders Act; and Chambers of Architects and Engineers in Project Development Design Act. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In HR: A design or project created by a foreign architect, engineer or urban planner must be validated by an authorised natural or juridical person in Croatia with regard to its compliance with Croatian Law (CPC 8671, 8672, 8673, 8674). Measures: HR: Act on Physical Planning and Building Activities (OG 118/18, 110/19). Physical Planning Act (OG 153/13, 39/19). With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In CY: Nationality and residency condition applies for the provision of architecture and urban planning services, engineering and integrated engineering services (CPC 8671, 8672, 8673, 8674). EU/CL/ITA/Annex 10/en 61 Measures: CY: Law 41/1962 as amended; Law 224/1990 as amended; and Law 29(I)2001 as amended. With respect to Cross-border trade in services – Local presence: In CZ: Residency in the EEA is required. In HU: EEA residency is required for the supply of the following services, in so far as they are being supplied by a natural person present in the territory of Hungary: architectural services, engineering services (only applicable to graduate trainees), integrated Engineering services and landscape architectural services (CPC 8671, 8672, 8673, 8674). In IT: Residency or professional domicile/business address in Italy is required for enrolment in the professional register, which is necessary for the exercise of architectural and

engineering services (CPC 8671, 8672, 8673, 8674). In SK: Residency in the EEA is required for registration in the professional chamber, which is necessary for the exercise of architectural and engineering services (CPC 8671, 8672, 8673, 8674). Measures: CZ: Act no. 360/1992 Coll. on practice of profession of authorised architects and authorised engineers and technicians working in the field of building constructions. EU/CL/ITA/Annex 10/en 62 HU: Act LVIII of 1996 on the Professional Chambers of Architects and Engineers. IT: Royal Decree 2537/1925 regulation on the profession of architect and engineer; Law 1395/1923; and Decree of the President of the Republic (D.P.R.) 328/2001. SK: Act 138/1992 on Architects and Engineers, Articles 3, 15, 15a, 17a and 18a. With respect to Cross-border trade in services – National treatment: In BE: The provision of architectural services includes control over the execution of the works (CPC 8671, 8674). Foreign architects authorised in their host countries and wishing to practice their profession on an occasional basis in Belgium are required to obtain prior authorisation from the Council of Order in the geographical area where they intend to practice their activity. Measures: BE: Law of February 20, 1939 on the protection of the title of the architect's profession; and Law of 26th June 1963, which creates the Order of Architects Regulations of December 16th, 1983 of ethics established by national Council in the Order of Architects (Approved by Article 1st of A.R. of April 18th, 1985, M.B., May 8th, 1985). EU/CL/ITA/Annex 10/en 63 Reservation No. 3 – Professional services – health-related services and retail of pharmaceuticals Sector – sub-sector: Professional services – medical (including psychologists) and dental services; midwives, nurses, physiotherapists and paramedical personnel; veterinary services; retail sales of pharmaceutical, medical and orthopaedic goods and other services provided by pharmacists Industry classification: CPC 9312, 93191, 932, 63211 Type of reservation: National treatment Most-favoured-nation treatment Senior management and boards of directors Local presence Chapter/Section: Investment Liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 64 Description: (a) Medical, dental, midwives, nurses, physiotherapists and para-medical services (CPC 9312, 93191) With respect to Investment liberalisation – National treatment, Most favoured-nation treatment and Cross-border trade in services – National treatment, Most favoured-nation treatment: In IT: European Union nationality is required for the services provided by psychologists, foreign professionals may be allowed to practice based on reciprocity (part of CPC 9312). Measures: IT: Law 56/1989 on the psychologist profession. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In CY: Cypriot nationality and residency condition applies for the provision of medical (including psychologists), dental, midwives, nurses, physiotherapists and para-medical services. Measures: CY: Registration of Doctors Law (Chapter 250) as amended; EU/CL/ITA/Annex 10/en 65 Registration of Dentists Law (Chapter 249) as amended; Law 75(I)/2013 – Podologists; Law 33(I)/2008 as amended – Medical Physics; Law 34(I)/2006 as amended – Occupational Therapists; Law 9(I)/1996 as amended – Dental Technicians; Law 68(I)/1995 as amended – Psychologists; Law 16(I)/1992 as amended – Opticians; Law 23(I)/2011 as amended – Radiologists/Radiotherapists; Law 31(I)/1996 as amended – Dieticians/Nutritionists; Law 140/1989 as amended – Physiotherapists; and Law 214/1988 as amended – Nurses. EU/CL/ITA/Annex 10/en 66 With respect to Cross-border trade in services – Local presence: In DE: Doctors (including psychologists, psychotherapists, and dentists) need to register with the regional associations of statutory health insurance physicians or dentists (kassenärztliche or kassenzahnärztliche Vereinigungen), if they wish to treat patients insured by the statutory sickness funds. For midwives services, access is restricted to natural persons only. For medical and dental services, access is possible for natural persons, licensed medical care centres and mandated bodies. Establishment requirements may apply. Measures: DE: Bundesärzteordnung (BÄO; Federal Medical Regulation); Gesetz über die Ausübung der Zahnheilkunde (ZHG); Gesetz über den Beruf der Psychotherapeutin und des Psychotherapeuten (PsychThG; Act on the Provision of Psychotherapy Services); Gesetz über die berufsmäßige Ausübung der Heilkunde ohne Bestallung (Heilpraktikergesetz); Gesetz über das Studium und den Beruf von Hebammen (HebG); Bundes-Apothekerordnung; Additional legislation with regard to midwives can exist on regional level. EU/CL/ITA/Annex 10/en 67 Gesetz über die Pflegeberufe (PflBG); Sozialgesetzbuch Fünftes Buch (SGB V; Social Code, Book Five) – Statutory Health Insurance. Regional level: Heilberufekammergesetz des Landes Baden-Württemberg; Gesetz über die Berufsausübung, die Berufsvertretungen und die Berufsgerichtsbarkeit der Ärzte, Zahnärzte, Tierärzte, Apotheker sowie der Psychologischen Psychotherapeuten und der Kinder- und Jugendlichenpsychotherapeuten (Heilberufe-Kammergesetz – HKaG) in Bayern; Berliner Heilberufekammergesetz (BlnHKG); Hamburgisches Kammergesetz für die Heilberufe (HmbKGH); Gesetz über die Berufsgerichtsbarkeit der Heilberufe; Hamburgisches Gesetz über die Ausübung des Berufs der Hebamme und des Entbindungspflegers (Hamburgisches Hebammengesetz); Heilberufsgesetz Brandenburg (HeilBerG); Bremisches Gesetz über die Berufsvertretung, die Berufsausübung, die Weiterbildung und die Berufsgerichtsbarkeit der Ärzte, Zahnärzte, Psychotherapeuten, Tierärzte und Apotheker (Heilberufsgesetz – HeilBerG); EU/CL/ITA/Annex 10/en 68 Niedersächsisches Kammergesetz für die Heilberufe (Heilkammergesetz – HKG); Niedersächsisches Gesetz über die Ausübung des Hebammenberufs (NHebG) Heilberufsgesetz Mecklenburg-Vorpommern (Heilberufsgesetz M-V – HeilBerG); Heilberufsgesetz (HeilBG NRW); Heilberufsgesetz (HeilBG Rheinland-Pfalz); Gesetz über die öffentliche Berufsvertretung, die Berufspflichten, die Weiterbildung und die Berufsgerichtsbarkeit der Ärzte/ Ärztinnen, Zahnärzte/ Zahnärztinnen, psychologischen Psychotherapeuten/ Psychotherapeutinnen und Kinder- und Jugendlichenpsychotherapeuten/psychotherapeutinnen, Tierärzte/Tierärztinnen und Apotheker/Apothekerinnen im Saarland (Saarländisches Heilberufekammergesetz – SHKG); Gesetz über Berufsausübung, Berufsvertretungen und Berufsgerichtsbarkeit der Ärzte, Zahnärzte, Tierärzte, Apotheker sowie der Psychologischen Psychotherapeuten und der Kinder- und Jugendlichenpsychotherapeuten im Freistaat Sachsen (Sächsisches Heilberufekammergesetz – SächsHKaG) and

Thüringer Heilberufegesetz. EU/CL/ITA/Annex 10/en 69 With respect to Investment liberalisation – National treatment and Cross-border trade in services – Local presence: In FR: While other types of legal form are also available for Union investors, foreign investors only have access to the legal forms of "société d'exercice libéral" (SEL) and "société civile professionnelle" (SCP). For medical, dental and midwives services, French nationality is required. However, access by foreigners is possible within annually established quotas. For medical, dental and midwives services and services by nurses, provision through SEL à forme anonyme, à responsabilité limitée par actions simplifiée ou en commandite par actions SCP, société coopérative (for independent general and specialised practitioners only) or société interprofessionnelle de soins ambulatoires (SISA) for multidisciplinary health home (MSP) only. Measures: FR: Loi n° 90-1258 relative à l'exercice sous forme de société des professions libérales, Loi n°2011-940 du 10 août 2011 modifiant certaines dispositions de la loi n°2009-879 dite HPST, Loi n°47-1775 portant statut de la coopération; and Code de la santé publique. EU/CL/ITA/Annex 10/en 70 (b) Veterinary services (CPC 932) With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment, Most-favoured-nation treatment: In AT: Only nationals of a Member State of the EEA may provide veterinary services. The nationality requirement is waived for nationals of a non-Member State of the EEA where there is a Union agreement with that non-Member State of the EEA providing for national treatment with respect to investment and cross-border trade of veterinary services. In ES: Membership in the professional association is required for the practice of the profession and requires European Union nationality, which may be waived through a bilateral professional agreement. In FR: EEA nationality is required for the supply of veterinary services, but the nationality requirement may be waived subject to reciprocity. The legal forms available to a company providing veterinary services are limited to SCP (Société civile professionnelle) and SEL (Société d'exercice libéral). Non-discriminatory legal forms apply, however other legal forms of company provided for by French domestic law or the law of another Member State of the EEA and having their registered office, central administration or principal place of business therein may be authorised, under certain conditions. Measures: AT: Tierärztegesetz (Veterinary Act), BGBl. Nr. 16/1975, §3 (2) (3). EU/CL/ITA/Annex 10/en 71 ES: Real Decreto 126/2013, de 22 de febrero, por el que se aprueban los Estatutos Generales de la Organización Colegial Veterinaria Española; Articles 62 and 64. FR: Code rural et de la pêche maritime. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In CY: Nationality and residency condition applies for the provision of veterinary services. In EL: EEA or Swiss nationality is required for the supply of veterinary services. In HR: Only legal and natural persons established in a Member State for the purpose of conducting veterinary activities can supply cross border veterinary services in the Republic of Croatia. Only Union nationals can establish a veterinary practice in the Republic of Croatia. In HU: EEA nationality is required for membership of the Hungarian Veterinary Chamber, necessary for supplying veterinary services. Measures: CY: Law 169/1990 as amended. EL: Presidential Degree 38/2010, Ministerial Decision 165261/IA/2010 (Gov. Gazette 2157/B). EU/CL/ITA/Annex 10/en 72 HR: Veterinary Act (OG 83/13, 148/13, 115/18), Articles 3 (67), Articles 105 and 121. HU: Act CXXVII of 2012 on the Hungarian Veterinary Chamber and on the conditions how to supply Veterinary services. With respect to Cross-border trade in services – Local presence: In CZ: Physical presence in the territory is required for the supply of veterinary services. In IT and PT: Residency is required for the supply of veterinary services. In PL: Physical presence in the territory is required for the supply of veterinary services to pursue the profession of veterinary surgeon present in the territory of Poland, non-European Union nationals have to pass an exam in Polish language organised by the Polish Chambers of Veterinary Surgeons. In SI: Only legal and natural persons established in a Member State for the purpose of conducting veterinary activities can supply cross-border veterinary services into the Republic of Slovenia. In SK: Residency in the EEA is required for registration in the professional chamber, which is necessary for the exercise of the profession. Measures: CZ: Act No. 166/1999 Coll. (Veterinary Act), §58-63, 39; and EU/CL/ITA/Annex 10/en 73 Act No. 381/1991 Coll. (on the Chamber of Veterinary Surgeons of the Czech Republic), paragraph 4. IT: Legislative Decree C.P.S. 233/1946, Articles 7-9; and Decree of the President of the Republic (DPR) 221/1950, paragraph 7. PL: Law of 21st December 1990 on the Profession of Veterinary Surgeon and Chambers of Veterinary Surgeons. PT: Decree-Law 368/91 (Statute of the Veterinary Professional Association) alterado p/ Lei 125/2015, 3 set. SI: Pravilnik o priznavanju poklicnih kvalifikacij veterinarjev (Rules on recognition of professional qualifications for veterinarians), Uradni list RS, št. (Official Gazette No) 71/2008, 7/2011, 59/2014 in 21/2016, Act on services in the internal market, Official Gazette RS No 21/2010. SK: Act 442/2004 on Private Veterinary Doctors and the Chamber of Veterinary Doctors, Article 2. EU/CL/ITA/Annex 10/en 74 (c) Retail sales of pharmaceuticals, medical and orthopaedic goods and other services provided by pharmacists (CPC 63211) With respect to Investment liberalisation – National treatment, Senior management and boards of directors: In AT: The retail of pharmaceuticals and specific medical goods to the public may only be carried out through a pharmacy. Nationality of a Member State of the EEA or the Swiss Confederation is required in order to operate a pharmacy. Nationality of a Member State of the EEA or the Swiss Confederation is required for leaseholders and persons in charge of managing a pharmacy. Measures: AT: Apothekengesetz (Pharmacy Law), RGBl. Nr. 5/1907 as amended, §§ 3, 4, 12; Arzneimittelgesetz (Medication Act), BGBl. Nr. 185/1983 as amended, §§ 57, 59, 59a; and Medizinproduktegesetz (Medical Products Law), BGBl. Nr. 657/1996 as amended, § 99. With respect to Investment liberalisation – National Treatment: In DE: Only natural persons (pharmacists) are permitted to operate a pharmacy. Nationals of other countries or persons who have not passed the German pharmacy exam may only obtain a licence to take over a pharmacy which has already existed during the preceding three years. EU/CL/ITA/Annex 10/en 75 In FR: EEA or Swiss nationality is required in order to operate a pharmacy. Foreign pharmacists may be permitted to establish within annually

established quotas. Pharmacy opening must be authorised and commercial presence including sale at a distance of medicinal products to the public by means of information society services, must take one of the legal forms which are allowed under national law on a non-discriminatory basis: société d'exercice libéral (SEL) anonyme, par actions simplifiée, à responsabilité limitée unipersonnelle or pluripersonnelle, en commandite par actions, société en noms collectifs (SNC) or société à responsabilité limitée (SARL) unipersonnelle or pluripersonnelle only. Measures: DE: Gesetz über das Apothekenwesen (ApoG; German Pharmacy Act); Bundes- Apothekerordnung; Gesetz über den Verkehr mit Arzneimitteln (AMG); Gesetz über Medizinprodukte (MPG); Verordnung zur Regelung der Abgabe von Medizinprodukten (MPAV) FR: Code de la santé publique; and Loi 90-1258 du 31 décembre 1990 relative à l'exercice sous forme de société des professions libérales and Loi 2015-990 du 6 août 2015. EU/CL/ITA/Annex 10/en 76 With respect to Investment liberalisation – National Treatment: In EL: European Union nationality is required in order to operate a pharmacy. In HU: EEA nationality is required in order to operate a pharmacy. In LV: In order to commence independent practice in a pharmacy, a foreign pharmacist or pharmacist's assistant, educated in a state which is not a Member State or a Member State of the EEA, must work for at least one year in a pharmacy in a Member State of the EEA under the supervision of a pharmacist. Measures: EL: Law 5607/1932 as amended by Laws 1963/1991 and 3918/2011. HU: Act XCVIII of 2006 on the General Provisions Relating to the Reliable and Economically Feasible Supply of Medicinal Products and Medical Aids and on the Distribution of Medicinal Products. LV: Pharmaceutical Law, s. 38. EU/CL/ITA/Annex 10/en 77 With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment: In IT: The practice of the profession is possible only for natural persons enrolled in the register, as well as for juridical persons in the form of partnerships, where every partner of the company must be an enrolled pharmacist. Enrolment in the pharmacist professional register requires nationality of a Member State or residency and the practice of the profession in Italy. Foreign nationals having the necessary qualifications may enrol if they are citizens of a country with whom Italy has a special agreement, authorising the exercise of the profession, under condition of reciprocity (D. Lgsl. CPS 233/1946 Articles 7-9 and D.P.R. 221/1950 paragraphs 3 and 7). New or vacant pharmacies are authorised following a public competition. Only nationals of a Member State enrolled in the Register of pharmacists ("albo") are able to participate in a public competition. Measures: IT: Law 362/1991, Articles 1, 4, 7 and 9; Legislative Decree CPS 233/1946, Articles 7-9; and Decree of the President of the Republic (D.P.R. 221/1950, paragraphs 3 and 7). With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In CY: Nationality requirement applies for the provision of retail sales of pharmaceuticals, medical and orthopaedic goods and other services provided by pharmacists (CPC 63211). EU/CL/ITA/Annex 10/en 78 Measures: CY: Pharmacy and Poisons Law (Chapter 254) as amended. With respect to Investment liberalisation – National treatment and Cross-border services – Local presence: In BG: Permanent residency is required for pharmacists. Measures: BG: Law on Medicinal Products in Human Medicine, arts. 146, 161, 195, 222, 228. With respect to Cross-border trade in services – Local presence: In DE, SK: Residency is required in order to obtain a licence as a pharmacist or to open a pharmacy for the retail of pharmaceuticals and certain medical goods to the public. Measures: DE: Gesetz über das Apothekenwesen (ApoG; German Pharmacy Act); Gesetz über den Verkehr mit Arzneimitteln (AMG); Gesetz über Medizinprodukte (MPG); EU/CL/ITA/Annex 10/en 79 Verordnung zur Regelung der Abgabe von Medizinprodukten (MPAV). SK: Act 362/2011 on pharmaceuticals and medical devices, Article 6; and Act 578/2004 on healthcare providers, medical employees, professional organisation in healthcare. EU/CL/ITA/Annex 10/en 80 Reservation No. 4 – Research and development services Sector – sub-sector: Research and development (R&D) services Industry classification: CPC 851, 853 Type of reservation: National treatment Chapter: Investment liberalisation and Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) Description: The EU: For publicly funded research and development (R&D) services benefiting from funding provided by the European Union at the European Union level, exclusive rights or authorisations may only be granted to nationals of the Member States and to juridical persons of the European Union having their registered office, central administration or principal place of business in the Union (CPC 851, 853). For publicly funded R&D services benefiting from funding provided by a Member State exclusive rights or authorisations may only be granted to nationals of the Member State concerned and to juridical persons of the Member State concerned having their headquarters in that Member State (CPC 851, 853). EU/CL/ITA/Annex 10/en 81 This reservation is without prejudice to this Agreement and to the exclusion of procurement by a Party or subsidies, in subparagraphs (e) and (f) of Article 11.1(2) of this Agreement. Measures: EU: All currently existing and all future European Union research or innovation framework programmes, including the Horizon 2020 Rules for Participation and regulations pertaining to Joint Technology Initiatives (JTIs), and the European Institute for Innovation and Technology (EIT), as well as existing and future national, regional or local research programmes. EU/CL/ITA/Annex 10/en 82 Reservation No. 5 – Real estate services Sector – sub-sector: Real estate services Industry classification: CPC 821, 822 Type of reservation: National treatment Most-favoured-nation treatment Local presence Chapter: Investment liberalisation and Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) Description: With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In CY: For the supply of real estate services, nationality and residency condition applies. Measures: CY: The Real Estate Agents Law 71(1)/2010 as amended. EU/CL/ITA/Annex 10/en 83 With respect to Cross-border trade in services – Local presence: In CZ: Residency for natural persons and establishment for juridical persons in the Czech Republic are required to obtain the licence necessary for the provision of real estate services. In HR: Commercial presence in EEA is required to supply real estate services. In PT: EEA residency is required for natural

persons. EEA incorporation is required for juridical persons. Measures: CZ: Trade Licensing Act. HR: Real Estate Brokerage Act (OG 107/07 and 144/12), Article 2. PT: Decree-Law 211/2004 (Articles 3 and 25), as amended and republished by Decree-Law 69/2011. With respect to Investment liberalisation – National treatment and Cross-border trade in services – Local presence: In DK: For the supply of real estate services by a natural person present in the territory of Denmark, only authorised real estate agents who are natural persons that have been admitted to the Danish Business Authority's real estate agent register may use the title of "real estate agent". The act requires that the applicant be a Danish resident or a resident of the European Union, EEA or the Swiss Confederation. EU/CL/ITA/Annex 10/en 84 The Act on the sale of real estate is only applicable when providing real estate services to consumers. The Act on the sale of real estate does not apply to the leasing of real estate (CPC 822). Measures: DK: Lov om formidling af fast ejendom m.v. lov. nr. 526 af 28.05.2014 (The Act on the sale of real estate). With respect to Cross-border trade in services – National treatment, Most-favoured-nation treatment: In SI: In so far as Chile allows Slovenian nationals and enterprises to supply real estate agent services, Slovenia will allow nationals of Chile and enterprises to supply real estate agent services under the same conditions, in addition to the fulfilment of the following requirements: entitlement to act as a real estate agent in the country of origin, submission of the relevant document on impunity in criminal procedures, and inscription into the registry of real estate agents at the competent (Slovenian) ministry. Measures: SI: Real Estate Agencies Act. EU/CL/ITA/Annex 10/en 85 Reservation No. 6 – Business services Sector – sub-sector: Business services – rental or leasing services without operators; services related to management consulting; technical testing and analyses; related scientific and technical consulting services; services incidental to agriculture; security services; placement services; translation and interpretation services and other business services Industry classification: ISIC Rev. 3.1 37, part of CPC 612, part of 621, part of 625, 831, part of 85990, 86602, 8675, 8676, 87201, 87202, 87203, 87204, 87205, 87206, 87209, 87901, 87902, 87909, 88, part of 893 Type of reservation: National treatment Most-favoured-nation treatment Senior management and boards of directors Local presence Chapter: Investment liberalisation and Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) EU/CL/ITA/Annex 10/en 86 Description: (a) Rental or leasing services without operators (CPC 83103, CPC 831) With respect to Investment liberalisation – National treatment: In SE: To fly the Swedish flag, proof of dominating Swedish operating influence must be shown in case of foreign ownership interests in ships. Dominating Swedish operating influence means that the operation of the ship is located in Sweden and that the ship also has more than half of the shares of either Swedish ownership or ownership of persons in another EEA country. Other foreign ships may under certain conditions be granted an exemption from this rule where they are rented or leased by Swedish juridical persons through bareboat charter contracts (CPC 83103). Measures: SE: Sjölagen (Maritime Law) (1994:1009), Chapter 1, § 1. With respect to Cross-border trade in services – Local presence: In SE: Suppliers of rental or leasing services of cars and certain off-road vehicles (terrängmotorfordon) without a driver, rented or leased for a period of less than one year, are obliged to appoint someone to be responsible for ensuring, among other things, that the business is conducted in accordance with applicable rules and regulations and that the road traffic safety rules are followed. The responsible person must reside in the EEA (CPC 831). EU/CL/ITA/Annex 10/en 87 Measures: SE: Lag (1998: 492) om biluthyrning (Act on renting and leasing cars). (b) Rental or leasing services and other business services related to aviation (CPC 83104) With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment, and Cross-border trade in services – National treatment, Most-favoured-nation treatment: The EU: For rental or leasing of aircraft without crew (dry lease), aircraft used by an air carrier of the European Union are subject to applicable aircraft registration requirements. A dry lease agreement to which a European Union carrier is a party shall be subject to requirements in the European Union or national law on aviation safety, such as prior approval and other conditions applicable to the use of third countries' registered aircraft. To be registered, aircraft may be required to be owned either by natural persons meeting specific nationality criteria or by enterprises meeting specific criteria regarding ownership of capital and control (CPC 83104). EU/CL/ITA/Annex 10/en 88 With respect to computer reservation system (CRS) services, where European Union air carriers are not accorded, by CRS services suppliers operating outside the European Union, equivalent (meaning non-discriminatory) treatment to the treatment provided by European Union CRS service suppliers to air carriers of a third country in the European Union, or where European Union CRS services suppliers are not accorded, by non-European Union air carriers, equivalent treatment to the treatment provided by air carriers in the European Union to CRS service suppliers of a third country, measures may be taken to accord the equivalent discriminatory treatment, respectively, to the non-European Union air carriers by the CRS services suppliers operating in the European Union, or to the non-European Union CRS services suppliers by European Union air carriers. Measures: EU: Regulation (EC) No 1008/2008 of the European Parliament and of the Council1; and Regulation (EC) No 80/2009 of the European Parliament and of the Council2. 1 Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community (OJ EU L 293, 31.10.2008, p. 3). 2 Regulation (EC) No 80/2009 of the European Parliament and of the Council of 14 January 2009 on a Code of Conduct for computerised reservation systems and repealing Council Regulation (EEC) No 2299/89 (OJ EU L 35, 4.2.2009, p. 47). EU/CL/ITA/Annex 10/en 89 With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In BE: Private (civil) aircraft belonging to natural persons who are not nationals of a Member State of the EEA may only be registered if they are domiciled or resident in Belgium without interruption for at least one year. Private (civil) aircraft belonging to foreign legal entities not formed in accordance with the law of a member state of the EEA may only be registered if they have a seat of operations, an agency or an office in Belgium without interruption for at least one

year (CPC 83104). Measures: BE: Arrêté Royal du 15 mars 1954 réglementant la navigation aérienne. (c) Services related to management consulting – arbitration and conciliation services (CPC 86602) With respect to Cross-border trade in services – National treatment, Local presence: In BG: For mediation, permanent or long-term residency in the Republic of Bulgaria is required for citizens of countries other than a member state of the EEA or the Swiss Confederation. In HU: An authorisation, by means of admission into the register, by the minister in charge of the juridical system is required for the pursuit of mediation (such as arbitration and conciliation) activities which may only be granted to legal or natural persons that are established in or resident in Hungary. EU/CL/ITA/Annex 10/en 90 Measures: BG: Mediation Act, Art. 8. HU: Act LV of 2002 on Mediation. (d) Technical testing and analysis services (CPC 8676) With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In CY: The provision of services by chemists and biologists requires nationality of a Member State. In FR: The professions of biologist are reserved for natural persons, EEA nationality required. Measures: CY: Registration of Chemists Law of 1988 (Law 157/1988), as amended. FR: Code de la Santé Publique. With respect to Investment liberalisation – National treatment and Cross-border trade in services – Local presence: In BG: Establishment in Bulgaria according to the Bulgarian Commercial Act and registration in the Commercial register is required for provision of technical testing and analysis services. EU/CL/ITA/Annex 10/en 91 For the periodical inspection for proof of technical condition of road transport vehicles, the person should be registered in accordance with the Bulgarian Commercial Act or the Non- Profit Legal Persons Act, or else be registered in another Member State of the EEA. The testing and analysis of the composition and purity of air and water may be conducted only by the Ministry of Environment and Water of Bulgaria, or its agencies in cooperation with the Bulgarian Academy of Sciences. Measures: BG: Technical Requirements towards Products Act; Measurement Act; Clean Ambient Air Act; and Water Act, Ordinance N-32 for the periodical inspection for proof of technical condition of road transport vehicles. EU/CL/ITA/Annex 10/en 92 With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment, Most-favoured-nation treatment, Local presence: In IT: For biologists, chemical analysts, agronomists and "periti agrari", residency and enrolment in the professional register are required. Third-country nationals can enrol under condition of reciprocity. Measures: IT: Biologists, chemical analysts: Law 396/1967 on the profession of biologists; and Royal Decree 842/1928 on the profession of chemical analysts. (e) Related scientific and technical consulting services (CPC 8675) With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment, Most-favoured-nation treatment, Local presence: In IT: Residency or professional domicile in Italy is required for enrolment in the geologists' register, which is necessary for the practice of the professions of surveyor or geologist in order to provide services relating to the exploration and the operation of mines, etc. Nationality of a Member State is required; however, foreigners may enrol under condition of reciprocity. Measures: IT: Geologists: Law 112/1963, Articles 2 and 5; D.P.R. 1403/1965, Article 1. EU/CL/ITA/Annex 10/en 93 With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In BG: For natural persons, nationality and residency of a Member State of the EEA or the Swiss Confederation is required in order to execute functions pertinent to geodesy, cartography and cadastral surveying. For legal entities, trade registration under the legislation of a Member State of the EEA or the Swiss Confederation is required. Measures: BG: Cadastre and Property Register Act; and Geodesy and Cartography Act. With respect to Investment liberalisation – National Treatment and Cross-border trade in services – National treatment: In CY: Nationality requirement applies for the provision of relevant services. Measures: CY: Law 224/1990 as amended. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In FR: For exploration and prospecting services establishment is required. This requirement may be waived for scientific researchers, by decision of the Minister of scientific research, in agreement with the Minister of Foreign affairs. EU/CL/ITA/Annex 10/en 94 Measures: FR: Loi 46-942 du 7 mai 1946 and décret n°71-360 du 6 mai 1971. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In HR: Services of basic geological, geodetic and mining consulting as well as related environmental protection consulting services in the territory of Croatia can be carried out only jointly with or through domestic juridical persons. Measures: HR: Ordinance on requirements for issuing approvals to juridical persons for performing professional environmental protection activities (OG No. 57/10), Arts. 32-35. (f) Services incidental to agriculture (part of CPC 88) With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Most-favoured-nation treatment, Local presence: In IT: For biologists, chemical analysts, agronomists and "periti agrari", residency and enrolment in the professional register are required. Third-country nationals can enrol under condition of reciprocity. EU/CL/ITA/Annex 10/en 95 Measures: IT: Biologists, chemical analysts: Law 396/1967 on the profession of biologists; and Royal Decree 842/1928 on the profession of chemical analysts. With respect to Investment liberalisation – Most-favoured-nation treatment and Cross-border trade in services – Most-favoured-nation treatment: In PT: The professions of biologist, chemical analyst and agronomist are reserved for natural persons. For third-country nationals, reciprocity regime applies in the case of engineers and technical engineers (and not a citizenship requirement). For biologists, there is not a citizenship requirement nor a reciprocity requirement. Measures: PT: Decree Law 119/92 alterado p/ Lei 123/2015, 2 set. (Ordem Engenheiros); Law 47/2011 alterado p/ Lei 157/2015, 17 set. (Ordem dos Engenheiros Técnicos); and Decree Law 183/98 alterado p/ Lei 159/2015, 18 set. (Ordem dos Biólogos). EU/CL/ITA/Annex 10/en 96 (g) Security Services (CPC 87302, 87303, 87304, 87305, 87309) With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In IT: Nationality of a Member State and residency

is required in order to obtain the necessary authorisation to supply security guard services and the transport of valuables. In PT: The provision of security services by a foreign supplier on a cross-border basis is not allowed. A nationality requirement exists for specialised personnel. Measures: IT: Law on public security (TULPS) 773/1931, Articles 133-141; Royal Decree 635/1940, Article 257. PT: Law 34/2013 alterada p/ Lei 46/2019, 16 maio; and Ordinance 273/2013 alterada p/ Portaria 106/2015, 13 abril. With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – Local presence: In DK: Residence requirement for individuals applying for an authorisation to provide security services. EU/CL/ITA/Annex 10/en 97 Residence is also required for managers and the majority of members of the board of a legal entity applying for an authorisation to conduct security services. However, residence for management and boards of directors is not required to the extent it follows from international agreements or orders issued by the Minister for Justice. Measures: DK: Lovbekendtgørelse 2016-01-11 nr. 112 om vagtvirksomhed. With respect to Cross-border trade in services – Local presence: In EE: Residency is required for security guards. Measures: EE: Turvaseadus (Security Act) § 21, § 22. EU/CL/ITA/Annex 10/en 98 (h) Placement Services (CPC 87201, 87202, 87203, 87204, 87205, 87206, 87209) With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment (applies to the regional level of government): In BE: In all Regions in Belgium, a company having its head office outside the EEA has to demonstrate that it supplies placement services in its country of origin. In the Walloon Region, a specific type of legal entity (régulièrement constituée sous la forme d'une personne morale ayant une forme commerciale, soit au sens du droit belge, soit en vertu du droit d'un Etat membre ou régie par celui-ci, quelle que soit sa forme juridique) is required to supply placement services. A company having its head office outside the EEA has to demonstrate that it fulfils the conditions as set out in the Decree (for instance on the type of legal entity). In the German-speaking community, a company having its head office outside the EEA has to fulfil the admission criteria established by the mentioned Decree (CPC 87202). Measures: BE: Flemish Region: Article 8, § 3, Besluit van de Vlaamse Regering van 10 december 2010 tot uitvoering van het decreet betreffende de private arbeidsbemiddeling. Walloon Region: Décret du 3 avril 2009 relatif à l'enregistrement ou à l'agrément des agences de placement (Decree of 3 April 2009 on registration of placement agencies), Article 7; and Arrêté du Gouvernement wallon du 10 décembre 2009 portant exécution du décret du 3 avril 2009 relatif à l'enregistrement ou à l'agrément des agences de placement (Decision of the Walloon Government of 10 December 2009 implementing the Decree of 3 April 2009 on registration of placement agencies), Article 4. EU/CL/ITA/Annex 10/en 99 German-speaking community: Dekret über die Zulassung der Leiharbeitsvermittler und die Überwachung der privaten Arbeitsvermittler / Décret du 11 mai 2009 relatif à l'agrément des agences de travail intérimaire et à la surveillance des agences de placement privées, Article 6. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In DE: Nationality of a Member State of the EEA or a commercial presence in the European Union is required in order to obtain a licence to operate as a temporary employment agency (pursuant to s. 3 paragraphs 3 to 5 of this Act on temporary agency work (Arbeitnehmerüberlassungsgesetz). The Federal Ministry of Labour and Social Affairs may issue a regulation concerning the placement and recruitment of non-EEA personnel for specified professions e.g. for health and care related professions. The licence or its extension shall be refused if establishments, parts of establishments or ancillary establishments which are not located in the EEA are intended to execute the temporary employment (pursuant to Sec. 3 paragraph 2 of the Act on temporary agency work (Arbeitnehmerüberlassungsgesetz). In ES: Prior to the start of the activity, placement agencies are required to submit a sworn statement certifying the fulfilment of the requirements stated by the current legislation (CPC 87201, 87202). Measures: DE: Gesetz zur Regelung der Arbeitnehmerüberlassung (AÜG); EU/CL/ITA/Annex 10/en 100 Sozialgesetzbuch Drittes Buch (SGB III; Social Code, Book Three) – Employment Promotion; Verordnung über die Beschäftigung von Ausländerinnen und Ausländern (BeschV; Ordinance on the Employment of Foreigners). ES: Real Decreto-ley 8/2014, de 4 de julio, de aprobación de medidas urgentes para el crecimiento, la competitividad y la eficiencia (tramitado como Ley 18/2014, de 15 de octubre). (i) Translation and interpretation services (CPC 87905) With respect to Investment liberalisation – National treatment: In BG: To carry out official translation activities foreign natural persons are required to hold a permit for long-term, prolonged or permanent residency in the Republic of Bulgaria. Measures: BG: Regulation for the legalisation, certification and translation of documents. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In CY: Registration to the Register of Sworn Translators of the Council of Registration of Sworn Translators is necessary for the provision of official translation and certification services. Nationality requirement applies. EU/CL/ITA/Annex 10/en 101 In HR: EEA nationality is required for certified translators. Measures: CY: The Registration and Regulation of Certified Translator Services Law of 2019 (45(I)/2019) as amended. HR: Ordinance on permanent court interpreters (OG 88/2008), Article 2. With respect to Cross-border trade in services – Local presence: In FI: Residency in the EEA is required for certified translators. Measures: FI: Laki auktorisoiduista kääntäjistä (Act on Authorised Translators) (1231/2007), 2 § paragraph 1. (j) Other business services (part of CPC 612, part of 621, part of 625, 87901, 87902, 88493, part of 893, part of 85990, 87909, ISIC 37) With respect to Cross-border trade in services – Local presence: In SE: Establishment is required for Pawn-shops (part of CPC 87909). Measures: SE: Pawn shop act (1995:1000). EU/CL/ITA/Annex 10/en 102 With respect to Investment liberalisation – National Treatment: In PT: Nationality of a Member State is required for the provision of collection agency services and credit reporting services (CPC 87901, 87902). Measures: PT: Law 49/2004. With respect to Investment liberalisation – National Treatment and Cross-border trade in services – Local presence: In CZ: Auction services are subject to licence. To obtain a licence (for the supply of voluntary public auctions), a company must be incorporated in the Czech Republic and a

natural person is required to obtain a residency permit, and the company, or natural person must be registered in the Commercial Register of the Czech Republic (part of CPC 612, part of 621, part of 625, part of 85990). Measures: CZ: Act no.455/1991 Coll.; Trade Licence Act; and Act no. 26/2000 Coll., on public auctions. EU/CL/ITA/Annex 10/en 103 With respect to Cross-border trade in services – Local presence: In CZ: Only an authorised package company is allowed to supply services relating to packaging take-back and recovery and must be established as juridical person (CPC 88493, ISIC 37). Measures: CZ: Act. 477/2001 Coll. (Packaging Act) paragraph 16. EU/CL/ITA/Annex 10/en 104 Reservation No. 7 – Construction Services Sector – sub-sector: Construction and related engineering services Industry classification: CPC 51 Type of reservation: National treatment Chapter: Investment liberalisation; Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) Description: In CY: Nationality requirement. Measure: CY: The Registration and Control of Contractors of Building and Technical Works Law of 2001 (29 (I) / 2001), Articles 15 and 52. EU/CL/ITA/Annex 10/en 105 Reservation No. 8 – Distribution services Sector – sub-sector: Distribution services – general, distribution of tobacco Industry classification: CPC 3546, part of 621, 6222, 631, part of 632 Type of reservation: National treatment Local presence Chapter: Investment liberalisation; Cross-Border trade in services Level of government: EU/Member State (unless otherwise specified) Description: (a) Distribution services (CPC 3546, 631, 632 except 63211, 63297, 62276, part of 621) With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In CY: Nationality requirement exists for distribution services provided by pharmaceutical representatives (CPC 62117). EU/CL/ITA/Annex 10/en 106 Measures: CY: Law 74(I) 2020 as amended. With respect to Cross-border trade in services – Local presence: In LT: The distribution of pyrotechnics is subject to licensing. Only juridical persons of the European Union may obtain a licence (CPC 3546). Measures: LT: Law on Supervision of Civil Pyrotechnics Circulation (23 March 2004. No. IX-2074). (b) Distribution of tobacco (part of CPC 6222, 62228, part of 6310, 63108) With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In ES: Establishment is subject to a Member State nationality requirement. Only natural persons may operate as a tobacconist. Each tobacconist cannot obtain more than one licence (CPC 63108). In FR: Nationality requirement for tobacconists (buraliste) (part of CPC 6222, part of 6310). Measures: ES: Law 14/2013 of 27 September 2014. EU/CL/ITA/Annex 10/en 107 FR: Code général des impôts. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In AT: Authorisations are given with priority to nationals of a Member State of the EEA (CPC 63108). Measures: AT: Tobacco Monopoly Act 1996, § 5 and § 27. With respect to Cross-border trade in services – National treatment: In IT: In order to distribute and sell tobacco, a licence is needed. The licence is granted through public procedures. The granting of licences is subject to an economic needs test. Main criteria: population and geographical density of existing selling points (part of CPC 6222, part of 6310). Measures: IT: Legislative Decree 184/2003; Law 165/1962; EU/CL/ITA/Annex 10/en 108 Law 3/2003; Law 1293/1957; Law 907/1942; and Decree of the President of the Republic (D.P.R.) 1074/1958. EU/CL/ITA/Annex 10/en 109 Reservation No. 9 – Education services Sector – sub-sector: Education services (privately funded) Industry classification: CPC 921, 922, 923, 924 Type of reservation: National treatment Senior management and boards of directors Local presence Chapter: Investment liberalisation; Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) Description: With respect to Investment liberalisation – National treatment, Senior management and boards of directors: In CY: Nationality of a Member State is required for owners and majority shareholders in a privately funded school. Nationals of Chile may obtain authorisation from the Minister of Education in accordance with the specified form and conditions. EU/CL/ITA/Annex 10/en 110 Measures: CY: Private Schools Law of 2019 (N. 147(I)/2019), as amended; The Institutions of Tertiary Education Law 1996 (N. 67(I)/1996) as amended; and the Private Universities (Establishment, Operation and Control) Law 2005 (N. 109(I)/2005) as amended. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In BG: Privately funded primary and secondary education services may only be supplied by authorised Bulgarian enterprises (commercial presence is required). Bulgarian kindergartens and schools having foreign participation may be established or transformed at the request of associations, or corporations, or enterprises of Bulgarian and foreign natural or legal entities, duly registered in Bulgaria, by decision of the Council of Ministers on a motion by the Minister of Education and Science. Foreign owned kindergartens and schools may be established or transformed at the request of foreign legal entities in accordance with international agreements and conventions and under the provisions above. Foreign higher education institutions cannot establish subsidiaries in the territory of Bulgaria. Foreign higher education institutions may open faculties, departments, institutes and colleges in Bulgaria only within the structure of Bulgarian high schools and in cooperation with them (CPC 921, 922). Measures: BG: Pre-school and School Education Act; and Law for the Higher Education, paragraph 4 of the additional provisions. EU/CL/ITA/Annex 10/en 111 With respect to Investment liberalisation – National treatment, Local presence: In SI: Privately funded elementary schools may be founded by Slovenian natural or juridical persons only. The service supplier must establish a registered office or branch office (CPC 921). Measures: SI: Organisation and Financing of Education Act (Official Gazette of Republic of Slovenia, no. 12/1996) and its revisions, Article 40. With respect to Cross-border trade in services – Local presence: In CZ and SK: Establishment in a Member State is required to apply for state approval to operate as a privately funded higher education institution. This reservation does not apply to post-secondary technical and vocational education services (CPC 92310). Measures: CZ: Act No. 111/1998, Coll. (Higher Education Act), § 39; and Act No. 561/2004 Coll. on Pre-school, Basic, Secondary, Tertiary Professional and Other Education (the Education Act). SK: Law No. 131 of 21 February 2002 on Universities. EU/CL/ITA/Annex 10/en 112 With respect to Investment liberalisation – National treatment,

Senior management and boards of directors and Cross-border trade in services – Local presence: In EL: Nationality of a Member State is required for owners and a majority of the members of the board of directors in privately funded primary and secondary schools, and for teachers in privately funded primary and secondary education (CPC 921, 922). Education at university level shall be provided exclusively by institutions which are fully self-governed public law juridical persons. However, Law 3696/2008 permits the establishment by European Union residents (natural or juridical persons) of private tertiary education institutions granting certificates which are not recognised as being equivalent to university degrees (CPC 923). Measures: EL: Laws 682/1977, 284/1968, 2545/1940, Presidential Decree 211/1994 as amended by Presidential Decree 394/1997, Constitution of Hellas, Article 16, paragraph 5 and Law 3549/2007. With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment: In FR: Nationality of a Member State is required in order to teach in a privately funded educational institution (CPC 921, 922, 923). However, nationals of Chile may obtain an authorisation from the relevant competent authorities in order to teach in primary, secondary and higher level educational institutions. Nationals of Chile may also obtain an authorisation from the relevant competent authorities in order to establish and operate or manage primary, secondary or higher level educational institutions. Such authorisation is granted on a discretionary basis. EU/CL/ITA/Annex 10/en 113 Measures: FR: Code de l'éducation. With respect to Investment – National treatment and Cross-border trade in services – National treatment: In MT: Service suppliers seeking to provide privately funded higher or adult education services must obtain a licence from the Ministry of Education and Employment. The decision on whether to issue a licence may be discretionary (CPC 923, 924). Measures: MT: Legal Notice 296 of 2012. EU/CL/ITA/Annex 10/en 114 Reservation No. 10 – Environmental services Sector – sub-sector: Environmental services – processing and recycling of used batteries and accumulators, old cars and waste from electrical and electronic equipment; protection of ambient air and climate cleaning services of exhaust gases Industry classification: Part of CPC 9402, 9404 Type of reservation: Local presence Chapter: Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) Description: In SE: Only entities established in Sweden or having their principal seat in Sweden are eligible for accreditation to perform control services of exhaust gas (CPC 9404). In SK: For processing and recycling of used batteries and accumulators, waste oils, old cars and waste from electrical and electronic equipment, incorporation in the EEA is required (residency requirement) (part of CPC 9402). Measures: SE: The Vehicles Act (2002:574). SK: Act 79/2015 on Waste. EU/CL/ITA/Annex 10/en 115 Reservation No. 11 – Health services and social services Sector – sub-sector: Health services and social services Industry classification: CPC 931, 933 Type of reservation: National treatment Chapter: Investment liberalisation and Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) Description: With respect to Investment liberalisation – National treatment: In FR: For hospital and ambulance services, residential health facilities (other than hospital services) and social services, an authorisation is necessary in order to exercise management functions. The authorisation process takes into account the availability of local managers. Measures: FR: Loi n° 90-1258 relative à l'exercice sous forme de société des professions libérales, Loi n° 2011-940 du 10 août 2011 modifiant certaines dispositions de la Loi n° 2009-879 dite HPST, Loi n° 47-1775 portant statut de la coopération; and Code de la santé publique. EU/CL/ITA/Annex 10/en 116 Reservation No. 12 – Tourism and travel related services Sector – sub-sector: Tourism and travel related services – hotels, restaurants and catering; travel agencies and tour operators services (including tour managers); tourist guides services Industry classification: CPC 641, 642, 643, 7471, 7472 Type of reservation: National treatment Senior management and boards of directors Local presence Chapter: Investment liberalisation; Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) EU/CL/ITA/Annex 10/en 117 Description: With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment: In BG: Tour operation or travel agency services may be provided by a person established in the EEA if, upon establishment in the territory of Bulgaria, the said person presents a copy of a document certifying the right thereof to practice that activity and a certificate or another document issued by a credit institution or an insurer containing data of the existence of insurance covering the liability of the said person for damage which may ensue as a result of a culpable non-fulfilment of professional duties. The number of foreign managers may not exceed the number of managers who are Bulgarian nationals, in cases where the public (state or municipal) share in the equity capital of a Bulgarian company exceeds 50 %. EEA nationality requirement for tourist guides (CPC 641, 642, 643, 7471, 7472). Measures: BG: Law for Tourism, Articles 61, 113 and 146. EU/CL/ITA/Annex 10/en 118 With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In CY: A licence to establish and operate a tourism and travel company or agency, as well as the renewal of an operating licence of an existing company or agency, shall be granted only to European Union natural or juridical persons. No non-resident company, except those established in another Member State, can provide in the Republic of Cyprus, on an organised or permanent basis, the activities referred to under Article 3 of the abovementioned Law, unless represented by a resident company. The provision of tourist guide services and travel agencies and tour operators services requires nationality of a Member State (CPC 7471, 7472). Measures: CY: The Tourism and Travel Offices and Tourist Guides Law 1995 (Law 41(I)/1995) as amended). With respect to Investment liberalisation –National treatment, Most-favoured-nation treatment and Cross-border trade in services –National treatment, Most-favoured-nation treatment: In EL: Third-country nationals have to obtain a diploma from the Tourist Guide Schools of the Greek Ministry of Tourism, in order to be entitled to the right of practicing the profession. By exception, the right of practicing the profession can be temporarily (up to one year) accorded to third-country nationals under certain explicitly defined conditions, by way of derogation from the above-

mentioned provisions, in the event of the confirmed absence of a tourist guide for a specific language. EU/CL/ITA/Annex 10/en 119 Measures: EL: Presidential Degree 38/2010, Ministerial Decision 165261/IA/2010 (Gov. Gazette 2157/B), Article 50 of the law 4403/2016, Article 47 of the law 4582/2018 (Gov. Gazette 208/A). With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In ES (for ES applies also to the regional level of government): Nationality of a Member State is required for the provision of tourist guide services (CPC 7472). In HR: EEA nationality is required for hospitality and catering services in households and rural homesteads (CPC 641, 642, 643, 7471, 7472). Measures: ES: Andalucía: Decreto 8/2015, de 20 de enero, Regulador de guías de turismo de Andalucía; Aragón: Decreto 21/2015, de 24 de febrero, Reglamento de Guías de turismo de Aragón; Cantabria: Decreto 51/2001, de 24 de julio, Article 4, por el que se modifica el Decreto 32/1997, de 25 de abril, por el que se aprueba el reglamento para el ejercicio de actividades turístico-informativas privadas; Castilla y León: Decreto 25/2000, de 10 de febrero, por el que se modifica el Decreto 101/1995, de 25 de mayo, por el que se regula la profesión de guía de turismo de la Comunidad Autónoma de Castilla y León; EU/CL/ITA/Annex 10/en 120 Castilla la Mancha: Decreto 86/2006, de 17 de julio, de Ordenación de las Profesiones Turísticas; Cataluña: Decreto Legislativo 3/2010, de 5 de octubre, para la adecuación de normas con rango de ley a la Directiva 2006/123/CE, del Parlamento y del Consejo, de 12 de diciembre de 2006, relativa a los servicios en el mercado interior, Article 88; Comunidad de Madrid: Decreto 84/2006, de 26 de octubre del Consejo de Gobierno, por el que se modifica el Decreto 47/1996, de 28 de marzo; Comunidad Valenciana: Decreto 90/2010, de 21 de mayo, del Consell, por el que se modifica el reglamento regulador de la profesión de guía de turismo en el ámbito territorial de la Comunitat Valenciana, aprobado por el Decreto 62/1996, de 25 de marzo, del Consell; Extremadura: Decreto 37/2015, de 17 de marzo; Galicia: Decreto 42/2001, de 1 de febrero, de Refundición en materia de agencias de viajes, guias de turismo y turismo activo; Illes Balears: Decreto 136/2000, de 22 de septiembre, por el cual se modifica el Decreto 112/1996, de 21 de junio, por el que se regula la habilitación de guía turístico en las Islas Baleares; Islas Canarias: Decreto 13/2010, de 11 de febrero, por el que se regula el acceso y ejercicio de la profesión de guía de turismo en la Comunidad Autónoma de Canarias, Article 5; La Rioja: Decreto 14/2001, de 4 de marzo, Reglamento de desarrollo de la Ley de Turismo de La Rioja; EU/CL/ITA/Annex 10/en 121 Navarra: Decreto Foral 288/2004, de 23 de agosto. Reglamento para actividad de empresas de turismo activo y cultural de Navarra. Principado de Asturias: Decreto 59/2007, de 24 de mayo, por el que se aprueba el Reglamento regulador de la profesión de Guía de Turismo en el Principado de Asturias; and Región de Murcia: Decreto n.º 37/2011, de 8 de abril, por el que se modifican diversos decretos en materia de turismo para su adaptación a la ley 11/1997, de 12 de diciembre, de turismo de la Región de Murcia tras su modificación por la ley 12/2009, de 11 de diciembre, por la que se modifican diversas leyes para su adaptación a la directiva 2006/123/CE, del Parlamento Europeo y del Consejo de 12 de diciembre de 2006, relativa a los servicios en el mercado interior. HR: Hospitality and Catering Industry Act (OG 138/06, 152/08, 43/09, 88/10 i 50/12); and Act on Provision of Tourism Services (OG No. 68/07 and 88/10). With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In HU: The supply of travel agent and tour operator services, and tourist guide services on a cross-border basis is subject to a licence issued by the Hungarian Trade Licensing Office. Licences are reserved to EEA nationals and juridical persons having their seats in the EEA (CPC 7471, 7472). EU/CL/ITA/Annex 10/en 122 In IT (applies also to the regional level of government): tourist guides from non-European Union countries need to obtain a specific licence from the region in order to act as a professional tourist guide. Tourist guides from Member States can work freely without the requirement for such a licence. The licence is granted to tourist guides demonstrating adequate competence and knowledge (CPC 7472). Measures: HU: Act CLXIV of 2005 on Trade, Government Decree No. 213/1996 (XII.23.) on Travel Organisation and Agency Activities. IT: Law 135/2001 Articles 7.5 and 6; and Law 40/2007 (DL 7/2007). EU/CL/ITA/Annex 10/en 123 Reservation No. 13 – Recreational, cultural and sporting services Sector – sub-sector: Recreational services; other sporting services Industry classification: CPC 962, part of 96419 Type of reservation: National treatment Senior management and boards of directors Chapter: Investment liberalisation; Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) Description: (a) News and press agencies (CPC 962) With respect to Investment liberalisation – National treatment, Senior management and boards of directors: In CY: Establishment and operation of press agencies/sub-agencies in Cyprus is granted only to citizens of Cyprus or EU citizens or to legal entities governed by citizens of Cyprus or EU citizens. Measures: CY: Press Law (N.145/89) as amended. EU/CL/ITA/Annex 10/en 124 (b) Other sporting services (CPC 96419) With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment: In AT (applies to the regional level of government): The operation of ski schools and mountain guide services is governed by the laws of the Bundesländer. The provision of these services may require nationality of a Member State of the EEA. Enterprises may be required to appoint a managing director who is a national of a Member State of the EEA. Measures: AT: Kärntner Schischulgesetz, LGBL. Nr. 53/97; Kärntner Berg- und Schiführergesetz, LGBL. Nr. 25/98; NÖ- Sportgesetz, LGBL. Nr. 5710; OÖ- Sportgesetz, LGBl. Nr. 93/1997; Salzburger Schischul- und Snowboardschulgesetz, LGBL. Nr. 83/89; Salzburger Bergführergesetz, LGBL. Nr. 76/81; Steiermärkisches Schischulgesetz, LGBL. Nr. 58/97; Steiermärkisches Berg- und Schiführergesetz, LGBL. Nr. 53/76; EU/CL/ITA/Annex 10/en 125 Tiroler Schischulgesetz. LGBL. Nr. 15/95; Tiroler Bergsportführergesetz, LGBL. Nr. 7/98; Vorarlberger Schischulgesetz, LGBL. Nr. 55/02 §4 (2)a; Vorarlberger Bergführergesetz, LGBL. Nr. 54/02; and Wien: Gesetz über die Unterweisung in Wintersportarten, LGBL. Nr. 37/02. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In CY: Nationality requirement for the establishment of a dance school and nationality requirement for physical instructors.

Measures: CY: Law 65(I)/1997 as amended; and Law 17(I)/1995 as amended. EU/CL/ITA/Annex 10/en 126 Reservation No. 14 – Transport services and services auxiliary to transport services Sector – sub-sector: Transport services – fishing and water transportation – any other commercial activity undertaken from a ship; water transportation and auxiliary services for water transport; rail transport and auxiliary services to rail transport; road transport and services auxiliary to road transport; services auxiliary to air transport services Industry classification: ISIC Rev. 3.1 0501, 0502; CPC 5133, 5223, 711, 712, 721, 741, 742, 743, 744, 745, 748, 749, 7461, 7469, 83103, 86751, 86754, 8730, 882 Type of reservation: National treatment Most-favoured-nation treatment Senior management and boards of directors Local presence Chapter: Investment liberalisation; Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) EU/CL/ITA/Annex 10/en 127 Description: (a) Maritime transport and auxiliary services for maritime transport. Any commercial activity undertaken from a ship (ISIC Rev. 3.1 0501, 0502; CPC 5133, 5223, 721, Part of 742, 745, 74540, 74520, 74590, 882) With respect to Investment liberalisation – National treatment, Senior management and boards of directors; Cross-border trade in services – National treatment: In BG: The carriage and any activities related to hydraulic-engineering and underwater technical works, prospecting and extraction of mineral and other inorganic resources, pilotage, bunkering, receipt of waste, water-and-oil mixtures and other such, performed by vessels in the internal waters, and the territorial sea of Bulgaria, may only be performed by vessels flying the Bulgarian flag or vessels flying the flag of another Member State. Nationality requirement for supporting services. The master and the chief engineer of the vessel shall mandatorily be nationals of a Member State of the EEA, or of the Swiss Confederation (ISIC Rev. 3.1 0501, 0502, CPC 5133, 5223, 721, 74520, 74540, 74590, 882). Measures: BG: Merchant Shipping Code; Law For the Sea Water, Inland Waterways and Ports of the Republic of Bulgaria; Ordinance for the condition and order for selection of Bulgarian carriers for carriage of passengers and cargoes under international treaties; and Ordinance 3 for servicing of unmanned vessels. EU/CL/ITA/Annex 10/en 128 With respect to Cross-border trade in services – Local presence: In DK: Pilotage-providers may only conduct pilotage service in Denmark if they are domiciled in the EEA and registered and approved by the Danish Authorities in accordance with the Danish Act on Pilotage (CPC 74520). Measures: DK: Danish Pilotage Act, §18. With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment, Most-favoured-nation treatment: In DE (applies also to the regional level of government): A vessel that does not belong to a national of a Member State may only be used for activities other than transport and auxiliary services in the German federal waterways after specific authorisation. Waivers for non- European Union vessels may only be granted if no European Union vessels are available or if they are available under very unfavourable conditions, or on the basis of reciprocity. Waivers for vessels flying under Chilean flag may be granted on the basis of reciprocity (§ 2 paragraph 3 KüSchVO). All activities falling within the scope of the pilot law are regulated and accreditation is restricted to nationals of the EEA or the Swiss Confederation. Provision and operation of facilities for pilotage is restricted to public authorities or companies, which are designated by them. EU/CL/ITA/Annex 10/en 129 For rental or leasing of seagoing vessels with or without operators, and for rental or leasing without operator of non-seagoing vessels, the conclusion of contracts for freight transport by ships flying a foreign flag or the chartering of such vessels may be restricted, depending on the availability of ships flying under the German flag or the flag of another Member State. Transactions between residents and non-residents within the economic area may be restricted (Water transport, Supporting services for water transport, Rental of ships, Leasing services of ships without operators (CPC 721, 745, 83103, 86751, 86754, 8730)), if they concern: (i) rental of inland waterway transport vessels, which are not registered in the economic area; (ii) transport of freight with such inland waterway transport vessels; or (iii) towing services by such inland waterway transport vessels. Measures: DE: Gesetz über das Flaggenrecht der Seeschiffe und die Flaggenführung der Binnenschiffe (Flaggenrechtsgesetz; Flag Protection Act); Verordnung über die Küstenschifffahrt (KüSchV); Gesetz über die Aufgaben des Bundes auf dem Gebiet der Binnenschiffahrt (Binnenschiffahrtsaufgabengesetz – BinSchAufgG); EU/CL/ITA/Annex 10/en 130 Verordnung über Befähigungszeugnisse in der Binnenschiffahrt (Binnenschifferpatentverordnung – BinSchPatentV); Gesetz über das Seelotswesen (Seelotsgesetz – SeeLG); Gesetz über die Aufgaben des Bundes auf dem Gebiet der Seeschiffahrt (Seeaufgabengesetz – SeeAufgG); and Verordnung zur Eigensicherung von Seeschiffen zur Abwehr äußerer Gefahren (See- Eigensicherungsverordnung – SeeEigensichV). With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In FI: Supporting services for maritime transport when provided in Finnish maritime waters are reserved to fleets operating under the national, European Union or Norwegian flag (CPC 745). Measures: FI: Merilaki (Maritime Act) (674/1994); and Laki elinkeinon harjoittamisen oikeudesta (Act on the Right to Carry on a Trade) (122/1919), § 4. EU/CL/ITA/Annex 10/en 131 (b) Rail transport and auxiliary services to rail transport (CPC 711, 743) With respect to Investment liberalisation – National treatment, and Cross-border trade in services – National treatment, Local presence: In BG: Only nationals of a Member State may provide rail transport or supporting services for rail transport in Bulgaria. A licence to carry out passenger or freight transportation by rail is issued by the Minister of Transport to railway operators registered as traders (CPC 711, 743). Measures: BG: Law for Railway Transport, Articles 37, 48. (c) Road transport and services auxiliary to road transport (CPC 712, 7121, 7122, 71222, 7123) With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment, and Cross-border trade in services – National treatment, Local presence: In AT (with respect also to Most-favoured-nation treatment): For passenger and freight transportation, exclusive rights or authorisations may only be granted to nationals of the Contracting Parties of the EEA and to juridical persons of the European Union having their headquarters in Austria. Licences are granted on non-discriminatory terms, under condition of reciprocity (CPC 712).

Measures: AT: Güterbeförderungsgesetz (Goods Transportation Act), BGBl. Nr. 593/1995; § 5; EU/CL/ITA/Annex 10/en 132 Gelegenheitsverkehrsgesetz (Occasional Traffic Act), BGBl. Nr. 112/1996; § 6; and Kraftfahrliniengesetz (Law on Scheduled Transport), BGBl. I Nr. 203/1999 as amended, §§ 7 and 8. With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment: In EL: For operators of road freight transport services. In order to engage in the occupation of road freight transport operator a Hellenic licence is needed. Licences are granted on non-discriminatory terms, under condition of reciprocity (CPC 7123). Measures: EL: Licensing of road freight transport operators: Greek law 3887/2010 (Government Gazette A' 174), as amended by Article 5 of law 4038/2012 (Government Gazette A' 14). With respect to Cross-border trade in services – Local presence: In CZ: Establishment in the Czech Republic is required. Measures: CZ: Act no. 111/1994. Coll. on Road Transport. EU/CL/ITA/Annex 10/en 133 With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Most-favoured-nation treatment: In SE: In order to engage in the occupation of road transport operator, a Swedish licence is needed. Criteria for receiving a taxi licence include that the company has appointed a natural person to act as the transport manager (a de facto residency requirement – see the Swedish reservation on types of establishment). Criteria for receiving a licence for other road transport operators require that the company be established in the European Union, have an establishment situated in Sweden and have appointed a natural person to act as the transport manager, who must be resident in the European Union. Measures: SE: Yrkestrafiklag (2012:210) (Act on professional traffic); Yrkestrafikförordning (2012:237) (Government regulation on professional traffic); Taxitrafiklag (2012:211) (Act on Taxis); and Taxitrafikförordning (2012:238) (Government regulation on taxis). EU/CL/ITA/Annex 10/en 134 With respect to Cross-border trade in services – Local presence: In SK: A taxi service concession and a permit for the operation of taxi dispatching can be granted to a person who has a residence or place of establishment in the territory of the Slovak Republic or in another EEA Member State. Measures: SK: Act 56/2012 Coll. on Road Transport (d) Services auxiliary to air transport services With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment, Most-favoured-nation treatment: In EU: For groundhandling services, establishment within the European Union territory may be required. Reciprocity is required. Measures: EU: Council Directive 96/67/EC of 15 October 19961. 1 Council Directive 96/67/EC of 15 October 1996 on access to the groundhandling market at Community airports (OJ EU L 272, 25.10.1996, p. 36). EU/CL/ITA/Annex 10/en 135 In BE (applies also to the regional level of government): For groundhandling services, reciprocity is required. Measures: BE: Arrêté Royal du 6 novembre 2010 réglementant l'accès au marché de l'assistance en escale à l'aéroport de Bruxelles-National (Article 18); Besluit van de Vlaamse Regering betreffende de toegang tot de grondafhandelingsmarkt op de Vlaamse regionale luchthavens (Article 14); and Arrêté du Gouvernement wallon réglementant l'accès au marché de l'assistance en escale aux aéroports relevant de la Région wallonne (Article14). (e) Supporting services for all modes of transport (part of CPC 748) With respect to Cross-border trade in services – Local presence: The EU (applies also to the regional level of government): Customs clearance services may only be provided by European Union residents or juridical persons established in the European Union. Measures: EU: Regulation (EU) No 952/2013 of the European Parliament and of the Council1. 1 Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ EU L 269, 10.10.2013, p. 1). EU/CL/ITA/Annex 10/en 136 (f) Provision of combined transport services With respect to Cross-border trade in services – Local presence: The EU (applies also to the regional level of government): With the exception of FI: only hauliers established in a Member State who meet the conditions of access to the occupation and access to the market for transport of goods between Member States may, in the context of a combined transport operation between Member States, carry out initial or final road haulage legs which form an integral part of the combined transport operation and which may or may not include the crossing of a frontier. Limitations affecting any given modes of transport apply. Necessary measures can be taken to ensure that the motor vehicle taxes applicable to road vehicles routed in combined transport are reduced or reimbursed. Measures: EU: Council Directive 1992/106/EEC1. 1 Council Directive 92/106/EEC of 7 December 1992 on the establishment of common rules for certain types of combined transport of goods between Member States (OJ EU L 368, 17.12.1992, p. 38). EU/CL/ITA/Annex 10/en 137 Reservation No. 15 – Mining and Energy related activities Sector – sub-sector: Mining and quarrying – energy producing materials; mining and quarrying – metal ores and other mining; Energy related activities – production, transmission and distribution on own account of electricity, gas, steam and hot water; pipeline transportation of fuels; storage and warehouse of fuels transported through pipelines; and services incidental to energy distribution Industry classification: ISIC Rev. 3.1 10, 11, 12, 13, 14, 40, CPC 5115, 63297, 713, part of 742, 8675, 883, 887 Type of reservation: National treatment Senior management and boards of directors Local presence Chapter: Investment liberalisation; Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) EU/CL/ITA/Annex 10/en 138 Description: (a) Mining and quarrying (ISIC Rev. 3.1 10, 11, 12: CPC 5115, 7131, 8675, 883) With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment: In BG: The activities of prospecting or exploration of underground natural resources on the territory of the Republic of Bulgaria, in the continental shelf and in the exclusive economic zone in the Black Sea are subject to permission, while the activities of extraction and exploitation are subject to concession granted under the Underground Natural Resources Act. It is forbidden for companies registered in preferential tax treatment jurisdictions (that is, offshore zones) or related, directly or indirectly, to such companies to participate in open procedures for granting permits or concessions for prospecting, exploration or extraction of natural resources, including uranium and thorium ores, as well as to operate an existing permit or concession which has been granted, as such operations are precluded, including the

possibility to register the geological or commercial discovery of a deposit as a result of exploration. The mining of uranium ore is closed by Decree of the Council of Ministers No. 163 of 20 August 1992. EU/CL/ITA/Annex 10/en 139 With regard to exploration and mining of thorium ore, the general regime of permits and concessions applies. Decisions to allow the exploration or mining of thorium ore are taken on a non-discriminatory individual case-by-case basis. According to Decision of the National Assembly of the Republic of Bulgaria of 18 January 2012 (ch. 14 June 2012) any usage of hydraulic fracturing technology that is, fracking, for activities of prospecting, exploration or extraction of oil and gas is forbidden. Exploration and extraction of shale gas is forbidden (ISIC 10, 11, 12, 13, 14). Measures: BG: Underground Natural Resources Act; Concessions Act; Law on Privatisation and Post-Privatisation Control; Safe Use of Nuclear Energy Act; Decision of the National Assembly of the Republic of Bulgaria of 18 January 2012; Economic and Financial Relations with Companies Registered in Preferential Tax Treatment Jurisdictions, the Persons Controlled Thereby and Their Beneficial Owners Act; and Subsurface Resources Act. EU/CL/ITA/Annex 10/en 140 With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment: In CY: The Council of Ministers may refuse to allow the activities of prospection, exploration and exploitation of hydrocarbons to be carried out by any entity which is effectively controlled by Chile or by nationals of Chile. After the granting of an authorisation, no entity may come under the direct or indirect control of Chile or a national of Chile without the prior approval of the Council of Ministers. The Council of Ministers may refuse to grant an authorisation to an entity which is effectively controlled by Chile or by a national of Chile, if Chile does not grant entities of the Republic of Cyprus or entities of Member States as regards access to and exercise of the activities of prospecting, exploring for and exploiting hydrocarbons, treatment comparable to that which the Republic of Cyprus or Member State grants entities from Chile (ISIC Rev 3.1 1110). Measures: CY: The Hydrocarbons (Prospection, Exploration and Exploitation Law) of 2007, (Law 4(I)/2007) as amended. EU/CL/ITA/Annex 10/en 141 With respect to Investment liberalisation – National treatment and Cross-border services – Local presence: In SK: For mining, activities related to mining and geological activity, incorporation in the EEA is required (no branching). Mining and prospecting activities covered by Act of the Slovak Republic 44/1988 on protection and exploitation of natural resources are regulated on a non-discriminatory basis, including through public policy measures seeking to ensure the conservation and protection of natural resources and the environment such as the authorisation or prohibition of certain mining technologies. For greater certainty, such measures include the prohibition of the use of cyanide leaching in the treatment or refining of minerals, the requirement of a specific authorisation in the case of fracking for activities of prospecting, exploration or extraction of oil and gas, as well as prior approval by local referendum in the case of nuclear/radioactive mineral resources. This does not increase the non-conforming aspects of the existing measure for which the reservation is taken. (ISIC 10, 1112, 13, 14, CPC 5115, 7131, 8675 and 883). Measures: SK: Act 51/1988 on Mining, Explosives and State Mining Administration; and Act 569/2007 on Geological Activity, Act 44/1988 on protection and exploitation of natural resources. EU/CL/ITA/Annex 10/en 142 With respect to Cross-border trade in services – Local presence: In FI: The exploration for and exploitation of mineral resources are subject to a licensing requirement, which is granted by the Government in relation to the mining of nuclear material. A permit of redemption for a mining area is required from the Government. Permission may be granted to a natural person resident in the EEA or a juridical person established in the EEA (ISIC Rev. 3.1 120, CPC 5115, 883, 8675). In IE: Exploration and mining companies operating in Ireland are required to have a presence there. In the case of minerals exploration, there is a requirement that companies (Irish and foreign) employ either the services of an agent or a resident exploration manager in Ireland while work is being undertaken. In the case of mining, it is a requirement that a State Mining Lease or Licence be held by a company incorporated in Ireland. There are no restrictions as to ownership of such a company (ISIC Rev. 3.1 10, 3.1 13, 3.1 14, CPC 883). In LT: All subsurface mineral resources (energy, metals, industrial and construction minerals) in Lithuania are of exclusive state-ownership. Licences of geological exploration or exploitation of mineral resources may be granted to a natural person resident in the EU and in the EEA or a juridical person established in the EU and in the EEA. EU/CL/ITA/Annex 10/en 143 Measures: FI: Kaivoslaki (Mining Act) (621/2011); and Ydinenergialaki (Nuclear Energy Act) (990/1987). IE: Minerals Development Acts 1940 – 2017; and Planning Acts and Environmental Regulations. LT: The Constitution of the Republic of Lithuania, 1992; last amendment 21 of March 2019 No. XIII-2004; The Underground Law No. I-1034, 1995, new redaction from 10 of April 2001 No. IX-243, last amendment 14 of April 2016 No XII-2308. With respect only to Investment – National treatment and Cross-border trade in services – Local presence: In SI: The exploration for and exploitation of mineral resources, including regulated mining services, are subject to establishment in or citizenship of the EEA, the Swiss Confederation or an OECD Member (ISIC Rev. 3.1 10, ISIC Rev. 3.1 11, ISIC Rev. 3.1 12, ISIC Rev. 3.1 13, ISIC Rev. 3.1 14, CPC 883, CPC 8675). EU/CL/ITA/Annex 10/en 144 Measures: SI: Mining Act 2014. (b) Production, transmission and distribution on own account of electricity, gas, steam and hot water; pipeline transportation of fuels; storage and warehouse of fuels transported through pipelines; services incidental to energy distribution (ISIC Rev. 3.1 40, 401, CPC 63297, 713, part of 742, 74220, 887) With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment, Local presence: In AT: With regard to the transportation of gas authorisation is only granted to nationals of a Member State of the EEA domiciled in the EEA. Enterprises and partnerships must have their seat in the EEA. The operator of the network must appoint a Managing Director and a Technical Director who is responsible for the technical control of the operation of the network, both of whom must be nationals of a member state of the EEA. With regard to the activity performed by a balance responsible party authorisation is only granted to Austrian citizens or citizens of another Member State of the EU or the EEA. The competent authority may waive the nationality and domiciliation

requirements where the operation of the network is considered to be in the public interest. EU/CL/ITA/Annex 10/en 145 For the transportation of goods other than gas and water, the following applies: (i) with regard to natural persons, authorisation is only granted to EEA-nationals who must have a seat in Austria; and (ii) enterprises and partnerships must have their seat in Austria. An Economic Needs Test or interest test is applied. Cross border pipelines must not jeopardise Austria's security interests and its status as a neutral country. Enterprises and partnerships have to appoint a managing director who must be a national of a member state of the EEA. The competent authority may waive the nationality and seat requirements if the operation of the pipeline is considered to be in the national economic interest (CPC 713). Measures: AT: Rohrleitungsgesetz (Law on Pipeline Transport), BGBl. Nr. 411/1975 as amended, §§ 5, 15; Gaswirtschaftsgesetz 2011 (Gas Act), BGBl. I Nr. 107/2011 as amended, §§ 43, 44, 90, 93. With respect to Investment liberalisation – National treatment, Senior management and boards of director and Cross-border trade in services –National treatment, Local presence: In AT (applies only to the regional level of government): With regard to transmission and distribution of electricity, authorisation is only granted to nationals of a Member State of the EEA domiciled in the EEA. If the operator appoints a managing director or a leaseholder, the domicile requirement is waived. EU/CL/ITA/Annex 10/en 146 Juridical persons (enterprises) and partnerships must have their seat in the EEA. They must appoint a managing director or a leaseholder, both of whom must be nationals of a Member State of the EEA domiciled in the EEA. The competent authority may waive the domicile and nationality requirements where the operation of the network is considered to be in the public interest (ISIC Rev. 3.1 40, CPC 887). Measures: AT: Burgenländisches Elektrizitätswesengesetz 2006, LGBl. Nr. 59/2006 as amended; Niederösterreichisches Elektrizitätswesengesetz, LGBl. Nr. 7800/2005 as amended; Oberösterreichisches Elektrizitätswirtschafts- und –organisationsgesetz 2006), LGBl. Nr. 1/2006 as amended; Salzburger Landeselektrizitätsgesetz 1999 (LEG), LGBl. Nr. 75/1999 as amended; Tiroler Elektrizitätsgesetz 2012 – TEG 2012, LGBl. Nr. 134/2011 as amended; Vorarlberger Elektrizitätswirtschaftsgesetz, LGBl. Nr. 59/2003 as amended; Wiener Elektrizitätswirtschaftsgesetz 2005 – WElWG 2005, LGBl. Nr. 46/2005 as amended; Steiermärkisches Elektrizitätswirtschafts- und Organisationsgesetz (ELWOG), LGBl. Nr. 70/2005 as amended; EU/CL/ITA/Annex 10/en 147 Kärntner Elektrizitätswirtschafts- und Organisationsgesetz (ELWOG), LGBl. Nr. 24/2006 as amended. With respect to Investment liberalisation – National treatment and Cross-border trade in services – Local presence: In CZ: For electricity generation, transmission, distribution, trading, and other electricity market operator activities, as well as gas generation, transmission, distribution, storage and trading, as well as heat generation and distribution, authorisation is required. Such authorisation may only be granted to a natural person with a residence permit or a juridical person established in the European Union (ISIC Rev. 3.1 40, CPC 7131, 63297, 742, 887). In LT: The licences for transmission, distribution, public supply and organising of trade of electricity may only be issued to juridical persons established in the Republic of Lithuania or branches of foreign juridical persons or other organisations of another Member State established in the Republic of Lithuania. The permits to generate electricity, develop electricity generation capacities and build a direct line may be issued to individuals with residency in the Republic of Lithuania or to juridical persons established in the Republic of Lithuania, or to branches of juridical persons or other organisations of another Member State established in the Republic of Lithuania. This reservation does not apply to consultancy services related to the transmission and distribution on a fee or contract basis of electricity (ISIC Rev. 3.1 401, CPC 887). EU/CL/ITA/Annex 10/en 148 In the case of fuels, establishment is required. Licences for transmission and distribution, storage of fuels and liquefaction of natural gas may only be issued to juridical persons established in the Republic of Lithuania or branches of juridical persons or other organisations (subsidiaries) of another Member State established in the Republic of Lithuania. This reservation does not apply to consultancy services related to the transmission and distribution on a fee or contract basis of fuels (CPC 713, CPC 887). In PL: The following activities are subject to licensing under the Energy Law Act: (i) generation of fuels or energy, except for: generation of solid or gaseous fuels; generation of electricity using electricity sources of the total capacity of not more than 50 MW other than renewable energy sources; cogeneration of electricity and heat using sources of the total capacity of not more than 5 MW other than renewable energy sources; generation of heat using the sources of the total capacity of not more than 5 MW; (ii) storage of gaseous fuels in storage installations, liquefaction of natural gas and regasification of liquefied natural gas at LNG installations, as well as the storage of liquid fuels, except for: the local storage of liquid gas at installations of the capacity of less than 1 MJ/s capacity and the storage of liquid fuels in retail trade; (iii) transmission or distribution of fuels or energy, except for: the distribution of gaseous fuels in grids of less than 1 MJ/s capacity and the transmission or distribution of heat if the total capacity ordered by customers does not exceed 5 MW; EU/CL/ITA/Annex 10/en 149 (iv) trade in fuels or energy, except for: the trade in solid fuels; the trade in electricity using installations of voltage lower than 1 kV owned by the customer; the trade in gaseous fuels if their annual turnover value does not exceed the equivalent of EUR 100 000; the trade in liquid gas, if the annual turnover value does not exceed EUR 10 000; and the trade in gaseous fuels and electricity performed on commodity exchanges by brokerage houses which conduct the brokerage activity on the exchange commodities on the basis of the Act of 26 October 2000 on commodity exchanges, as well as the trade in heat if the capacity ordered by the customers does not exceed 5 MW. The limits on turnover do not apply to wholesale trade services in gaseous fuels or liquid gas or to retail services of bottled gas. A licence may only be granted by the competent authority to an applicant that has registered their principal place of business or residence in the territory of a Member State of the EEA or the Swiss Confederation (ISIC Rev. 3.1 040, CPC 63297, 74220, CPC 887). Measures: CZ: Act No. 458/2000 Coll on Business conditions and public administration in the energy sectors (The Energy Act). EU/CL/ITA/Annex 10/en 150 LT: Law on Natural Gas of the Republic of Lithuania of 10 October 2000 No VIII-1973, new redaction from 1 August

2011 No XI-1564, last amendment 25 June 2020 No. XIII-3140; Law on Electricity of the Republic of Lithuania of 20 July 2000 No VIII-1881, new redaction from 7 February 2012, last amendment 20 of October 2020 No. XIII-3336; Law on Necessary measures to protect against non-safe nuclear electrical threats from third countries of 20 April 2017 No XIII-306, last amendment on 19 December 2019 No. XIII-2705; Law on Renewable energy sources of the Republic of Lithuania of 12 May 2011 No. XI-1375. PL: Energy Law Act of 10 April 1997, Articles 32 and 33. With respect to Cross-border trade in services – Local presence: In SI: The production, trading, supply to final customers, transmission and distribution of electricity and natural gas is subject to establishment in the European Union (ISIC Rev. 3.1 4010, 4020, CPC 7131, CPC 887). Measures: SI: Energetski zakon (Energy Act) 2014, Official Gazette RS, nr. 17/2014; and Mining Act 2014. EU/CL/ITA/Annex 10/en 151 Reservation No. 16 – Agriculture, fishing and manufacturing Sector – sub-sector: Agriculture, hunting, forestry; animal and reindeer husbandry, fishing and aquaculture; publishing, printing and reproduction of recorded media Industry classification: ISIC Rev. 3.1 011, 012, 013, 014, 015, 1531, 050, 0501, 0502, 221, 222, 323, 324, CPC 881, 882, 88442 Type of reservation: National treatment Most-favoured-nation treatment Performance requirements Senior management and boards of directors Local presence Chapter: Investment liberalisation; Cross-border trade in services Level of government: EU/Member State (unless otherwise specified) EU/CL/ITA/Annex 10/en 152 Description: (a) Agriculture, hunting and forestry (ISIC Rev. 3.1 011, 012, 013, 014, 015, 1531, CPC 881) With respect to Investment liberalisation – National treatment: In IE: Establishment by foreign residents in flour milling activities is subject to authorisation (ISIC Rev. 3.1 1531). Measures: IE: Agriculture Produce (Cereals) Act, 1933. With respect to Investment liberalisation – National treatment: In FI: Only nationals of a Member State of the EEA resident in the reindeer herding area may own reindeer and practice reindeer husbandry. Exclusive rights may be granted. In FR: Prior authorisation is required in order to become a member or act as a director of an agricultural cooperative (ISIC Rev. 3.1 011, 012, 013, 014, 015). In SE: Only Sami people may own and practice reindeer husbandry. Measures: FI: Poronhoitolaki (Reindeer Husbandry Act) (848/1990), Chapter 1, §4, and Protocol 3 to the Accession Treaty of Finland. EU/CL/ITA/Annex 10/en 153 FR: Code rural et de la pêche maritime. SE: Reindeer Husbandry Act (1971:437), section 1. (b) Fishing and aquaculture (ISIC Rev. 3.1 050, 0501, 0502, CPC 882) With respect to Investment liberalisation – National treatment: In FR: A French vessel flying the French flag may be issued a fishing authorisation or may be allowed to fish on the basis of national quotas only when a real economic link on the territory of France is established and the vessel is directed and controlled from a permanent establishment located on the territory of France (ISIC Rev. 3.1 050, CPC 882). Measures: FR: Code rural et de la pêche maritime. (c) Manufacturing - Publishing, printing and reproduction of recorded media (ISIC Rev. 3.1 221, 222, 323, 324, CPC 88442) With respect to Investment liberalisation – National treatment and Cross-border services: National treatment, Local presence: In LV: Only juridical persons incorporated in Latvia, and natural persons of Latvia have the right to found and publish mass media. Branches are not allowed (CPC 88442). EU/CL/ITA/Annex 10/en 154 Measures: LV: Law on the Press and Other Mass Media, s. 8. With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – Local presence, Most-favoured-nation treatment: In DE: Each publicly distributed or printed newspaper, journal, or periodical must clearly indicate a "responsible editor" (the full name and address of a natural person). The responsible editor may be required to be a permanent resident of Germany, the European Union or an EEA Member State. Exceptions may be allowed by the competent authority of the regional level of government (ISIC Rev. 3.1 22). Measures: DE: Regional level: Gesetz über die Presse Baden-Württemberg (LPG BW); Bayerisches Pressegesetz (BayPrG); Berliner Pressegesetz (BlnPrG); Brandenburgisches Landespressegesetz (BbgPG); EU/CL/ITA/Annex 10/en 155 Gesetz über die Presse Bremen (BrPrG); Hamburgisches Pressegesetz; Hessisches Pressegesetz (HPresseG); Landespressegesetz für das Land Mecklenburg-Vorpommern (LPrG M-V); Niedersächsisches Pressegesetz (NPresseG); Pressegesetz für das Land Nordrhein-Westfalen (Landespressegesetz NRW); Landesmediengesetz (LMG) Rheinland-Pfalz; Saarländisches Mediengesetz (SMG); Sächsisches Gesetz über die Presse (SächsPresseG); Pressegesetz für das Land Sachsen-Anhalt (Landespressegesetz); Gesetz über die Presse Schleswig-Holstein (PressG SH); Thüringer Pressegesetz (TPG). EU/CL/ITA/Annex 10/en 156 With respect to Investment liberalisation – National Treatment, Most-favoured-nation treatment: In IT: In so far as Chile allows Italian nationals and enterprises to conduct these activities, Italy will allow nationals and enterprises of Chile to conduct these activities under the same conditions. In so far as Chile allows Italian investors to own more than 49 % of the capital and voting rights in a publishing company of Chile, then Italy will allow investors of Chile to own more than 49 % of the capital and voting rights in an Italian publishing company under the same conditions (ISIC Rev. 3.1 221, 222). Measures: IT: Law 416/1981, Article 1 (and subsequent amendments). With respect to Investment liberalisation – Senior management and boards of directors: In PL: Nationality is required for the editor-in-chief of newspapers and journals (ISIC Rev. 3.1 221, 222). Measures: PL: Act of 26 January 1984 on Press law, Journal of Laws, No. 5, item 24, with subsequent amendments. EU/CL/ITA/Annex 10/en 157 With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In SE: Natural persons who are owners of periodicals that are printed and published in Sweden must reside in Sweden or be nationals of a Member State of the EEA. Owners of such periodicals who are juridical persons must be established in the EEA. Periodicals that are printed and published in Sweden and technical recordings must have a responsible editor, who must be domiciled in Sweden (ISIC Rev. 3.1 22, CPC 88442). Measures: SE: Freedom of the press act (1949:105); Fundamental law on Freedom of Expression (1991:1469); and Act on ordinances for the Freedom of the Press Act and the Fundamental law on Freedom of Expression (1991:1559). EU/CL/ITA/Annex 10/en 158 Appendix 10-A-2 SCHEDULE OF CHILE 1. "Description" provides a general non-binding description of the measure for which

the entry is made. 2. In accordance with Articles 10.11 and 11.8, the Articles of this Agreement specified in the Obligations Concerned element of an entry do not apply to the non-conforming aspects of the law, regulation or other measure identified in the Measures element of that entry. EU/CL/ITA/Annex 10/en 159 Sector: All Sub-Sector: Obligations Concerned: National treatment (Investment) Level of Government: Central Measures: Decree Law 1.939, Official Gazette, 10 November 1977, Rules for acquisition, administration and disposal of State-owned assets, Title I (Decreto Ley 1.939, Diario Oficial, noviembre 10, 1977, Normas sobre adquisición, administración y disposición de bienes del Estado, Título I) Decree with Force of Law (D.F.L.) 4 of the Ministry of Foreign Affairs, Official Gazette, 10 November 1967 (Decreto con Fuerza de Ley (D.F.L.) 4 del Ministerio de Relaciones Exteriores, Diario Oficial, noviembre 10, 1967) Description: Investment Chile may only dispose of the ownership or other rights over "State land" to Chilean natural or juridical persons, unless the applicable legal exceptions, such as in Decree Law 1.939 (Decreto Ley 1.939), apply. "State land" for these purposes refers to State-owned land up to a distance of 10 kilometres from the border and up to a distance of five kilometres from the coastline, measured from the high-tide line. EU/CL/ITA/Annex 10/en 160 Immovable property situated in areas declared "the borderland zone" by virtue of D.F.L. 4 of the Ministry of Foreign Affairs, 1967 (D.F.L. 4 del Ministerio de Relaciones Exteriores, 1967) may not be acquired, either as property or in any other title, by (1) natural persons with nationality of a neighbouring country; (2) juridical persons with their principal seat in a neighbouring country; (3) juridical persons with 40 % or more of capital owned by natural persons with nationality of a neighbouring country; or (4) juridical persons effectively controlled by such natural persons. Notwithstanding the foregoing, this limitation may not apply if an exemption is granted by a Supreme Decree (Decreto Supremo) based on considerations of national interest. EU/CL/ITA/Annex 10/en 161 Sector: All Sub-Sector: Obligations Concerned: Performance requirements (Investment) Level of Government: Central Measures: Decree with Force of Law (D.F.L.) 1 of the Ministry of Labour and Social Welfare, Official Gazette, 24 January 1994, Labour Code, Preliminary Title, Book I, Chapter III (D.F.L. 1 del Ministerio del Trabajo y Previsión Social, Diario Oficial, enero 24, 1994, Código del Trabajo, Título Preliminar, Libro I, Capítulo III) Description: Investment A minimum of 85 % of employees who work for the same employer shall be Chilean natural persons or foreigners with more than five years of residence in Chile. This rule applies to employers with more than 25 employees under a contract of employment (contrato de trabajo1). Expert technical personnel shall not be subject to this provision, as determined by the Directorate of Labour (Dirección del Trabajo). An employee shall be understood to mean any natural person who supplies intellectual or material services, under dependency or subordination, pursuant to a contract of employment. 1 For greater certainty, a contract of employment (contrato de trabajo) is not mandatory for the supply of cross-border trade in services. EU/CL/ITA/Annex 10/en 162 Sector: Communications Sub-Sector: Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Performance requirements (Investment) Senior management and boards of directors (Investment) Local presence (CBTS) Level of Government: Central Measures: Law 18.838, Official Gazette, 30 September 1989, National Television Council, Titles I, II and III (Ley 18.838, Diario Oficial, septiembre 30, 1989, Consejo Nacional de Televisión, Títulos I, II y III) Law 18.168, Official Gazette, 2 October 1982, General Telecommunications Law, Titles I, II and III (Ley 18.168, Diario Oficial, octubre 2, 1982, Ley General de Telecomunicaciones, Títulos I, II y III) EU/CL/ITA/Annex 10/en 163 Law 19.733, Official Gazette, 4 June 2001, Law on Liberties of Opinion and Information and the Exercise of Journalism, Titles I and III (Ley 19.733, Diario Oficial, junio 4, 2001, Ley sobre las Libertades de Opinión e Información y Ejercicio del Periodismo, Títulos I y III) Description: Investment and Cross-border trade in services The owner of a social communication medium, such as those that transmit on a regular basis sounds, texts or images, or a national news agency shall, in the case of a natural person, have a duly established domicile in Chile, and in the case of a juridical person, shall be constituted with domicile in Chile or have an agency authorised to operate within the territory of Chile. Only Chilean nationals may be presidents, administrators or legal representatives of such a juridical person. The owner of a concession to supply (a) public telecommunication services; (b) intermediate telecommunication services supplied to telecommunications services through facilities and networks established for that purpose; and (c) sound broadcasting shall be a juridical person constituted and domiciled in Chile. Only Chilean nationals may be presidents, managers, administrators or legal representatives of such a juridical person. EU/CL/ITA/Annex 10/en 164 In the case of public radio broadcasting services, the board of directors may include foreigners only if they do not represent the majority. In the case of a social communication medium, the legally responsible director and the person who subrogates him or her must be Chilean, with domicile and residence in Chile, unless the social communication medium uses a language other than Spanish. Requests for public radio broadcasting concessions submitted by juridical persons in which foreigners hold an interest exceeding 10 % of the capital shall be granted only if proof is previously provided verifying that similar rights and obligations as those that the applicants will enjoy in Chile are granted to Chilean nationals in their country of origin. The National Television Council (Consejo Nacional de Televisión) may establish, as a general requirement that, programs broadcasted through public (open) television channels include up to 40 % of Chilean production. EU/CL/ITA/Annex 10/en 165 Sector: Energy Sub-Sector: Obligations Concerned: National treatment (Investment) Performance requirements (Investment) Level of Government: Central Measures: Political Constitution of the Republic of Chile, Chapter III (Constitución Política de la República de Chile, Capítulo III) Law 18.097, Official Gazette, 21 January 1982, Constitutional Organic Law on Mining Concessions, Titles I, II and III (Ley 18.097, Diario Oficial, enero 21, 1982, Orgánica Constitucional sobre Concesiones Mineras, Títulos I, II y III) Law 18.248, Official Gazette, 14 October 1983, Mining Code, Titles I and II (Ley 18.248, Diario Oficial, octubre 14, 1983, Código de Minería, Títulos I y II) Law 16.319, Official Gazette, 23 October 1965, Creates the Chilean Nuclear Energy Commission, Titles I, II and III (Ley 16.319,

Diario Oficial, octubre 23, 1965, Crea la Comisión Chilena de Energía Nuclear, Títulos I, II y III) EU/CL/ITA/Annex 10/en 166 Description: Investment The exploration, exploitation, and treatment (beneficio) of liquid or gaseous hydrocarbons, deposits of any kind existing in sea waters subject to national jurisdiction, and deposits of any kind wholly or partially located in areas classified as important to national security with mining effects, which qualification shall be made by law only, can be the object of administrative concessions or special operating contracts, subject to the requirements and the conditions to be determined in each case by a Supreme Decree. For greater certainty, it is understood that the term "treatment" (beneficio) shall not include the storage, transportation or refining of the energy material referred to in this paragraph. The production of nuclear energy for peaceful purposes may only be carried out by the Chilean Nuclear Energy Commission (Comisión Chilena de Energía Nuclear) or, with its authorisation, jointly with third persons. Should the Commission grant such an authorisation, it may determine the terms and conditions thereof. EU/CL/ITA/Annex 10/en 167 Sector: Mining Sub-Sector: Obligations Concerned: National treatment (Investment) Performance requirements (Investment) Level of Government: Central Measures: Political Constitution of the Republic of Chile, Chapter III (Constitución Política de la República de Chile, Capítulo III) Law 18.097, Official Gazette, 21 January 1982, Constitutional Organic Law on Mining Concessions, Titles I, II and III (Ley 18.097, Diario Oficial, enero 21, 1982, Orgánica Constitucional sobre Concesiones Mineras, Títulos I, II y III) Law 18.248, Official Gazette, 14 October 1983, Mining Code, Titles I and III (Ley 18.248, Diario Oficial, octubre 14, 1983, Código de Minería, Títulos I y III) Law 16.319, Official Gazette, 23 October 1965, Creates the Chilean Nuclear Energy Commission, Titles I, II and III (Ley 16.319, Diario Oficial, octubre 23, 1965, Crea la Comisión Chilena de Energía Nuclear, Títulos I, II y III) EU/CL/ITA/Annex 10/en 168 Description: Investment The exploration, exploitation, and treatment (beneficio) of lithium, deposits of any kind existing in sea waters subject to national jurisdiction, and deposits of any kind wholly or partially located in areas classified as important to national security with mining effects, which qualification shall be made by law only, can be the object of administrative concessions or special operating contracts, subject to the requirements and the conditions to be determined, in each case by a Supreme Decree. Chile has the right of first offer at market prices and terms for the purchase of mineral products when thorium and uranium are contained in significant quantities. For greater certainty, Chile may require that producers separate from mining products the portion of: (a) liquid or gaseous hydrocarbons; (b) lithium; (c) deposits of any kind existing in sea waters subject to national jurisdiction; and EU/CL/ITA/Annex 10/en 169 (d) deposits of any kind wholly or partially located in areas classified as important to national security with mining effects, which qualification shall be made by law only, that exists, in significant amounts, in such mining products and that can be economically and technically separated, for delivery to or for sale on behalf of the State; for these purposes, "economically and technically separated" means that the costs incurred to recover the four types of substances referred to in subparagraphs (a), (b) and (c) above through a sound technical procedure and to commercialise and deliver those substances shall be lower than their commercial value. For greater certainty, the procedures for the granting of administrative concessions or special operation contracts do not, as applicable, per se, establish discriminatory treatment towards foreign investors. However, if Chile decides to exploit any of the above-mentioned mining resources by means of a competitive process granting to investors a concession or a special operating contract, the decision will be based solely on the terms of the tender in a transparent process of competitive non-discriminatory bidding. EU/CL/ITA/Annex 10/en 170 Unless the conditions of the contract or concession stated otherwise, a subsequent transfer or disposal of whole or part of any right conferred under the contract or concession, shall not be conditioned upon the nationality of the acquirer. Furthermore, only the Chilean Nuclear Energy Commission (Comisión Chilena de Energía Nuclear), or parties authorised by that Commission, may execute or enter into juridical acts regarding extracted natural atomic materials and lithium, as well as their concentrates, derivatives and compounds. EU/CL/ITA/Annex 10/en 171 Sector: Fisheries Sub-Sector: Aquaculture Obligations Concerned: National treatment (Investment) Level of Government: Central Measures: Decree 430, consolidated, coordinated and systematized text of Law 18.892 from 1989 and its modifications, General Law on Fisheries and Aquaculture, Official Gazette, 21 January 1992 Titles I and VI (Decreto 430 fija el texto refundido, coordinado y sistematizado de la ley N° 18.892, de 1989 y sus modificaciones, Ley General de Pesca y Acuicultura Ley 18.892, Diario Oficial, enero 21, 1992, Títulos I y VI) Description: Investment Only Chilean natural or juridical persons constituted in accordance with Chilean law and foreigners with permanent residency may hold an authorisation or concession to carry out aquaculture activities. EU/CL/ITA/Annex 10/en 172 Sector: Fisheries and fishing-related activities Sub-Sector: Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Senior management and boards of directors (Investment) Local presence (CBTS) Level of Government: Central Measures: Decree 430, consolidated, coordinated and systematized text of Law 18.892 from 1989 and its modifications, General Law on Fisheries and Aquaculture, Official Gazette, 21 January 1992 Titles I, III, IV and IX (Decreto 430 fija el texto refundido, coordinado y sistematizado de la ley N° 18.892, de 1989 y sus modificaciones, Ley General de Pesca y Acuicultura, diario oficial, enero 21, 1992, Títulos I, III, IV y IX) Decree Law 2.222, Official Gazette, 31 May 1978, Navigation Law, Titles I and II (Decreto Ley 2.222, Diario Oficial, mayo 31, 1978, Ley de Navegación, Títulos I y II) EU/CL/ITA/Annex 10/en 173 Description: Investment and Cross-border trade in services Only Chilean natural persons or juridical persons constituted in accordance with Chilean law and foreigners with permanent residency may hold permits to harvest and catch hydrobiological species. Only Chilean vessels are permitted to fish in internal waters, in the territorial sea and in the exclusive economic zone of Chile. "Chilean vessels" are those defined in the Navigation Law (Ley de Navegación). Access to industrial extractive fishing activities shall be subject to prior registration of the vessel in Chile. Only a Chilean natural or juridical person may register a vessel in Chile.

Such juridical person must be constituted in Chile with principal domicile and real and effective seat in Chile. The president, manager and the majority of the directors or administrators must be Chilean natural persons. In addition, more than 50 % of its equity capital must be held by Chilean natural or juridical persons. For these purposes, a juridical person with ownership participation in another juridical person that owns a vessel has to comply with all the requirements mentioned above. EU/CL/ITA/Annex 10/en 174 A joint ownership (comunidad) may register a vessel if (1) the majority of the joint ownership is Chilean with domicile and residency in Chile; (2) the administrators are Chilean natural persons; and (3) the majority of the rights of the joint ownership (comunidad) belong to a Chilean natural or juridical person. For these purposes, a juridical person with ownership participation in a joint ownership (comunidad) that owns a vessel has to comply with all the requirements mentioned above. An owner (natural or juridical person) of a fishing vessel registered in Chile prior to 30 June 1991 shall not be subject to the nationality requirement mentioned above. In cases of reciprocity granted to Chilean vessels by any other country, fishing vessels specifically authorised by the maritime authorities pursuant to powers conferred by law may be exempted from the requirements mentioned above on equivalent terms provided to Chilean vessels by that country. Access to artisanal fishing (pesca artesanal) activities shall be subject to registration in the Registry for Artisanal Fishing (Registro de Pesca Artesanal). Registration for artisanal fishing (pesca artesanal) is only granted to Chilean natural persons and foreign natural persons with permanent residency, or a Chilean juridical person constituted by those persons. EU/CL/ITA/Annex 10/en 175 Sector: Specialised services Sub-Sector: Customs agents (agentes de aduana) and brokers (despachadores de aduana) Obligations Concerned: National treatment (CBTS) Local presence (CBTS) Level of Government: Central Measures: Decree with Force of Law (D.F.L.) 30 of the Ministry of Finance, Official Gazette, 13 April 1983, Book IV (D.F.L. 30 del Ministerio de Hacienda, Diario Oficial, abril 13, 1983, Libro IV) Decree with Force of Law (D.F.L.) 2 of the Ministry of Finance, 1998 (D.F.L. 2 del Ministerio de Hacienda, 1998) Description: Cross-border trade in services Only Chilean natural persons with residency in Chile may act as customs brokers (despachadores de aduana) or agents (agentes de aduana) in the territory of Chile. EU/CL/ITA/Annex 10/en 176 Sector: Investigation and security services Sub-Sector: Guard services Obligations Concerned: National treatment (CBTS) Level of Government: Central Measures: Decree 1.773 of the Ministry of Interior, Official Gazette, 14 November 1994 (Decreto 1.773 del Ministerio del Interior, Diario Oficial, noviembre 14, 1994) Description: Cross-border trade in services Only Chilean nationals and permanent residents may provide services as private security guards. EU/CL/ITA/Annex 10/en 177 Sector: Business services Sub-Sector: Research services Obligations Concerned: National treatment (CBTS) Level of Government: Central Measures: Supreme Decree 711 of the Ministry of National Defence, Official Gazette, 15 October 1975 (Decreto Supremo 711 del Ministerio de Defensa Nacional, Diario Oficial, octubre 15, 1975) Description: Cross-border trade in services Foreign natural and juridical persons intending to conduct research in the Chilean 200-mile maritime zone shall be required to submit a request six months in advance to the Chilean Army Hydrographic Institute (Instituto Hidrográfico de la Armada de Chile) and shall comply with the requirements established in the corresponding regulation. Chilean natural and juridical persons shall be required to submit a request three months in advance to the Chilean Army Hydrographic Institute (Instituto Hidrográfico de la Armada de Chile) and shall comply with the requirements established in the corresponding regulation. EU/CL/ITA/Annex 10/en 178 Sector: Business services Sub-Sector: Research services Obligations Concerned: National treatment (CBTS) Level of Government: Central Measures: Decree with Force of Law (D.F.L.) 11 of the Ministry of Economic Affairs, Development and Reconstruction, Official Gazette, 5 December 1968 (D.F.L. 11 del Ministerio de Economía, Fomento y Reconstrucción, Diario Oficial, diciembre 5, 1968) Decree 559 of the Ministry of Foreign Affairs, Official Gazette, 24 January 1968 (Decreto 559 del Ministerio de Relaciones Exteriores, Diario Oficial, enero 24, 1968) D.F.L. 83 of the Ministry of Foreign Affairs, Official Gazette, 27 March 1979 (D.F.L. 83 del Ministerio de Relaciones Exteriores, Diario Oficial, marzo 27, 1979) Supreme Decree 1166 of the Ministry of Foreign Affairs, Official Gazette, 20 July 1999 (Decreto Supremo 1166 del Ministerio de Relaciones Exteriores, Diario Oficial, julio 20, 1999) EU/CL/ITA/Annex 10/en 179 Description: Cross-border trade in services Natural persons representing foreign juridical persons, or natural persons residing abroad, intending to perform explorations for work of a scientific or technical nature, or mountain climbing, in areas that are adjacent to Chilean borders shall apply for the appropriate authorisation through a Chilean consul in the country of domicile of those natural persons. The Chilean consul shall then send such application directly to the National Directorate of Borders and Frontiers of the State (Dirección Nacional de Fronteras y Límites del Estado). The Directorate may order that one or more Chilean natural persons working in the appropriate related activities shall join the explorations in order to become acquainted with the studies to be undertaken. The Operations Department of the National Directorate of Borders and Frontiers of the State (Departamento de Operaciones de la Dirección Nacional de Fronteras y Límites del Estado) shall decide and announce whether it authorises or rejects geographic or scientific explorations to be carried out by foreign juridical or natural persons in Chile. The National Directorate of Borders and Frontiers of the State (Dirección Nacional de Fronteras y Límites del Estado) shall authorise and supervise all explorations involving work of a scientific or technical nature, or mountain climbing, that foreign juridical persons or natural persons residing abroad intend to carry out in areas adjacent to Chilean borders. EU/CL/ITA/Annex 10/en 180 Sector: Business services Sub-Sector: Research in social sciences Obligations Concerned: National treatment (CBTS) Level of Government: Central Measures: Law 17.288, Official Gazette, 4 February 1970, Title V (Ley 17.288, Diario Oficial, febrero 4, 1970, Título V) Supreme Decree 484 of the Ministry of Education, Official Gazette, 2 April 1991 (Decreto Supremo 484 del Ministerio de Educación, Diario Oficial, abril 2, 1991) Description: Cross-border trade in services Foreign juridical or foreign natural persons intending to perform excavations, surveys, probing or collect anthropological, archaeological or

paleontological material must apply for a permit from the National Monuments Council (Consejo de Monumentos Nacionales). In order to obtain the permit, the person in charge of the research must be engaged by a reliable foreign scientific institution and must be working in collaboration with a Chilean governmental scientific institution or a Chilean university. EU/CL/ITA/Annex 10/en 181 That permit can be granted to (1) Chilean researchers having the pertinent scientific background in archaeology, anthropology or palaeontology, duly certified as appropriate, and also having a research project and due institutional sponsorship; and (2) foreign researchers, provided that they are engaged by a reliable scientific institution and that they work in collaboration with a Chilean governmental scientific institution or a Chilean university. Museum directors or curators recognised by the National Monuments Council (Consejo de Monumentos Nacionales), professional archaeologists, anthropologists or palaeontologists, as appropriate, and the members of the Chilean Society of Archeology (Sociedad Chilena de Arqueología) shall be authorised to perform salvage-related works. Salvage-related works involve the urgent recovery of data or archaeological, anthropological or paleontological artefacts or species threatened by imminent loss. EU/CL/ITA/Annex 10/en 182 Sector: Business services Sub-Sector: Printing, publishing and other related industries Obligations Concerned: National treatment (Investment) Most-favoured-nation treatment (Investment) Senior management and boards of directors (Investment) Level of Government: Central Measures: Law 19.733, Official Gazette, 4 June 2001, Law on Liberties of Opinion and Information and the Exercise of Journalism, Titles I and III (Ley 19.733, Diario Oficial, junio 4, 2001, Ley sobre las Libertades de Opinión e Información y Ejercicio del Periodismo, Títulos I y III) EU/CL/ITA/Annex 10/en 183 Description: Investment The owner of a social communication medium such as newspapers, magazines or regularly published texts whose publishing address is located in Chile, or a national news agency, shall, in the case of a natural person, have a duly established domicile in Chile and, in the case of a juridical person, shall be constituted with domicile in Chile or have an agency authorised to operate within the territory of Chile. Only Chilean nationals may be president, administrators or legal representatives of the juridical person operating in Chile, as described above. The director legally responsible and the person who replaces him or her must be Chilean with domicile and residence in Chile. Chilean nationality will not be required in cases where a social communication medium uses a language different from Spanish. EU/CL/ITA/Annex 10/en 184 Sector: Professional services Sub-Sector: Accounting, auditing, book-keeping and taxation services Obligations Concerned: National treatment (CBTS) Local presence (CBTS) Level of Government: Central Measures: Law 18.046, Official Gazette, 22 October 1981, Corporations Law, Title V (Ley 18.046, Diario Oficial, octubre 22, 1981, Ley de Sociedades Anónimas, Título V) Supreme Decree 702 of the Ministry of Finance, Official Gazette, 6 July 2012, Corporations Act (Decreto Supremo 702 del Ministerio de Hacienda, Diario Oficial, julio 6, 2012, Reglamento de Sociedades Anónimas) Decree Law 1.097, Official Gazette, 25 July 1975, Titles I, II, III and IV (Decreto Ley 1.097, Diario Oficial, julio 25, 1975, Títulos I, II, III y IV) Decree Law 3.538, Official Gazette, 23 December 1980, Titles I, II, III and IV (Decreto Ley 3.538, Diario Oficial, diciembre 23, 1980, Títulos I, II, III y IV) EU/CL/ITA/Annex 10/en 185 Circular 2.714, 6 October 1992; Circular 1, 17 January 1989; Chapter 19 Updated Collection, Superintendence of Banks and Financial Institutions Norms on External Auditors (Circular 2.714, octubre 6,1992; Circular 1, enero 17, 1989; Capítulo 19 de la Recopilación Actualizada de Normas de la Superintendencia de Bancos e Instituciones Financieras sobre Auditores Externos) Circular 327, 29 June 1983 and Circular 350, 21 October 1983, Superintendence of Securities and Insurance (Circular 327, junio 29, 1983 y Circular 350, octubre 21, 1983, de la Superintendencia de Valores y Seguros) Description: Cross-border trade in services External auditors of financial institutions must be registered in the Registry of External Auditors kept by the Financial Market Commission (Comisión para el Mercado Financiero). Only Chilean juridical persons legally incorporated as partnerships (sociedades de personas) or associations (asociaciones) and whose main line of business is auditing services may be inscribed in the Registry. EU/CL/ITA/Annex 10/en 186 Sector: Professional services Sub-Sector: Legal services Obligations Concerned: National treatment (CBTS) Local presence (CBTS) Level of Government: Central Measures: Tribunals Organic Code, Title XV, Official Gazette, 9 July 1943 (Código Orgánico de Tribunales, Título XV, Diario Oficial, julio 9, 1943) Decree 110 of the Ministry of Justice, Official Gazette, 20 March 1979 (Decreto 110 del Ministerio de Justicia, Diario Oficial, marzo 20, 1979) Law 18.120, Official Gazette, 18 May 1982 (Ley 18.120, Diario Oficial, mayo 18, 1982) EU/CL/ITA/Annex 10/en 187 Description: Cross-border trade in services Only Chilean and foreign nationals with residence in Chile, who have completed the totality of their legal studies in the country, shall be authorised to practice as lawyers (abogados). Only lawyers (abogados) duly qualified to practise law shall be authorised to plead a case in Chilean courts and to file the first legal action or claim of each party. None of these measures apply to foreign legal consultants who practise or advise on international law or on the law of the other Party. EU/CL/ITA/Annex 10/en 188 Sector: Professional, technical and specialised services Sub-Sector: Auxiliary services in the administration of justice Obligations Concerned: National treatment (CBTS) Local presence (CBTS) Level of Government: Central Measures: Tribunals Organic Code, Titles XI and XII, Official Gazette, 9 July 1943, (Código Orgánico de Tribunales, Títulos XI y XII, Diario Oficial, julio 9, 1943) Real State Custodian Registry Act, Titles I, II and III, Official Gazette, 24 June 1857 (Reglamento del Registro Conservador de Bienes Raíces, Títulos I, II y III, Diario Oficial, junio 24, 1857) Law 18.118, Official Gazette, 22 May 1982, Title I (Ley 18.118, Diario Oficial, mayo 22, 1982, Título I) Decree 197 of the Ministry of Economic Affairs, Development and Reconstruction, Official Gazette, 8 August 1985 (Decreto 197 del Ministerio de Economía, Fomento y Reconstrucción, Diario Oficial, agosto 8, 1985) Law 18.175, Official Gazette, 28 October 1982, Title III (Ley 18.175, Diario Oficial, octubre 28, 1982, Título III) EU/CL/ITA/Annex 10/en 189 Description: Cross-border trade in services Justice ancillaries (auxiliares de la administración de justicia) must have their residence in the same city or place where the court house for which they render services is domiciled. Public defenders (defensores públicos), public notaries (notarios públicos), and

custodians (conservadores) shall be Chilean natural persons and fulfil the same requirements needed to become a judge. Archivists (archiveros), public defenders (defensores públicos) and arbitrators at law (árbitros de derecho) must be lawyers (abogados) and, therefore, Chilean or foreign nationals with residence in Chile who have completed the totality of their legal studies in Chile. Lawyers of the other Party may assist in arbitration when dealing with the law of that other Party and international law and when the private parties request it. Only Chilean natural persons with the right to vote, and foreign natural persons with permanent residence in Chile and the right to vote, can act as process servers (receptores judiciales) and superior court attorneys (procuradores del número). EU/CL/ITA/Annex 10/en 190 Only Chilean natural persons, foreign natural persons with permanent residence in Chile or Chilean juridical persons may be auctioneers (martilleros públicos). Receivers in bankruptcy (síndicos de quiebra) must have a professional or technical degree granted by a university or a professional or technical institute recognised by Chile. Receivers in bankruptcy must have at least three years of experience in the commercial, economic or juridical field. EU/CL/ITA/Annex 10/en 191 Sector: Transportation Sub-Sector: Water transport services and shipping Obligations Concerned: Most-favoured-nation treatment (Investment and CBTS) Level of Government: Central Measures: Decree Law 3.059, Official Gazette, 22 December 1979, Merchant Fleet Promotion Law, Titles I and II (Decreto Ley 3.059, Diario Oficial, 22 de diciembre de 1979, Ley de Fomento a la Marina Mercante, Títulos I y II) Supreme Decree 237, Official Gazette, 25 July 2001, Act of Decree Law 3.059, Titles I and II (Decreto Supremo 237, Diario Oficial, julio 25, 2001, Reglamento del Decreto Ley 3.059, Títulos I y II) Code of Commerce, Book III, Titles I, IV and V (Código de Comercio, Libro III, Títulos I, IV y V) EU/CL/ITA/Annex 10/en 192 Description: Investment and Cross-border trade in services Feeder services are reserved for national vessels when the cargo is moved between two Chilean ports. International maritime transport of cargo to or from Chile is subject to the principle of reciprocity. In the event that Chile should adopt, for reasons of reciprocity, a cargo reservation measure applicable to international cargo transportation between Chile and a third country, the reserved cargo shall be transported in vessels flying the Chilean flag or in vessels considered as Chilean vessels. EU/CL/ITA/Annex 10/en 193 Sector: Transportation Sub-Sector: Water transport services and shipping Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Senior management and boards of directors (Investment) Local presence (CBTS) Level of Government: Central Measures: Decree Law 2.222, Official Gazette, 31 May 1978, Navigation Law, Titles I, II, III, IV and V (Decreto Ley 2.222, Diario Oficial, mayo 31, 1978, Ley de Navegación, Títulos I, II, III, IV y V) Code of Commerce, Book III, Titles I, IV and V (Código de Comercio, Libro III, Títulos I, IV y V) EU/CL/ITA/Annex 10/en 194 Description: Investment and Cross-border trade in services Only a Chilean natural or juridical person may register a vessel in Chile. Such juridical person must be constituted with principal domicile and real and effective seat in Chile. In addition, more than 50 % of its capital must be held by Chilean natural or juridical persons. For these purposes, a juridical person with ownership participation in another juridical person that owns a vessel has to comply with all the aforementioned requisites. The president, manager and majority of the directors or administrators must be Chilean natural persons. A joint ownership (comunidad) may register a vessel if (1) the majority of the joint ownership is Chilean with domicile and residency in Chile; (2) the administrators are Chileans; and (3) the majority of the rights of the joint ownership belong to a Chilean natural or juridical person. For these purposes, a juridical person with ownership participation in a joint ownership (comunidad) that owns a vessel has to comply with all the aforementioned requisites to be considered Chilean. EU/CL/ITA/Annex 10/en 195 Special vessels owned by foreign natural or juridical persons may be registered in Chile if those persons meet the following conditions: (1) domicile in Chile; (2) principal head office in Chile; or (3) undertaking a profession or commercial activity in a permanent way in Chile. "Special vessels" are those used in services, operations or for specific purposes, with special features for the functions they perform, such as tugboats, dredgers, scientific or recreational vessels, among others. For the purposes of this paragraph, a special vessel does not include a fishing vessel. The maritime authority may provide better treatment based on the principle of reciprocity. EU/CL/ITA/Annex 10/en 196 Sector: Transportation Sub-Sector: Water transport services and shipping Obligations Concerned: National treatment (CBTS) Most-favoured-nation treatment (CBTS) Local presence (CBTS) Level of Government: Central Measures: Decree Law 2.222, Official Gazette, 31 May 1978, Navigation Law, Titles I, II, III, IV and V (Decreto Ley 2.222, Diario Oficial, 31 mayo de 1978, Ley de Navegación, Títulos I, II, III, IV y V) Supreme Decree 153, Official Gazette, 11 March 1966, Approves the Sea People, Fluvial and Lacustrine Personnel Registration General Act (Decreto Supremo 153, Diario Oficial, 11 marzo de 1966, Aprueba el Reglamento General de Matrícula del Personal de Gente de Mar, Fluvial y Lacustre) Code of Commerce, Book III, Titles I, IV and V (Código de Comercio, Libro III, Títulos I, IV y V) EU/CL/ITA/Annex 10/en 197 Description: Cross-border trade in services Foreign vessels shall be required to use pilotage, anchoring and harbour pilotage services when the maritime authorities so require. In tugging activities or other manoeuvres performed in Chilean ports, only tugboats flying the Chilean flag shall be used. Captains shall be required to be Chilean nationals and to be acknowledged as such by the pertinent authorities. Officers on Chilean vessels must be Chilean natural persons registered in the Officers' Registry (Registro de oficiales). Crewmembers of a Chilean vessel must be Chilean, have the permit granted by the Maritime Authority (Autoridad Marítima) and be registered in the respective Registry. Professional titles and licences granted by a foreign country may be considered valid for the discharge of officers' duties on Chilean vessels pursuant to a substantiated resolution (resolución fundada) issued by the Director of the Maritime Authority. Ship captains (patrón de nave) shall be Chilean nationals. A ship captain is a natural person who, pursuant to the corresponding title awarded by the Director of the Maritime Authority, is empowered to exercise command on smaller vessels and on certain special larger vessels. EU/CL/ITA/Annex 10/en 198 Fishing boat captains (patrones de pesca), machinists (mecánicos-motoristas), machine

operators (motoristas), sea-faring fishermen (marineros pescadores), small-scale fishermen (pescadores), industrial or maritime trade technical employees or workers, and industrial and general ship service crews on fishing factories or fishing boats shall be required to be Chilean nationals. Foreigners with domicile in Chile shall also be authorised to perform those activities when so requested by ship operators (armadores) for being indispensable to initiate those activities. In order to fly the Chilean flag, the ship captain (patrón de nave), officers and crew must be Chilean nationals. Nevertheless, if indispensable, the General Directorate for the Maritime Territory and Merchant Fleet (Dirección General del Territorio Marítimo y de Marina Mercante), on the basis of a substantiated resolution (resolución fundada) and on a temporary basis, may authorise the hiring of foreign personnel, with the exception of the captain, who must always be a Chilean national. Only Chilean natural or juridical persons shall be authorised to act in Chile as multimodal operators. EU/CL/ITA/Annex 10/en 199 Sector: Transportation Sub-Sector: Water transport services and shipping Obligations Concerned: National treatment (Investment and CBTS) Senior management and boards of directors (Investment) Local presence (CBTS) Level of Government: Central Measures: Code of Commerce, Book III, Titles I, IV and V (Código de Comercio, Libro III, Títulos I, IV y V) Decree Law 2.222, Official Gazette, 31 May 1978, Navigation Law, Titles I, II and IV (Decreto Ley 2.222, Diario Oficial, mayo 31, 1978, Ley de Navegación, Títulos I, II y IV) Decree 90 of the Ministry of Labour and Social Welfare, Official Gazette, 21 January 2000 (Decreto 90 del Ministerio de Trabajo y Previsión Social, Diario Oficial, enero 21, 2000) Decree 49 of the Ministry of Labour and Social Welfare, 16 July 1999 (Decreto 49 del Ministerio de Trabajo y Previsión Social, Diario Oficial, julio 16, 1999) EU/CL/ITA/Annex 10/en 200 Labour Code, Book I, Title II, Chapter III, paragraph 2 (Código del Trabajo, Libro I, Título II, Capítulo III, párrafo 2) Description: Investment and Cross-border trade in services Shipping agents or representatives of ship operators, owners or captains, whether they are natural or juridical persons, shall be required to be Chilean. Work of stowage and dockage performed by natural persons is reserved to Chileans who are duly accredited by the corresponding authority to carry out such work and have an office established in Chile. Whenever these activities are carried out by juridical persons, they must be legally constituted in Chile and have their principal domicile in Chile. The chairman, administrators, managers or directors must be Chilean. More than 50 % of the corporate capital must be held by Chilean natural or juridical persons. Such enterprises shall designate one or more empowered agents, who will act in their representation and who shall be Chilean nationals. Anyone unloading, transhipping and, generally, using continental or insular Chilean ports, particularly for landing fish catches or processing fish catches on board, shall also be required to be a Chilean natural or juridical person. EU/CL/ITA/Annex 10/en 201 Sector: Transportation Sub-Sector: Land transportation Obligations Concerned: National treatment (CBTS) Most-favoured-nation treatment (CBTS) Local presence (CBTS) Level of Government: Central Measures: Supreme Decree 212 of the Ministry of Transport and Telecommunications, Official Gazette, 21 November 1992 (Decreto Supremo 212 del Ministerio de Transportes y Telecomunicaciones, Diario Oficial, noviembre 21, 1992) Decree 163 of the Ministry of Transport and Telecommunications, Official Gazette, 4 January 1985 (Decreto 163 del Ministerio de Transportes y Telecomunicaciones, Diario Oficial, enero 4, 1985) Supreme Decree 257 of the Ministry of Foreign Affairs, Official Gazette, 17 October 1991 (Decreto Supremo 257 del Ministerio de Relaciones Exteriores, Diario Oficial, octubre 17, 1991) EU/CL/ITA/Annex 10/en 202 Description: Cross-border trade in services Foreign natural and juridical persons qualified to supply international transportation services in the territory of Chile cannot supply local transportation services or participate in any manner whatsoever in those activities in the territory of Chile. Only companies with actual and effective domicile in Chile and organised under the laws of Chile, Argentina, Bolivia, Brazil, Peru, Uruguay or Paraguay shall be authorised to supply international land transportation services between Chile and Argentina, Bolivia, Brazil, Peru, Uruguay or Paraguay. Furthermore, to obtain an international land transport permit, in the case of foreign juridical persons, more than 50 % of its corporate capital and effective control shall be held by nationals of Chile, Argentina, Bolivia, Brazil, Peru, Uruguay or Paraguay. EU/CL/ITA/Annex 10/en 203 Sector: Transportation Sub-Sector: Land transportation Obligations Concerned: Most-favoured-nation treatment (CBTS) Level of Government: Central Measures: Law 18.290, Official Gazette, 7 February 1984, Title IV (Ley 18.290, Diario Oficial, febrero 7, 1984, Título IV) Supreme Decree 485 of the Ministry of Foreign Affairs, Official Gazette, 7 September 1960, Geneva Convention (Decreto Supremo 485 del Ministerio de Relaciones Exteriores, Diario Oficial, septiembre 7, 1960, Convención de Ginebra) Description: Cross-border trade in services Motor vehicles bearing foreign licence plates that enter Chile on a temporary basis, pursuant to provisions set out in Convention on Road Traffic, done at Geneva on 19 September 1949 ("Geneva Convention"), shall circulate freely throughout the territory of Chile for the period established therein, provided that they comply with the requirements established by Chilean law. EU/CL/ITA/Annex 10/en 204 Holders of valid international driving licences or certificates issued in a foreign country in accordance with the Geneva Convention may drive anywhere within the territory of Chile. The driver of a vehicle bearing foreign licence plates who holds an international driver's licence shall present, upon request by the authorities, the documents certifying both the roadworthiness of the vehicle and the use and validity of his or her personal documents. EU/CL/ITA/Annex 10/en 205 ANNEX 10-B RESERVATIONS FOR FUTURE MEASURES Headnotes 1. The schedules of the Parties in Appendices 10-B-1 and 10-B-2 set out, pursuant to Articles 10.11 and 11.8, the reservations taken by the Parties with respect to existing or more restrictive or new measures that do not conform with obligations imposed by: (a) Article 11.6; (b) Article 10.6 or 11.4; (c) Article 10.8 or 11.5; (d) Article 10.10; or (e) Article 10.9. 2. The reservations of a Party are without prejudice to the rights and obligations of the Parties under GATS. EU/CL/ITA/Annex 10/en 206 3. Each reservation sets out the following elements: (a) "sector" refers to the general sector in which the reservation is taken; (b) "sub-sector" refers to the specific sector in which the reservation is taken; (c) "industry classification" refers, where applicable, to the activity

covered by the reservation according to the CPC, ISIC Rev. 3.1, or as expressly otherwise described in the reservation; (d) "type of reservation" specifies the obligation referred to in paragraph 1 of this Annex for which the reservation is taken; (e) "description" sets out the scope of the sector, sub-sector or activities covered by the reservation; and (f) "existing measures" identifies, for transparency purposes, existing measures that apply to the sector, sub-sector or activities covered by the reservation. 4. In the interpretation of a reservation, all elements of the reservation shall be considered. The "description" element shall prevail over all other elements. 5. For the purposes of the schedules of the Parties, "ISIC Rev. 3.1" means the International Standard Industrial Classification of All Economic Activities as set out in Statistical Office of the United Nations, Statistical Papers, Series M, No.4, ISIC Rev. 3.1, 2002. EU/CL/ITA/Annex 10/en 207 6. For the purposes of the schedules of the Parties, a reservation for a requirement to have a local presence in the territory of a Party is taken with respect to Article 11.6 and not with respect to Article 10.6 or 11.4 or, in Annex 10-C, with respect to Article 11.7. 7. A reservation taken at the level of the European Union applies to a measure of the European Union, to a measure of a Member State at the central level or to a measure of a government within a Member State, unless the reservation excludes a Member State. A reservation taken by a Member State applies to a measure of a government at the central, regional or local level within that Member State. For the purposes of the reservations of Belgium, the central level of government covers the federal government and the governments of the regions and the communities as each of them holds equipollent legislative powers. For the purposes of the reservations of the European Union and its Member States, a regional level of government in Finland means the Åland Islands. A reservation taken at the level of Chile applies to a measure of the central government or a local government. 8. The schedules of the Parties do not include measures relating to qualification requirements and procedures, technical standards and licensing requirements and procedures where they do not constitute a limitation within the meaning of Articles 10.6 and 11.4. Those measures may include, in particular, the need to obtain a licence, to satisfy universal service obligations, to have recognised qualifications in regulated sectors, to pass specific examinations, including language examinations, to fulfil a membership requirement of a particular profession, such as membership in a professional organisation, to have a local agent for service, or to maintain a local address, or any other non-discriminatory requirements that certain activities may not be carried out in protected zones or areas. Although they are not listed in this Annex, such measures continue to apply. EU/CL/ITA/Annex 10/en 208 9. For greater certainty, for the European Union, the obligation to grant national treatment does not entail a requirement to extend to natural or juridical persons of Chile the treatment granted in a Member State, pursuant to the Treaty on the Functioning of the European Union, or any measure adopted pursuant to that Treaty, including their implementation in the Member States, to: (a) natural persons or residents of another Member State; or (b) juridical persons constituted or organised under the law of another Member State or of the European Union and having their registered office, central administration or principal place of business in the European Union. 10. Treatment granted to juridical persons established by investors of a Party in accordance with the law of the other Party (including, in the case of the European Union, the law of a Member State) and having their registered office, central administration or principal place of business within that other Party, is without prejudice to any condition or obligation, pursuant to Chapter 10, which may have been imposed on such juridical person when it was established in that other Party, and which shall continue to apply. 11. The schedules of the Parties apply only to the territories of the Parties in accordance with Article 33.8 and are only relevant in the context of trade relations between the European Union and its Member States and Chile. They do not affect the rights and obligations of the Member States under European Union law. EU/CL/ITA/Annex 10/en 209 12. The following abbreviations are used in the schedule of the European Union: EU European Union, including all its Member States AT Austria BE Belgium BG Bulgaria CY Cyprus CZ Czechia DE Germany DK Denmark EE Estonia EL Greece ES Spain FI Finland FR France HR Croatia EU/CL/ITA/Annex 10/en 210 HU Hungary IE Ireland IT Italy LT Lithuania LU Luxembourg LV Latvia MT Malta NL Netherlands PL Poland PT Portugal RO Romania SE Sweden SI Slovenia SK Slovakia EEA European Economic Area EU/CL/ITA/Annex 10/en 211 Appendix 10-B-1 SCHEDULE OF THE EUROPEAN UNION Reservation No. 1 – All sectors Reservation No. 2 – Professional services – other than health-related services Reservation No. 3 – Professional services – health related and retail of pharmaceuticals Reservation No. 4 – Business services – research and development services Reservation No. 5 – Business services – real estate services Reservation No. 6 – Business services – rental or leasing services Reservation No. 7 – Business services – collection agency services and credit reporting services Reservation No. 8 – Business services – placement services Reservation No. 9 – Business services – security and investigation services Reservation No. 10 – Business services – other business services EU/CL/ITA/Annex 10/en 212 Reservation No. 11 – Telecommunication Reservation No. 12 – Construction Reservation No. 13 – Distribution services Reservation No. 14 – Education services Reservation No. 15 – Environmental services Reservation No. 16 – Health services and social services Reservation No. 17 – Tourism and travel related services Reservation No. 18 – Recreational, cultural and sporting services Reservation No. 19 – Transport services and auxiliary transport services Reservation No. 20 – Agriculture, fishing and water Reservation No. 21 – Mining and Energy related activities Reservation No. 22 – Other services not included elsewhere EU/CL/ITA/Annex 10/en 213 Reservation No. 1 – All sectors Sector: All sectors Type of reservation: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Performance requirements (Investment) Senior management and boards of directors (Investment) Local presence (CBTS) Chapter/Section: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 214 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Establishment With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In FI: Restrictions on the right of natural persons, who do not enjoy

regional citizenship in Åland, and of juridical persons, to acquire and hold real property on the Åland Islands without obtaining permission from the competent authorities of the Åland Islands. Restrictions on the right of establishment and right to carry out economic activities by natural persons, who do not enjoy regional citizenship in Åland, or by any enterprise, without obtaining permission from the competent authorities of the Åland Islands. Existing measures: FI: Ahvenanmaan maanhankintalaki (Act on land acquisition in Åland) (3/1975), 2 §; and Ahvenanmaan itsehallintolaki (Act on the Autonomy of Åland) (1144/1991), 11 §. With respect to Investment liberalisation – National treatment, Performance requirements, Senior management and boards of directors: In FR: Pursuant to Articles L151-1 and 153-1 et seq of the financial and monetary code, foreign investments in FR in sectors listed in article R.151-3 of the financial and monetary code are subject to prior approval from the Minister for the Economy. EU/CL/ITA/Annex 10/en 215 Existing measures: FR: As set out in the description element as indicated above. With respect to Investment liberalisation – National treatment, Senior management and boards of directors: In FR: Limiting foreign participation in newly privatised companies to a variable amount, determined by the government of FR on a case-by-case basis, of the equity offered to the public. For establishing in certain commercial, industrial or artisanal activities, a specific authorisation is needed if the managing director is not a holder of a permanent residence permit. With respect to Investment liberalisation – National treatment: In BG: Certain economic activities related to the exploitation or use of State or public property are subject to concessions granted under the Concessions Act. In commercial corporations in which the State or a municipality holds a share in the capital exceeding 50 %, any transactions for disposition of fixed assets of the corporation, to conclude any contracts for acquisition of participating interest, lease, joint activity, credit, securing of receivables, as well as incurring any obligations arising under bills of exchange, are subject to authorisation or permission by the Public Enterprises and Control Agency or other State or regional bodies, whichever is the competent authority. This reservation does not apply to mining and quarrying, which are subject to a separate reservation in the schedule of the European Union in Annex 10-A to this Agreement. EU/CL/ITA/Annex 10/en 216 In IT: The government may exercise certain special powers in enterprises operating in the areas of defence and national security, and in certain activities of strategic importance in the areas of energy, transport and communications. This applies to all juridical persons carrying out activities considered of strategic importance in the areas of defence and national security, not only to privatised companies. If there is a threat of serious injury to the essential interests of defence and national security, the government has the following special powers to: (i) impose specific conditions in the purchase of shares; (ii) veto the adoption of resolutions relating to special operations such as transfers, mergers, splitting up and changes of activity; or (iii) reject the acquisition of shares, where the buyer seeks to hold a level of participation in the capital that is likely to prejudice the interests of defence and national security. Any resolution, act or transaction (such as transfers, mergers, splitting up, change of activity or termination) relating to strategic assets in the areas of energy, transport and communications shall be notified by the concerned company to the Prime Minister's office. In particular, acquisitions by any natural or juridical person outside the European Union that give this person control over the company shall be notified. EU/CL/ITA/Annex 10/en 217 The Prime Minister may exercise the following special powers: (i) to veto any resolution, act and transaction that constitutes an exceptional threat of serious injury to the public interest in the security and operation of networks and supplies; (ii) to impose specific conditions in order to guarantee the public interest; or (iii) to reject an acquisition in exceptional cases of risk to the essential interests of the State. The criteria on which to evaluate the real or exceptional threat and conditions and procedures for the exercise of the special powers are laid down in the law. Existing measures: IT: Law 56/2012 on special powers in companies operating in the field of defence and national security, energy, transport and communications; and Decree of the Prime Minister DPCM 253 of 30 November 2012 defining the activities of strategic importance in the field of defence and national security. With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment, Performance requirements, Senior management and boards of directors: In LT: Enterprises, sectors, zones, assets and facilities of strategic importance to national security. EU/CL/ITA/Annex 10/en 218 Existing measures: LT: Law on the Protection of Objects of Importance to Ensuring National Security of the Republic of Lithuania of 10 October 2002 No. IX-1132 (as last amended on 17 September 2020, No XIII-3284). With respect to Investment liberalisation – National treatment and Senior management and boards of directors: In SE: Discriminatory requirements for founders, senior management and boards of directors when new forms of legal association are incorporated into Swedish law. (b) Acquisition of real estate With respect to Investment liberalisation – National treatment, Senior management and boards of directors: In HU: The acquisition of state-owned properties. With respect to Investment liberalisation – National treatment: In HU: The acquisition of arable land by foreign juridical persons and non-resident natural persons. EU/CL/ITA/Annex 10/en 219 Existing measures: HU: Act CXXII of 2013 on the circulation of agricultural and forestry land (Chapter II (Paragraph 6-36) and Chapter IV (Paragraph 38-59)); and Act CCXII of 2013 on the transitional measures and certain provisions related to Act CXXII of 2013 on the circulation of agricultural and forestry land (Chapter IV (Paragraph 8-20)). In LV: The acquisition of rural land by nationals of Chile or of a third country. Existing measures: LV: Law on land privatisation in rural areas, ss. 28, 29, 30. In SK: Foreign companies or natural persons may not acquire agricultural and forest land outside the borders of the built-up area of a municipality and some other land (e.g. natural resources, lakes, rivers, public roads etc.). Existing measures: SK: Act No 44/1988 on protection and exploitation of natural resources; Act No 229/1991 on regulation of the ownership of land and other agricultural property; Act No 460/1992 Constitution of the Slovak Republic; Act No 180/1995 on some measures for land ownership arrangements; Act No 202/1995 on foreign exchange; Act No 503/2003 on restitution of ownership to land; Act No 326/2005 on forests; and Act No 140/2014 on the acquisition of

ownership of agricultural land. EU/CL/ITA/Annex 10/en 220 With respect to Investment liberalisation – National treatment; Cross-border trade in services – Local presence: In BG: Foreign natural and juridical persons cannot acquire land. Juridical persons of BG with foreign participation cannot acquire agricultural land. Foreign juridical persons and foreign natural persons with permanent residence abroad can acquire buildings and real estate property rights (right to use, right to build, right to raise a superstructure and servitudes). Foreign natural persons with permanent residence abroad, foreign juridical persons in which foreign participation ensures a majority in adopting decisions or blocks the adoption of decisions, can acquire real estate property rights in specific geographic regions designated by the Council of Ministers subject to permission. Existing measures: BG: Constitution of the Republic of Bulgaria, Article 22; Law on Ownership and Use of Agricultural Land, Article 3; and Law on Forests, Article 10. In EE: Foreign natural or juridical persons that are not from the EEA or from members of the Organisation for Economic Co-operation and Development ("OECD") can acquire an immovable asset which contains agricultural or forest land only with the authorisation of the county governor and of the municipal council, and must prove as prescribed by law that the immovable asset will, according to its intended purpose, be used efficiently, sustainably and purposefully. EU/CL/ITA/Annex 10/en 221 Existing measures: EE: Kinnisasja omandamise kitsendamise seadus (Restrictions on Acquisition of Immovables Act) Chapters 2 and 3. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In LT: Any measure which is consistent with the commitments taken by the European Union and which are applicable in LT in GATS with respect to land acquisition. The land plot acquisition procedure, terms and conditions, as well as restrictions shall be established by the Constitutional Law, the Law on Land and the Law on the Acquisition of Agricultural Land. However, local governments (municipalities) and other national entities of Members of the OECD and North Atlantic Treaty Organization conducting economic activities in LT, which are specified by the constitutional law in compliance with the criteria of European Union and other integration which LT has embarked on, are permitted to acquire into their ownership non-agricultural land plots required for the construction and operation of buildings and facilities necessary for their direct activities. EU/CL/ITA/Annex 10/en 222 Existing measures: LT: Constitution of the Republic of Lithuania; the Constitutional Law of the Republic of Lithuania on the Implementation of Paragraph 3 of Article 47 of the Constitution of the Republic of Lithuania of 20 June 1996 No. I-1392, new redaction 20 March 2003 No IX-1381, last amendment 12 January 2018 No XIII-981; Law on land 26 April 1994 No I-446, new redaction 27 January 2004 No. IX-1983, last amendment 26 June 2020 No XIII-3165; Law on acquisition of agricultural land of 28 January 2003 No IX-1314, new redaction from 1 January 2018 No XIII-801, last amendment 14 May 2020 No XIII-2935; and Forest Law of 22 November 1994 No I-671, new redaction 10 April 2001 No IX-240, last amendment 25 June 2020 No XIII-3115. (c) Recognition With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In EU: The European Union directives on mutual recognition of diplomas and other professional qualifications only apply to the citizens of the European Union. The right to practise a regulated professional service in one Member State does not grant the right to practise in another Member State. EU/CL/ITA/Annex 10/en 223 (d) Most-favoured-nation treatment With respect to Investment liberalisation – Most-favoured-nation treatment and Cross-border trade in services – Most-favoured-nation treatment: In EU: According differential treatment to a third country pursuant to any international investment treaty or other trade agreement in force or signed prior to the date of entry into force of this Agreement. In EU: According differential treatment to a third country pursuant to any existing or future bilateral or multilateral agreement which: (i) creates an internal market in services and investment; (ii) grants the right of establishment; or (iii) requires the approximation of legislation in one or more economic sectors; "internal market in services and investment" means an area without internal frontiers in which the free movement of services, capital and persons is ensured; "right of establishment" means an obligation to abolish in substance all barriers to establishment among the parties to the bilateral or multilateral agreement by the entry into force of that agreement. The right of establishment shall include the right of nationals of the parties to the bilateral or multilateral agreement to set up and operate enterprises under the same conditions provided for nationals under the law of the party where such establishment takes place; EU/CL/ITA/Annex 10/en 224 "approximation of legislation" means: (i) the alignment of the legislation of one or more of the parties to the bilateral or multilateral agreement with the legislation of the other party or parties to that agreement; or (ii) the incorporation of common legislation into the law of the parties to the bilateral or multilateral agreement. Such alignment or incorporation shall take place, and shall be deemed to have taken place, only at such time that it has been enacted in the law of the party or parties to the bilateral or multilateral agreement. Existing measures: EU: Agreement on the European Economic Area1; Stabilisation Agreements; EU-Swiss Confederation bilateral agreements; and Deep and Comprehensive Free Trade Agreements. In EU: According differential treatment relating to the right of establishment to nationals or enterprises through existing or future bilateral agreements between the following Member States: BE, DE, DK, EL, ES, FR, IE, IT, LU, NL, PT and any of the following countries or principalities: Andorra, Monaco, San Marino and the Vatican City State. 1 OJ EC L 1, 3.1.1994, p. 3. EU/CL/ITA/Annex 10/en 225 In DK, FI, SE: Measures taken by DK, FI and SE aimed at promoting Nordic cooperation, such as: (i) financial support to research and development (R&D) projects (the Nordic Industrial Fund); (ii) funding of feasibility studies for international projects (the Nordic Fund for Project Exports); and (iii) financial assistance to companies utilising environmental technology (the Nordic Environment Finance Corporation); the purpose of the Nordic Environment Finance Corporation (NEFCO) is to promote investments of Nordic environmental interest, with a focus on Eastern Europe. This reservation is without prejudice to the exclusion of procurement by a Party or subsidies in subparagraphs (e) and (f) of Article 11.1(2) of this Agreement. In PL: Preferential conditions for establishment or

the cross-border supply of services, which may include the elimination or amendment of certain restrictions embodied in the list of reservations applicable in PL, may be extended through commerce and navigation treaties. In PT: Waiving nationality requirements for the exercise of certain activities and professions by natural persons supplying services for countries in which Portuguese is the official language (Angola, Brazil, Cabo Verde, Guinea-Bissau, Equatorial Guinea, Mozambique, São Tomé and Príncipe, and Timor-Leste). EU/CL/ITA/Annex 10/en 226 (e) Arms, munition and war material With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment, Senior management and boards of directors, Performance requirements and Crossborder trade in services – National treatment, Most-favoured-nation treatment, Local presence: In EU: Production or distribution of, or trade in, arms, munitions and war material. War material is limited to any product which is solely intended and made for military use in connection with the conduct of war or defence activities. EU/CL/ITA/Annex 10/en 227 Reservation No. 2 – Professional services – other than health-related services Sector: Professional services – legal services: services of notaries and by bailiffs; accounting and bookkeeping services; auditing services, taxation advisory services; architecture and urban planning services, engineering services, and integrated engineering services Industry classification: Part of CPC 861, part of CPC 87902, 862, 863, 8671, 8672, 8673, 8674, and part of CPC 879 Type of reservation: National treatment Most-favoured-nation treatment Senior management and board of directors Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 228 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Legal services With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment: In EU, with the exception of SE: The supply of legal advisory and legal authorisation, documentation, and certification services provided by legal professionals entrusted with public functions, such as notaries, "huissiers de justice" or other "officiers publics et ministériels", and with respect to services provided by bailiffs who are appointed by an official act of government (part of CPC 861, part of CPC 87902). With respect to Investment liberalisation – Most-favoured-nation treatment and Cross-border trade in services – Most-favoured-nation treatment: In BG: Full national treatment on the establishment and operation of companies, as well as on the supply of services, may be extended only to companies established in, and citizens of, the countries with whom preferential arrangements have been or will be concluded (part of CPC 861). In LT: Attorneys from foreign countries can participate as advocates in court only in accordance with international agreements (part of CPC 861), including specific provisions regarding legal representation before courts. EU/CL/ITA/Annex 10/en 229 (b) Auditing services (CPC – 86211, 86212 other than accounting and bookkeeping services) With respect to Cross-border trade in services – National treatment: In BG: An independent financial audit shall be implemented by registered auditors who are members of the Institute of the Certified Public Accountants. Subject to reciprocity, the Institute of the Certified Public Accountants shall register an audit entity of Chile or of a third country upon the latter furnishing proof that: (i) three-fourths of the members of the management bodies and the registered auditors carrying out audit on behalf of the entity meet requirements equivalent to those for Bulgarian auditors and have passed successfully the examinations for it; (ii) the audit entity carries out independent financial audit in accordance with the requirements for independence and objectivity; and (iii) the audit entity publishes on its website an annual transparency report or performs other equivalent requirements for disclosure in case it audits public-interest entities. Existing measures: BG: Independent Financial Audit Act. EU/CL/ITA/Annex 10/en 230 With respect to Investment liberalisation – National treatment, Senior management and boards of directors: In CZ: Only a juridical person in which at least 60 % of capital interests or voting rights are reserved to nationals of the Czech Republic or of the Member States is authorised to carry out audits in the Czech Republic. Existing measures: CZ: Law of 14 April 2009 no. 93/2009 Coll., on Auditors, as amended. (c) Architecture and urban planning services (CPC 8674) With respect to Cross-border trade in services – National treatment: In HR: The cross-border supply of urban planning. EU/CL/ITA/Annex 10/en 231 Reservation No. 3 – Professional services – health-related and retail of pharmaceuticals Sector: Health-related professional services and retail sales of pharmaceutical, medical and orthopaedic goods, other services provided by pharmacists Industry classification: CPC 63211, 85201, 9312, 9319, 93121, 932 Type of reservation: National treatment Senior management and board of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 232 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Medical and dental services; services provided by midwives, nurses, physiotherapists, psychologists and paramedical personnel (CPC 63211, 85201, 9312, 9319, 932) With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment: In FI: The supply of all health-related professional services, whether publicly or privately funded, including medical and dental services, services provided by midwives, physiotherapists and paramedical personnel and services provided by psychologists, excluding services provided by nurses (CPC 9312, 93191). Existing measures: FI: Laki yksityisestä terveydenhuollosta (Act on Private Health Care) (152/1990). In BG: The supply of all health-related professional services, whether publicly or privately funded, including medical and dental services, services provided by nurses, midwives, physiotherapists and paramedical personnel and services provided by psychologists (CPC 9312, part of 9319). EU/CL/ITA/Annex 10/en 233 Existing measures: BG: Law for Medical Establishment, Professional Organisation of Medical Nurses, Midwives and Associated Medical Specialists Guild Act. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In CZ, MT: The supply of all health-related professional services, whether publicly or privately funded, including the services provided by professionals such as medical doctors, dentists, midwives, nurses, physiotherapists, paramedics, psychologists,

as well as other related services (CPC 9312, part of 9319). Existing measures: CZ: Act No 296/2008 Coll., on Safeguarding the Quality and Safety of Human Tissues and Cells Intended for Use in Man ("Act on Human Tissues and Cells"); Act No 378/2007 Coll., on Pharmaceuticals and on Amendments to Some Related Acts (Act on Pharmaceuticals); Act No. 268/2014 Coll. on medical devices and amending Act No 634/2004 Coll. on administrative fees, as subsequently amended; Act No. 285/2002 Coll., on the Donating, Taking and Transplanting of Tissues and Organs and on Amendment to Certain Acts (Transplantation Act); Act No. 372/2011 Coll., on health services and on conditions of their provision; and Act No. 373/2011 Coll., on specific health services. EU/CL/ITA/Annex 10/en 234 With respect to Cross-border trade in services – National treatment, Local presence: In EU, with the exception of NL and SE: The supply of all health-related professional services, whether publicly or privately funded, including the services provided by professionals such as medical doctors, dentists, midwives, nurses, physiotherapists, paramedics, and psychologists, requires residency. These services may only be provided by natural persons physically present in the territory of the European Union (CPC 9312, part of 93191). In BE: The cross-border supply whether publicly or privately funded of all health-related professional services, including medical, dental and midwives services and services provided by nurses, physiotherapists, psychologists and paramedical personnel (part of CPC 85201, 9312, part of 93191). With respect to Cross-border trade in services – National treatment, Most-favoured-nation treatment: In PT: Concerning the professions of physiotherapists, paramedical personnel and podiatrists, foreign professionals may be allowed to practice based on reciprocity. (b) Veterinary services (CPC 932) With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In BG: A veterinary medical establishment may be established by a natural or a juridical person. EU/CL/ITA/Annex 10/en 235 The practice of veterinary medicine is only allowed for nationals of the EEA and for permanent residents (physical presence is required for permanent residents). With respect to Cross-border trade in services – National treatment: In BE, LV: Cross-border supply of veterinary services. (c) Retail sales of pharmaceutical, medical and orthopaedic goods, other services provided by pharmacists (CPC 63211) With respect to Cross-border trade in services – Local presence: In EU, with the exception of BE, BG, EE, ES, IE and IT: Mail order is only possible from Member States of the EEA, thus establishment in any of those countries is required for the retail of pharmaceuticals and specific medical goods to the general public in the European Union. In CZ: Retail sales are only possible from Member States. In BE: The retail sales of pharmaceuticals and specific medical goods are only possible from a pharmacy established in BE. In BG, EE, ES, IT and LT: Cross-border retail sales of pharmaceuticals. In IE and LT: Cross-border retail of pharmaceuticals requiring a prescription. EU/CL/ITA/Annex 10/en 236 In PL: Intermediaries in the trade of medicinal products must be registered and have a place of residence or registered office in the territory of PL. With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements and Cross-border trade in services – National treatment: In FI: Retail sales of pharmaceutical products and of medical and orthopaedic goods. With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment: In SE: Retail sales of pharmaceutical goods and the supply of pharmaceutical goods to the general public. Existing measures: AT: Arzneimittelgesetz (Medication Act), BGBl. Nr. 185/1983, §§ 57, 59, 59a; and Medizinproduktegesetz (Medical Products Law), BGBl. Nr. 657/1996 as amended, § 99. BE: Arrêté royal du 21 janvier 2009 portant instructions pour les pharmaciens; and Arrêté royal du 10 novembre 1967 relatif à l'exercice des professions des soins de santé. CZ: Act No. 378/2007 Coll., on Pharmaceuticals, as amended; and Act No. 372/2011 Coll., on Health services, as amended. EU/CL/ITA/Annex 10/en 237 FI: Lääkelaki (Medicine Act) (395/1987). PL: Pharmaceutical Law, Art. 73a (Journal of Laws of 2020, item 944, 1493). SE: Law on trade with pharmaceuticals (2009:336); Regulation on trade with pharmaceuticals (2009:659); and the Swedish Medical Products Agency has adopted further regulations, the details can be found at (LVFS 2009:9). EU/CL/ITA/Annex 10/en 238 Reservation No. 4 – Business services – research and development services Sector: Research and development services Industry classification: CPC 851, 852, 853 Type of reservation: National treatment Chapter: Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: In RO: Cross-border supply of research and development services. Existing measures: RO: Governmental Ordinance no. 6 / 2011; Order of Minister of Education and Research no. 3548 / 2006; and Governmental Decision no. 134 / 2011. EU/CL/ITA/Annex 10/en 239 Reservation No. 5 – Business services – real estate services Sector: Real estate services Industry classification: CPC 821, 822 Type of reservation: National treatment Chapter: Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: In CZ and HU: Cross-border supply of real estate services. EU/CL/ITA/Annex 10/en 240 Reservation No. 6 – Business services – rental or leasing services Sector: Rental or leasing services without operators Industry classification: CPC 832 Type of reservation: National treatment Chapter: Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: In BE and FR: Cross-border supply of leasing or rental services without operator concerning personal and household goods. EU/CL/ITA/Annex 10/en 241 Reservation No. 7 – Business services – collection agency services and credit reporting services Sector: Collection agency services, credit reporting services Industry classification: CPC 87901, 87902 Type of reservation: National treatment Local presence Chapter: Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: In EU, with the exception of ES, LV and SE: with regard to the supply of collection agency services and credit reporting services. EU/CL/ITA/Annex 10/en 242 Reservation No. 8 – Business services – placement services Sector – sub-sector: Business services – placement services Industry classification: CPC 87201, 87202, 87203, 87204, 87205, 87206, 87209 Type of reservation: National treatment Senior management and boards of directors Local presence

Chapter: Investment liberalisation and Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment, Local presence: In EU, with the exception of HU and SE: Supply services of domestic help personnel, other commercial or industrial workers, nursing and other personnel (CPC 87204, 87205, 87206, 87209). In BG, CY, CZ, DE, EE, FI, MT, LT, LV, PL, PT, RO, SI and SK: Executive search services (CPC 87201). EU/CL/ITA/Annex 10/en 243 In AT, BG, CY, CZ, EE, FI, LT, LV MT, PL, PT, RO, SI and SK: The establishment of placement services of office support personnel and other workers (CPC 87202). In AT, BG, CY, CZ, DE, EE, FI, MT, LT, LV, PL, PT, RO, SI and SK: Supply services of office support personnel (CPC 87203). With respect to Cross-border trade in services – National treatment, Local presence: In EU with the exception of BE, HU and SE: The cross-border supply of placement services of office support personnel and other workers (CPC 87202). In IE: The cross-border supply of executive search services (CPC 87201). In FR, IE, IT and NL: The cross-border supply of services of office personnel (CPC 87203). With respect to Investment liberalisation – National treatment: In DE: The Federal Ministry of Labour and Social Affairs may issue a regulation concerning the placement and recruitment of non-European Union and non-EEA personnel for specified professions (CPC 87201, 87202, 87203, 87204, 87205, 87206, 87209). Existing measures: AT: §§97 and 135 of the Austrian Trade Act (Gewerbeordnung), Federal Law Gazette Nr. 194/1994 as amended; and Temporary Employment Act (Arbeitskräfteüberlassungsgesetz/AÜG), Federal Law Gazette Nr. 196/1988 as amended. EU/CL/ITA/Annex 10/en 244 BG: Employment Promotion Act, Articles 26, 27, 27a and 28. CY: Private Employment Agency Law N. 126(I)/2012 as amended; and Law N.174(I)/2012 as amended. CZ: Act on Employment (435/2004). DE: Gesetz zur Regelung der Arbeitnehmerüberlassung (AÜG); Sozialgesetzbuch Drittes Buch (SGB III; Social Code, Book Three) – Employment Promotion; and Verordnung über die Beschäftigung von Ausländerinnen und Ausländern (BeschV; Ordinance on the Employment of Foreigners). DK: §§ 8a – 8f in law decree no. 73 of 17 January 2014 and specified in decree no. 228 of 7 March 2013 (employment of seafarers); and Employment Permits Act 2006. S1(2) and (3). EL: Law 4052/2012 (Official Government Gazette 41 A) as amended by the Law 4093/2012 (Official Government Gazette 222 A). FI: Laki julkisesta työvoima-ja yrityspalvelusta (Act on Public Employment and Enterprise Service) (916/2012). HR: Labour Market Act (OG 118/18, 32/20); Labour Act (OG 93/14, 127/17, 98/19); and Aliens Act (OG 130/11, 74/13, 67/17, 46/18, 53/20). IE: Employment Permits Act 2006. S1(2) and (3). EU/CL/ITA/Annex 10/en 245 IT: Legislative Decree 276/2003 Articles 4, 5. LT: Lithuanian Labour Code of the Republic of Lithuania approved by Law No XII-2603 of 14 September 2016 of the Republic of Lithuania, last amendment 15 October 2020 No XIII-3334; and the Law on the Legal Status of Aliens of the Republic of Lithuania of 29 April 2004 No. IX-2206, last amendment 10 November 2020 No XIII-3412. LU: Loi du 18 janvier 2012 portant création de l'Agence pour le développement de l'emploi (Law of 18 January 2012 concerning the creation of an agency for employment development – ADEM). MT: Employment and Training Services Act, (Cap 343) (Articles 23 to 25); and Employment Agencies Regulations (S.L. 343.24). PL: Article 18 of the Act of 20 April 2004 on the promotion of employment and labour market institutions (Dz. U. of 2015, Item. 149, as amended). PT: Decree-Law No 260/2009 of 25 September, as amended by Law No. 5/2014 of 12 February; Law No. 28/2016 of the 23 August 2016, and Law No. 146/2015 of 9 September 2015 (access and provision of services by placement agencies). EU/CL/ITA/Annex 10/en 246 RO: Law no. 156/2000 on the protection of Romanian citizens working abroad, republished, and Government Decision no. 384/2001 for approving the methodological norms for applying the Law no. 156/2000, with subsequent amendments; Ordinance of the Government no. 277/2002, as modified by Government Ordinance No. 790/2004 and Government Ordinance No. 1122/2010; and Law no. 53/2003 – Labour Code, republished, with subsequent amendments and supplement and the Government Decision no 1256/2011 on the operating conditions and authorisation procedure for temporary work agency. SI: Labour market regulation act (Official Gazette of RS, No. 80/2010, 21/2013, 63/2013, 55/2017); and Employment, Self-employment and Work of Aliens Act – ZZSDT (Official Gazette of RS, No. 47/2015), ZZSDT-UPB2 (Official Gazette of RS, No. 1/2018). SK: Act No 5/2004 on Employment Services; and Act No 455/1991on Trade Licensing. EU/CL/ITA/Annex 10/en 247 Reservation No. 9 – Business services – security and investigation services Sector – sub-sector: Business services – security and investigation services Industry classification: CPC 87301, 87302, 87303, 87304, 87305, 87309 Type of reservation: National treatment Senior management and boards of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 248 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Security services (CPC 87302, 87303, 87304, 87305, 87309) With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements and Cross-border trade in services – National treatment, Local presence: In BG, CY, CZ, EE, LT, LV, MT, PL, RO, SI and SK: The supply of security services. In DK, HR and HU: The supply of the following subsectors: guard services (87305) in HR and HU, security consultation services (87302) in HR, airport guard services (part of 87305) in DK and armoured car services (87304) in HU. With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment, Local presence: In BE: Nationality of a Member State is required for boards of directors of enterprises supplying guard and security services (87305) as well as consultancy and training relating to security services (87302). The senior management of companies providing guard and security consultancy services required to be resident nationals of a Member State. In FI: Licences to supply security services may be granted only to natural persons resident in the EEA or juridical persons established in the EEA. EU/CL/ITA/Annex 10/en 249 In ES: The cross-border supply of security services. Nationality requirements exist for private security personnel. With respect to Cross-border trade in services – National

treatment, Local presence: In BE, FI, FR and PT: The supply of security services by a foreign provider on a cross-border basis is not allowed. Nationality requirements exist for specialised personnel in PT and for managing directors and directors in FR. Existing measures: BE: Loi réglementant la sécurité privée et particulière, 2 octobre 2017. BG: Private Security Business Act. CZ: Trade Licensing Act. DK: Regulation on aviation security. FI: Laki yksityisistä turvallisuuspalveluista 282/2002 (Private Security Services Act). LT: Law on security of Persons and Assets 8 July 2004 No. IX-2327. LV: Security Guard Activities Law (Sections 6, 7, 14). PL: Act of 22 August 1997 on the protection of persons and property (Journal of Laws of 2016, item 1432 as amended). EU/CL/ITA/Annex 10/en 250 PT: Law 34/2013 alterada p/ Lei 46/2019, 16 maio 2019; and Ordinance 273/2013 alterada p/ Portaria 106/2015, 13 abril 2015. SI: Zakon o zasebnem varovanju (Law on private security). (b) Investigation services (CPC 87301) With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements and Cross-border trade in services – National treatment, Local presence: In EU, with the exception of AT and SE: The supply of investigation services. EU/CL/ITA/Annex 10/en 251 Reservation No. 10 – Business services – other business services Sector– sub-sector: Business services – other business services (translation and interpretation services, duplicating services, services incidental to energy distribution and services incidental to manufacturing) Industry classification: CPC 86764, 86769, 87905, 87904, 884, 8868, 887 Type of reservation: National treatment Most-favoured-nation treatment Senior management and board of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 252 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Translation and interpretation services (CPC 87905) With respect to Cross-border trade in services – Local presence: In HR: Cross-border supply of translation and interpretation of official documents. (b) Duplicating services (CPC 87904) With respect to Cross-border trade in services – National treatment, Local presence: In HU: Cross-border supply of duplicating services. (c) Services incidental to energy distribution and services incidental to manufacturing (part of CPC 884, 887 other than advisory and consulting services) With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment, Local presence: In HU: Services incidental to energy distribution, and cross-border supply of services incidental to manufacturing, with the exception of advisory and consulting services relating to these sectors. EU/CL/ITA/Annex 10/en 253 (d) Maintenance and repair of vessels, rail transport equipment and aircraft and parts thereof (part of CPC 86764, 86769, 8868) With respect to Cross-border trade in services – National treatment, Local presence: In EU, with the exception of DE, EE and HU: The cross-border supply of maintenance and repair services of rail transport equipment. In EU, with the exception of CZ, EE, HU, LU and SK: Cross-border supply of maintenance and repair services of inland waterway transport vessels. In EU, with the exception of EE, HU and LV: The cross-border supply of maintenance and repair services of maritime vessels. In EU, with the exception of AT, EE, HU, LV, and PL: The cross-border supply of maintenance and repair services of aircraft and parts thereof (part of CPC 86764, 86769, 8868). In EU: The cross-border supply of services of statutory surveys and certification of ships. Existing measures: EU: Regulation (EC) No 391/2009 of the European Parliament and of the Council1. 1 Regulation (EC) No 391/2009 of the European Parliament and of the Council of 23 April 2009 on common rules and standards for ship inspection and survey organisations (OJ EU L 131, 28.5.2009, p. 11). EU/CL/ITA/Annex 10/en 254 (e) Other business services related to aviation With respect to Investment liberalisation – Most-favoured-nation treatment and Cross-border trade in services – Most-favoured-nation treatment: In EU: According differential treatment to a third country pursuant to existing or future bilateral agreements relating to the following services: (i) selling and marketing of air transport services; (ii) computer reservation system (CRS) services; (iii) maintenance and repair of aircraft and parts; (iv) rental or leasing of aircraft without crew. EU/CL/ITA/Annex 10/en 255 Reservation No. 11 – Telecommunication Sector: Satellite broadcast transmission services Type of reservation: National treatment Chapter: Investment liberalisation and Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: In BE: Satellite broadcast transmission services. EU/CL/ITA/Annex 10/en 256 Reservation No. 12 – Construction Sector: Construction services Industry classification: CPC 51 Type of reservation: National treatment Chapter: Investment liberalisation and Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: In LT: The right to prepare design documentation for construction works of exceptional significance is only given to a design enterprise registered in Lithuania or a foreign design enterprise which has been approved by an institution authorised by the government for those activities. The right to perform technical activities in the main areas of construction may be granted to a non-Lithuanian person who has been approved by an institution authorised by the government of Lithuania. EU/CL/ITA/Annex 10/en 257 Reservation No. 13 – Distribution services Sector: Distribution services Industry classification: CPC 621, 62117, 62251, 62228, 62251, 62271, 8929, part of 62112, 62226, part of 62272, 62276, part of 631, 63108, part of 6329 Type of reservation: National treatment Senior management and boards of directors Performance requirements Chapter: Investment liberalisation and Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Distribution of pharmaceuticals With respect to Cross-border trade in services – Local presence: In BG: Cross-border wholesale distribution of pharmaceuticals (CPC 62251). EU/CL/ITA/Annex 10/en 258 With respect to Investment liberalisation – National treatment, Performance requirements, Senior management and boards of director, and Cross-border trade in services – National treatment: In FI: Distribution of pharmaceutical products (CPC 62117, 62251, 8929). Existing measures: BG: Law on Medicinal Products in Human Medicine; and Law on Medical Devices. FI: Lääkelaki (Medicine Act) (395/1987). (b) Distribution of alcoholic beverages In FI: Distribution of alcoholic beverages (part of CPC 62112, 62226,

63107, 8929). Existing measures: FI: Alkoholilaki (Alcohol Act) (1102/2017). EU/CL/ITA/Annex 10/en 259 (c) Other distribution (part of CPC 621, 62228, 62251, 62271, part of 62272, 62276, 63108, part of 6329) With respect to Cross-border trade in services – National treatment, Local presence: In BG: Wholesale distribution of chemical products, precious metals and stones, medical substances and products and objects for medical use; tobacco and tobacco products and alcoholic beverages. BG reserves the right to adopt or maintain any measure with respect to the services provided by commodity brokers. Existing measures: In BG: Law on Medicinal Products in Human Medicine; Law on Medical Devices; Law of Veterinary Activity; Law for Prohibition of Chemical Weapons and for Control over Toxic Chemical Substances and Their Precursors; Law for Tobacco and Tobacco Products; Law on excise duties and tax warehouses; and Law on wine and spirits. EU/CL/ITA/Annex 10/en 260 Reservation No. 14 – Education services Sector: Education services Industry classification: CPC 92 Type of reservation: National treatment Senior management and boards of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 261 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: With respect to Investment liberalisation – National treatment, Performance requirements, Senior management and boards of director, and Cross-border trade in services – National treatment, Local presence: In EU: Educational services which receive public funding or State support in any form. Where the supply of privately funded education services by a foreign provider is permitted, participation of private operators in the education system may be subject to concession allocated on a nondiscriminatory basis. In EU, with the exception of CZ, NL, SE and SK: With respect to the supply of privately funded other education services, which means other than those classified as being primary, secondary, higher and adult education services (CPC 929). In CY, FI, MT and RO: The supply of privately funded primary, secondary, and adult education services (CPC 921, 922, 924). In AT, BG, CY, FI, MT and RO: The supply of privately funded higher education services (CPC 923). In CZ and SK: The majority of the members of the board of directors of an establishment providing privately funded education services must be nationals of that country (CPC 921, 922, 923 for SK other than 92310, 924). EU/CL/ITA/Annex 10/en 262 In SI: Privately funded elementary schools may be founded by Slovenian natural or juridical persons only. The service supplier must establish a registered office or a branch. The majority of the members of the board of directors of an establishment providing privately funded secondary or higher education services must be Slovenian nationals (CPC 922, 923). In SE: Educational services suppliers that are approved by public authorities to provide education. This reservation applies to privately funded educational services suppliers with some form of State support, inter alia, educational service suppliers recognised by the State, educational services suppliers under State supervision or education which entitles to study support (CPC 92). In SK: EEA residency is required for suppliers of all privately funded education services other than post-secondary technical and vocational education services. (CPC 921, 922, 923 other than 92310, 924). With respect to Cross-border trade in services – National treatment, Local presence: In BG, IT and SI: To restrict the cross-border supply of privately funded primary education services (CPC 921). In BG and IT: To restrict the cross-border supply of privately funded secondary education services (CPC 922). In AT: To restrict the cross-border supply of privately funded adult education services by means of radio or television broadcasting (CPC 924). EU/CL/ITA/Annex 10/en 263 Existing measures: BG: Public Education Act, Article 12; Law for the Higher Education, paragraph 4 of the additional provisions; and Vocational Education and Training Act, Article 22. FI: Perusopetuslaki (Basic Education Act) (628/1998); Lukiolaki (General Upper Secondary Schools Act) (629/1998); Laki ammatillisesta koulutuksesta (Vocational Training and Education Act) (630/1998); Laki ammatillisesta aikuiskoulutuksesta (Vocational Adult Education Act) (631/1998); Ammattikorkeakoululaki (Polytechnics Act) (351/2003); and Yliopistolaki (Universities Act) (558/2009). IT: Royal Decree 1592/1933 (Law on secondary education); Law 243/1991 (Occasional public contribution for private universities); Resolution 20/2003 of CNVSU (Comitato nazionale per la valutazione del sistema universitario); and Decree of the President of the Republic (DPR) 25/1998. SK: Act 245/2008 on education; Act 131/2002 on Universities; and Act 596/2003 on State Administration in Education and School Self-Administration. EU/CL/ITA/Annex 10/en 264 Reservation No. 15 – Environmental services Sector– sub-sector: Environmental services – waste and soil management Industry classification: CPC 9401, 9402, 9403, 94060 Type of reservation: Local presence Chapter: Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: In DE: The supply of waste management services other than advisory services, and with respect to services relating to the protection of soil and the management of contaminated soils, other than advisory services. EU/CL/ITA/Annex 10/en 265 Reservation No. 16 – Health services and social services Sector: Health services and social services Industry classification: CPC 93, 931, other than 9312, part of 93191, 9311, 93192, 93193, 93199 Type of reservation: National treatment Most-favoured-nation treatment Senior management and board of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 266 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Health services – hospital, ambulance, residential health services (CPC 93, 931, other than 9312, part of 93191, 9311, 93192, 93193, 93199) With respect to Investment liberalisation – National treatment, Performance requirements, Senior management and boards of directors: In EU: For the supply of all health services which receive public funding or State support in any form. In EU: For all privately funded health services, other than privately funded hospital, ambulance, and residential health facilities services other than hospital services. This reservation does not relate to the supply of all health-related professional services, including the services supplied by professionals such as medical doctors, dentists, midwives, nurses, physiotherapists, paramedics, and psychologists, which are covered by other reservations (CPC 931 other than 9312, part of 93191). In AT, PL and SI: The supply of privately funded ambulance services

(CPC 93192). In BE: the establishment of privately funded ambulance and residential health facilities services other than hospital services (CPC 93192, 93193). EU/CL/ITA/Annex 10/en 267 In BG, CY, CZ, FI, MT and SK: The supply of privately-funded hospital, ambulance, and residential health services other than hospital services (CPC 9311, 93192, 93193). In FI: Supply of other human health services (CPC 93199). Existing measures: CZ: Act No. 372/2011 Coll. on Health Care Services and Conditions of Their Provision. FI: Laki yksityisestä terveydenhuollosta (Act on Private Health Care) (152/1990). With respect to Investment liberalisation – National treatment, Most-favoured nation treatment, Senior management and boards of directors, Performance requirements: In DE: The supply of the Social Security System of Germany, where services may be provided by different companies or entities involving competitive elements which are thus not "activities performed in the exercise of governmental authority". To accord better treatment in the context of a bilateral trade agreement with regard to the supply of health and social services (CPC 93). With respect to Investment liberalisation – National treatment: In DE: The ownership of privately funded hospitals run by the German Forces. The nationalisation of other key privately funded hospitals (CPC 93110). In FR: To the supply of privately funded laboratory analysis and testing services. EU/CL/ITA/Annex 10/en 268 With respect to Cross-border trade in services – National treatment: In FR: The supply of privately funded laboratory analysis and testing services (part of CPC 9311). Existing measures: FR: Code de la Santé Publique. (b) Health and social services, including pension insurance With respect to Cross-border trade in services – National treatment, Local presence: In EU, with the exception of HU: The cross-border supply of health services, social services and activities or services forming part of a public retirement plan or statutory system of social security. This reservation does not relate to the supply of all health-related professional services, including the services provided by professionals such as medical doctors, dentists, midwives, nurses, physiotherapists, paramedics, and psychologists, which are covered by other reservations (CPC 931 other than 9312, part of 93191). In HU: The cross-border supply of all hospital, ambulance, and residential health services, other than hospital services, which receive public funding (CPC 9311, 93192, 93193). EU/CL/ITA/Annex 10/en 269 (c) Social services, including pension insurance With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements: In EU: The supply of all social services which receive public funding or State support in any form and activities or services forming part of a public retirement plan or statutory system of social security. In BE, CY, DE, DK, EL, ES, FR, IE, IT and PT: The supply of privately funded social services other than services relating to convalescent and rest houses and old people's homes. In CZ, FI, HU, MT, PL, RO, SK, and SI: The supply of privately funded social services. In DE: The Social Security System of Germany, where services are provided by different companies or entities involving competitive elements and might therefore not fall under the definition of "activities performed in the exercise of governmental authority". Existing measures: FI: Laki yksityisistä sosiaalipalveluista (Private Social Services Act) (922/2011). IE: Health Act 2004 (S. 39); and Health Act 1970 (as amended – S.61A). IT: Law 833/1978 Institution of the public health system; Legislative Decree 502/1992 Organisation and discipline of the health field; and Law 328/2000 Reform of social services. EU/CL/ITA/Annex 10/en 270 Reservation No. 17 – Tourism and travel related services Sector: Tourist guides services, health and social services Industry classification: CPC 7472 Type of reservation: National treatment Most-favoured-nation treatment Chapter: Investment liberalisation and Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In FR: To require nationality of a Member State for the supply of tourist guide services. With respect to Investment liberalisation – Most-favoured-nation treatment and Cross-border trade in services – Most-favoured-nation treatment: In LT: In so far as Chile allows nationals of LT to provide tourist guide services, LT will allow nationals of Chile to provide tourist guide services under the same conditions. EU/CL/ITA/Annex 10/en 271 Reservation No. 18 – Recreational, cultural and sporting services Sector: Recreational, cultural and sporting services Industry classification: CPC 962, 963, 9619, 964 Type of reservation: National treatment Senior management and board of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 272 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Libraries, archives, museums and other cultural services (CPC 963) With respect to Investment liberalisation – National treatment, Performance requirements, Senior management and boards of director, and Cross-border trade in services – National treatment, Local presence: In EU, with the exception of AT and, for investment liberalisation, in LT: The supply of library, archive, museum and other cultural services. In AT and LT: A licence or concession may be required for establishment. (b) Entertainment services, theatre, live bands and circus services (CPC 9619, 964 other than 96492) With respect to Cross-border trade in services – National treatment: In EU, with the exception of AT and SE: The cross-border supply of entertainment services, including theatre, live bands, circus and discotheque services. EU/CL/ITA/Annex 10/en 273 With respect to Investment liberalisation – National treatment, Performance requirements, Senior management and boards of director, and Cross-border trade in services – National treatment, Local presence: In CY, CZ, FI, MT, PL, RO, SI and SK: With respect to the supply of entertainment services, including theatre, live bands, circus and discotheque services. In BG: The supply of the following entertainment services: circus, amusement park and similar attraction services, ballroom, discotheque and dance instructor services, and other entertainment services. In EE: The supply of other entertainment services except for cinema theatre services. In LT and LV: The supply of all entertainment services other than cinema theatre operation services. In CY, CZ, LV, PL, RO and SK: The cross-border supply of sporting and other recreational services. EU/CL/ITA/Annex 10/en 274 (c) News and press agencies (CPC 962) With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment: In FR: Foreign

participation in existing companies publishing publications in the French language may not exceed 20 % of the capital or of voting rights in the company. The establishment of press agencies of Chile is subject to conditions set out in domestic regulation. The establishment of press agencies by foreign investors is subject to reciprocity. Existing measures: FR: Ordonnance n° 45-2646 du 2 novembre 1945 portant règlementation provisoire des agences de presse; and Loi n° 86-897 du 1 août 1986 portant réforme du régime juridique de la presse. (d) Gambling and betting services (CPC 96492) With respect to Investment liberalisation – National treatment, Performance requirements, Senior management and boards of director, and Cross-border trade in services – National treatment, Local presence: In EU: The supply of gambling activities, which involve wagering a stake with pecuniary value in games of chance, including in particular lotteries, scratch cards, gambling services offered in casinos, gambling arcades or licensed premises, betting services, bingo services and gambling services operated by and for the benefit of charities or non-profit-making organisations. EU/CL/ITA/Annex 10/en 275 Reservation No. 19 – Transport services and auxiliary transport services Sector: Transport services Type of reservation: National treatment Most-favoured-nation treatment Senior management and board of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Maritime transport – any other commercial activity undertaken from a ship With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements and Cross-border trade in services – National treatment: In EU: The nationality of the crew on a seagoing or non-seagoing vessel. EU/CL/ITA/Annex 10/en 276 With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment, Senior management and boards of directors: In EU, except LV and MT: Only EU natural or juridical persons may register a vessel and operate a fleet under the national flag of the state of establishment (applies to all commercial marine activity undertaken from a seagoing ship, including fishing, aquaculture, and services incidental to fishing; international passenger and freight transportation (CPC 721); and services auxiliary to maritime transport). In EU: For feeder services, and for repositioning owned or leased containers on a non-revenue basis by European Union shipping companies, for the part of these services which does not fall under the exclusion of national maritime cabotage. With respect to Cross-border trade in services – National treatment, Local presence: In SK: Foreign investors must have their principal office in SK in order to apply for a licence enabling them to provide a service (CPC 722). (b) Auxiliary services to maritime transport With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment, Local presence: In EU: The supply of pilotage and berthing services. For greater certainty, regardless of the criteria which may apply to the registration of ships in a Member State, the European Union reserves the right to require that only ships registered on the national registers of Member States may provide pilotage and berthing services (CPC 7452). EU/CL/ITA/Annex 10/en 277 In EU, with the exception of LT and LV: Only vessels carrying the flag of a Member State may provide pushing and towing services (CPC 7214). With respect to Cross-border trade in services –National treatment, Local presence: In LT: Only juridical persons of LT or juridical persons of a Member State with branches in LT that have a certificate issued by the Lithuanian Maritime Safety Administration may provide pilotage and berthing, pushing and towing services (CPC 7214, 7452). With respect to Cross-border trade in services – National treatment, Local presence: In BE: Cargo handling services can only be operated by accredited workers, eligible to work in port areas designated by royal decree (CPC 741). Existing measures: BE: Loi du 8 juin 1972 organisant le travail portuaire; Arrêté royal du 12 janvier 1973 instituant une Commission paritaire des ports et fixant sa dénomination et sa compétence; Arrêté royal du 4 septembre 1985 portant agrément d'une organisation d'employeur (Anvers); Arrêté royal du 29 janvier 1986 portant agrément d'une organisation d'employeur (Gand); Arrêté royal du 10 juillet 1986 portant agrément d'une organisation d'employeur (Zeebrugge); Arrêté royal du 1er mars 1989 portant agrément d'une organisation d'employeur (Ostende); and Arrêté royal du 5 juillet 2004 relatif à la reconnaissance des ouvriers portuaires dans les zones portuaires tombant dans le champ d'application de la loi du 8 juin 1972 organisant le travail portuaire, tel que modifié. EU/CL/ITA/Annex 10/en 278 (c) Inland waterways transport and auxiliary services to inland waterways transport With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment, Senior management and boards of directors, Performance requirements and Cross-border trade in services – National treatment, Local presence, Most-favoured-nation treatment: In EU: Inland waterways passenger and freight transportation (CPC 722); and services auxiliary to inland waterways transportation. (d) Rail transport and auxiliary services to rail transport With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment, Most-favoured-nation treatment, Local presence: In EU: Railway passenger transportation (CPC 7111). With respect to Investment liberalisation – Most-favoured-nation treatment and Cross-border trade in services – Most-favoured-nation treatment, Local presence: In EU: Railway freight transportation (CPC 7112). Subject to conditions of reciprocity. In LT: Maintenance and repair services of rail transport equipment are subject to a state monopoly (CPC 86764, 86769, part of 8868). EU/CL/ITA/Annex 10/en 279 Existing measures: EU: Directive 2012/34/EU of the European Parliament and of the Council1. (e) Road transport (passenger transportation, freight transportation, international truck transport services) and services auxiliary to road transport With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment: In EU: (i) to require establishment and to limit the cross-border supply of road transport services (CPC 712); and (ii) to limit the supply of cabotage within a Member State by foreign investors established in another Member State (CPC 712). With respect to Investment liberalisation – National treatment and Cross-border trade in services – Local presence: In BG: For passenger

and freight transportation, exclusive rights or authorisations may only be granted to nationals of a Member State and to juridical persons of the European Union having their headquarters in the European Union. Incorporation is required (CPC 712). 1 Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012 establishing a single European railway area (OJ EU L 343 14.12.2012, p. 32). EU/CL/ITA/Annex 10/en 280 With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In FI: Authorisation is required to provide road transport services, which is not extended to foreign registered vehicles (CPC 712). With respect to Investment liberalisation – National treatment: In FR: The supply of intercity bussing services (CPC 712). With respect to Cross-border trade in services – Local presence: In BG: To require establishment for supporting services to road transport (CPC 744). Existing measures: EU: Regulation (EC) No 1071/2009 of the European Parliament and of the Council1; Regulation (EC) No 1072/2009 of the European Parliament and of the Council2; and Regulation (EC) No 1073/2009 of the European Parliament and of the Council3. 1 Regulation (EC) No 1071/2009 of the European Parliament and of the Council of 21 October 2009 establishing common rules concerning the conditions to be complied with to pursue the occupation of road transport operator and repealing Council Directive 96/26/EC (OJ EU L 300, 14.11.2009, p. 51). 2 Regulation (EC) No 1072/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international road haulage market (OJ EU L 300, 14.11.2009, p. 72). 3 Regulation (EC) No 1073/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international market for coach and bus services, and amending Regulation (EC) No 561/2006 (OJ EU L 300, 14.11.2009, p. 88). EU/CL/ITA/Annex 10/en 281 FI: Laki kaupallisista tavarankuljetuksista tiellä (Act on Commercial Road Transport) 693/2006; Laki liikenteen palveluista (Act on Transport Services) 320/2017; and Ajoneuvolaki (Vehicles Act) 1090/2002. (f) Space transport and rental of space craft With respect to Investment liberalisation – National treatment, Performance requirements, Senior management and boards of directors and Cross-border trade in services – National treatment, Local presence: In EU: The supply of space transport services and the supply of rental of space craft services (CPC 733, part of 734). (g) Most-favoured-nation exemptions With respect to Investment liberalisation – Most-favoured-nation treatment, and Cross-border trade in services – Most-favoured-nation treatment: – Transport (cabotage) other than maritime transport In FI: According differential treatment to a country pursuant to existing or future bilateral agreements exempting vessels registered under the foreign flag of a specified other country or foreign registered vehicles from the general prohibition from providing cabotage transport (including combined transport, road and rail) in FI on the basis of reciprocity (part of CPC 711, part of 712, part of 722). EU/CL/ITA/Annex 10/en 282 – Supporting services for maritime transport In BG: In so far as Chile allows service suppliers from BG to supply cargo-handling services and storage and warehouse services in sea and river harbours, including services relating to containers and goods in containers, BG will allow service suppliers from Chile to supply cargo-handling services and storage and warehouse services in sea and river harbours, including services relating to containers and goods in containers under the same conditions (part of CPC 741, part of 742). – Rental or leasing of vessels In DE: Chartering-in of foreign ships by consumers resident in DE may be subject to a condition of reciprocity (CPC 7213, 7223, 83103). – Road and rail transport In EU: To accord differential treatment to a third country pursuant to existing or future bilateral agreements relating to international road haulage (including combined transport – road or rail) and passenger transport, concluded between the European Union or the Member States and a third country (CPC 7111, 7112, 7121, 7122, 7123). That treatment may: (i) reserve or limit the supply of the relevant transport services between the contracting parties or across the territory of the contracting parties to vehicles registered in each contracting party1; or 1 With regard to Austria the part of the most-favoured-nation treatment exemption regarding traffic rights covers all countries with which bilateral agreements on road transport or other arrangements relating to road transport exist or may be considered in future. EU/CL/ITA/Annex 10/en 283 (ii) provide for tax exemptions for such vehicles. – Road transport In BG: Measures taken under existing or future agreements, which reserve or restrict the supply of these kinds of transportation services and specify the terms and conditions of this supply, including transit permits or preferential road taxes, in the territory of Bulgaria or across the borders of Bulgaria (CPC 7121, 7122, 7123). In CZ: Measures that are taken under existing or future agreements, and which reserve or limit the supply of transport services and specify operating conditions, including transit permits or preferential road taxes of a transport services into, in, across and out of CZ to the contracting parties concerned (CPC 7121, 7122, 7123). In ES: Authorisation for the establishment of a commercial presence in ES may be refused for service suppliers whose country of origin does not accord effective market access to service suppliers of ES (CPC 7123). Existing measures: Ley 16/1987, de 30 de julio, de Ordenación de los Transportes Terrestres. EU/CL/ITA/Annex 10/en 284 In HR: Measures applied under existing or future agreements on international road transport and which reserve or limit the supply of transport services and specify operating conditions, including transit permits or preferential road taxes of transport services into, in, across and out of Croatia to the parties concerned (CPC 7121, 7122, 7123). In LT: Measures that are taken under bilateral agreements and which set the provisions for transport services and specify operating conditions, including bilateral transit and other transport permits for transport services into, through and out of the territory of Lithuania to the contracting parties concerned, and road taxes and levies (CPC 7121, 7122, 7123). In SK: Measures that are taken under existing or future agreements, and which reserve or limit the supply of transport services and specify operating conditions, including transit permits or preferential road taxes of a transport services into, in, across and out of Slovakia to the contracting parties concerned (CPC 7121, 7122, 7123). – Rail transport In BG, CZ and SK: For existing or future agreements, and which regulate traffic rights and operating conditions, and the supply of transport services in the territory of Bulgaria, the Czech Republic and Slovakia and between the countries concerned (CPC 7111, 7112).

EU/CL/ITA/Annex 10/en 285 – Air transport – Services auxiliary to air transport In EU: According differential treatment to a third country pursuant to existing or future bilateral agreements relating to ground-handling services. – Road and rail transport In EE: When according differential treatment to a country pursuant to existing or future bilateral agreements on international road transport (including combined transport-road or rail), reserving or limiting the supply of a transport services into, in, across and out of Estonia to the contracting parties to vehicles registered in each contracting party, and providing for tax exemption for such vehicles (part of CPC 711, part of 712, part of 721). – All passenger and freight transport services other than maritime and air transport In PL: In so far as Chile allows the supply of transport services into and across the territory of Chile by passenger and freight transport suppliers of Poland, Poland will allow the supply of transport services by passenger and freight transport suppliers of Chile into and across the territory of Poland under the same conditions. EU/CL/ITA/Annex 10/en 286 Reservation No. 20 – Agriculture, fishing and water Sector: Agriculture, hunting, forestry; fishing, aquaculture, services incidental to fishing; collection, purification and distribution of water Industry classification: ISIC Rev. 3.1 011, 012, 013, 014, 015, CPC 8811, 8812, 8813 other than advisory and consultancy services; 0501, 0502, CPC 882 Type of reservation: National treatment Most-favoured-nation treatment Senior management and board of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 287 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Agriculture, hunting and forestry With respect to Investment liberalisation – National treatment: In HR: Agricultural and hunting activities. In HU: Agricultural activities (ISIC Rev. 3.1 011, 012, 013, 014, 015, CPC 8811, 8812, 8813 other than advisory and consultancy services). Existing measures: HR: Agricultural Land Act (OG 20/18, 115/18, 98/19). EU/CL/ITA/Annex 10/en 288 (b) Fishing, aquaculture and services incidental to fishing (ISIC Rev. 3.1 0501, 0502, CPC 882) With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements, Most-favoured-nation treatment and Crossborder trade in services – National treatment, Most-favoured-nation treatment, Local presence: In EU: 1. In particular within the framework of the Common Fisheries Policy, and of fishing agreements with a third country, access to and use of the biological resources and fishing grounds situated in maritime waters coming under the sovereignty or the jurisdiction of Member States, or entitlements for fishing under a Member State fishing licence, including: (a) regulating the landing of catches by vessels flying the flag of Chile or a third country with respect to the quotas allocated to them or, only with respect to vessels flying the flag of a Member State, requiring that a proportion of the total catch is landed in European Union ports; (b) determining a minimum size for a company in order to preserve both artisanal and coastal fishing vessels; (c) according differential treatment pursuant to existing or future bilateral agreements relating to fisheries; and EU/CL/ITA/Annex 10/en 289 (d) requiring the crew of a vessel flying the flag of a Member State to be nationals of Member States. 2. A fishing vessel shall only be entitled to fly the flag of a Member State if: (a) it is wholly owned by: (i) companies incorporated in the European Union; or (ii) nationals of Member States; (b) its day-to-day operations are directed and controlled from within the European Union; and (c) any charterer, manager or operator of the vessel is a company incorporated in the European Union or a national of a Member State. 3. A commercial fishing licence granting the right to fish in the territorial waters of a Member State may only be granted to vessels flying the flag of a Member State. 4. The establishment of marine or inland aquaculture facilities. 5. Subparagraphs (a), (b), (c) (other than with respect to most-favoured-nation treatment) and (d) of paragraph 1, subparagraphs (a)(i), (b) and (c) of paragraph 2, and paragraph 3 only apply to measures which are applicable to vessels or to enterprises irrespective of the nationality of their beneficial owners. EU/CL/ITA/Annex 10/en 290 The nationality of the crew of a fishing vessel flying the flag of a Member State. The establishment of marine or inland aquaculture facilities. With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – National treatment: In BG: The taking of marine and river-living resources, performed by vessels in the internal marine waters, and the territorial sea of BG, shall be performed by vessels flying the flag of BG. A foreign ship may not engage in commercial fishing in the exclusive economic zone save on the basis of an agreement between BG and the flag State. While passing through the exclusive economic zone, foreign fishing ships may not maintain their fishing gear in operational mode. (c) Collection, purification and distribution of water With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In EU: For activities, including services relating to the collection, purification and distribution of water to household, industrial, commercial or other users, including the supply of drinking water, and water management. EU/CL/ITA/Annex 10/en 291 Reservation No. 21 – Mining and Energy related activities Sector: Mining and quarrying – energy producing materials; mining and quarrying – metal ores and other mining; Energy related activities – production, transmission and distribution on own account of electricity, gas, steam and hot water; pipeline transportation of fuels; storage and warehouse of fuels transported through pipelines; and services incidental to energy distribution Industry classification: ISIC Rev. 3.1 10, 1110, 12, 120, 1200, 13, 14, 232, 233, 2330, 40, 401, 4010, 402, 4020, part of 4030, CPC 613, 62271, 63297, 7131, 71310, 742, 7422, part of 88, 887. Type of reservation: National treatment Senior management and board of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 292 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Mining and Energy related activities – general (ISIC Rev. 3.1 10, 1110, 13, 14, 232, 40, 401, 402, part of 403, 41; CPC 613, 62271, 63297, 7131, 742, 7422, 887 (other than advisory and consulting services)) With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements and Cross-border trade in services – National treatment, Local presence: In EU: Where a Member State permits foreign

ownership of a gas or electricity transmission system, or an oil and gas pipeline transport system, with respect to enterprises of Chile controlled by natural or juridical persons of a third country which accounts for more than 5 % of the European Union's oil, natural gas or electricity imports, in order to guarantee the security of the energy supply of the European Union as a whole, or of an individual Member State. This reservation does not apply to advisory and consultancy services provided as services incidental to energy distribution. This reservation does not apply to HR, HU and LT (for LT, only CPC 7131) with regard to the pipeline transport of fuels, nor to LV with regard to services incidental to energy distribution, nor to SI with regard to services incidental to the distribution of gas (ISIC Rev. 3.1 401, 402, CPC 7131, 887 other than advisory and consultancy services). EU/CL/ITA/Annex 10/en 293 In CY: For the manufacture of refined petroleum products in so far as the investor is controlled by a natural or juridical person of a third country which accounts for more than 5 % of the European Union's oil or natural gas imports, as well as to the manufacture of gas, distribution of gaseous fuels through mains on own account, the production, transmission and distribution of electricity, the pipeline transportation of fuels, services incidental to electricity and natural gas distribution other than advisory and consulting services, wholesale services of electricity, retailing services of motor fuel, electricity and non-bottled gas. Nationality and residency conditions applies for electricity related services. (ISIC Rev. 3.1 232, 4010, 4020, CPC 613, 62271, 63297, 7131, and 887 other than advisory and consulting services). In FI: The transmission and distribution networks and systems of energy and of steam and hot water. In FI: The quantitative restrictions in the form of monopolies or exclusive rights for the importation of natural gas, and for the production and distribution of steam and hot water. Currently, natural monopolies and exclusive rights exist (ISIC Rev. 3.1 40, CPC 7131, 887 other than advisory and consultancy services). In FR: The electricity and gas transmission systems and oil and gas pipeline transport (CPC 7131). With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment, Local presence: In BE: The energy distribution services, and services incidental to energy distribution (CPC 887 other than consultancy services). EU/CL/ITA/Annex 10/en 294 With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment, Local presence: In BE: For energy transmission services, regarding the types of legal entities and to the treatment of public or private operators to whom BE has conferred exclusive rights. Establishment is required within the European Union (ISIC Rev. 3.1 4010, CPC 71310). In BG: For services incidental to energy distribution (part of CPC 88). In PT: For the production, transmission and distribution of electricity, the manufacturing of gas, the pipeline transportation of fuels, wholesale services of electricity, retailing services of electricity and non-bottled gas, and services incidental to electricity and natural gas distribution. Concessions for electricity and gas sectors are assigned only to limited companies with their headquarters and effective management in PT (ISIC Rev. 3.1 232, 4010, 4020, CPC 7131, 7422, 887 other than advisory and consulting services). In SK: An authorisation is required for the production, transmission and distribution of electricity, manufacture of gas and distribution of gaseous fuels, production and distribution of steam and hot water, pipeline transportation of fuels, wholesale and retail of electricity, steam and hot water, and services incidental to energy distribution, including services in the area of energy efficiency, energy savings and energy audit. For all those activities, an authorisation may only be granted to a natural person with permanent residency in the EEA or a juridical person of the EEA. EU/CL/ITA/Annex 10/en 295 With respect to Investment liberalisation – National treatment, Local presence: In BE: With the exception of the mining of metal ores and other mining and quarrying, enterprises controlled by natural or juridical persons of a third country which accounts for more than 5 % of the European Union's oil or natural gas or electricity imports may be prohibited from obtaining control of the activity. Incorporation is required (no branching) (ISIC Rev. 3.1 10, 1110, 13, 14, 232, part of 4010, part of 4020, part of 4030). Existing measures: EU: Directive (EU) 2019/944 of the European Parliament and of the Council1; and Directive 2009/73/EC of the European Parliament and of the Council2. BG: Energy Act. CY: The Regulation of the Electricity Market Law of 2003 Law, as amended or replaced; the Regulating of the Gas Market Laws of 2004, as amended or replaced; the Petroleum (Pipelines) Law, Chapter 273; the Petroleum Law L.64(I)/1975, as amended or replaced; and the Petroleum and Fuel Specifications Laws of 2003, as amended or replaced. FI: Sähkömarkkinalaki (Electricity Market Act) (386/1995); and Maakaasumarkkinalaki (Natural Gas Market Act) (587/2017). 1 Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (OJ EU L 158, 14.6.2019, p. 125). 2 Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJ EU L 211, 14.8.2009, p. 94). EU/CL/ITA/Annex 10/en 296 FR: Code de l'énergie. PT: Decree-Law 230/2012 and Decree-Law 231/2012, 26 October 2012 – Natural Gas; Decree-Law 215-A/2012, and Decree-Law 215-B/2012, 8 October 2012 – Electricity; and Decree-Law 31/2006, 15 February 2006 – Crude oil/Petroleum products. SK: Act 51/1988 on Mining, Explosives and State Mining Administration; Act 569/2007 on Geological Works; Act 251/2012 on Energy; and Act 657/2004 on Thermal Energy. (b) Electricity (ISIC Rev. 3.1 40, 401; CPC 62271, 887 (other than advisory and consulting services)) With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements and Cross-border trade in services – National treatment: In FI: The importation of electricity. With respect to cross-border trade, the wholesale and retail of electricity. In FR: Only companies where 100 % of the capital is held by the French State, by another public sector organisation or by Electricité de France (EDF), may own and operate electricity transmission or distribution systems. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In BG: For the production of electricity and the production of heat. EU/CL/ITA/Annex 10/en 297 In LT: Wholesale and retail services and trading of electricity that originates from non-safe

nuclear sources. In PT: The activities of electricity transmission and distribution are carried out through exclusive concessions of public service. With respect to Investment liberalisation – National treatment, Most-favoured-nation treatment and Cross-border trade in services – Local presence: In BE: An individual authorisation for the production of electricity of a capacity of 25 MW or above requires establishment in the European Union, or in another State which has a regime similar to that provided for by Directive (EU) 2019/944 in place, and where the company has an effective and continuous link with the economy. The production of electricity within the offshore territory of BE is subject to concession and a joint venture obligation with a juridical person of the European Union, or with a juridical person of a country having a regime similar to that provided for by Directive (EU) 2019/944, particularly with regard to conditions relating to the authorisation and selection. Additionally, the juridical person should have its central administration or its head office in a Member State or a country meeting the above criteria, where it has an effective and continuous link with the economy. The construction of electrical power lines which link offshore production to the transmission network of Elia requires authorisation and the company must meet the previously specified conditions, except for the joint venture requirement. EU/CL/ITA/Annex 10/en 298 With respect to Cross-border trade in services – National treatment, Local presence: In BE: An authorisation is necessary for the supply of electricity by an intermediary having customers established in BE who are connected to the national grid system or to a direct line whose nominal voltage is higher than 70 000 volts. That authorisation may only be granted to a natural or juridical person of the EEA. Existing measures: BE: Arrêté Royal du 11 octobre 2000 fixant les critères et la procédure d'octroi des autorisations individuelles préalables à la construction de lignes directes; Arrêté Royal du 20 décembre 2000 relatif aux conditions et à la procédure d'octroi des concessions domaniales pour la construction et l'exploitation d'installations de production d'électricité à partir de l'eau, des courants ou des vents, dans les espaces marins sur lesquels la Belgique peut exercer sa juridiction conformément au droit international de la mer; and Arrêté Royal du 12 mars 2002 relatif aux modalités de pose de câbles d'énergie électrique qui pénètrent dans la mer territoriale ou dans le territoire national ou qui sont installés ou utilisés dans le cadre de l'exploration du plateau continental, de l'exploitation des ressources minérales et autres ressources non vivantes ou de l'exploitation d'îles artificielles, d'installations ou d'ouvrages relevant de la juridiction belge; Arrêté royal relatif aux autorisations de fourniture d'électricité par des intermédiaires et aux règles de conduite applicables à ceux-ci; and Arrêté royal du 12 juin 2001 relatif aux conditions générales de fourniture de gaz naturel et aux conditions d'octroi des autorisations de fourniture de gaz naturel. EU/CL/ITA/Annex 10/en 299 FI: Sähkömarkkinalaki (Electricity Market Act) (588/2013); and Maakaasumarkkinalaki (Natural Gas Market Act) (587/2017) LT: Law on Necessary measures to protect against non-safe nuclear electrical threats from third countries of 20 April 2017 No XIII-306 (last amendment 19 December 2019, No XIII-2705). PT: Decree-Law 215-A/2012; and Decree-Law 215-B/2012, 8 October 2012 – Electricity. (c) Fuels, gas, crude oil or petroleum products (ISIC Rev. 3.1 232, 40, 402; CPC 613, 62271, 63297, 7131, 71310, 742, 7422, part of 88, 887 (other than advisory and consulting services)) With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements and Cross-border trade in services – National treatment: In FI: To prevent control or ownership of a liquefied natural gas (LNG) terminal (including those parts of the LNG terminal used for storage or re-gasification of LNG) by foreign natural or juridical persons for energy security reasons. In FR: Only companies where 100 % of the capital is held by the French State, by another public sector organisation or by ENGIE, may own and operate gas transmission or distribution systems for reasons of national energy security. EU/CL/ITA/Annex 10/en 300 With respect to Investment liberalisation – National treatment and Cross-border trade in services – Local presence: In BE: For bulk storage services of gas, regarding the types of legal entities and the treatment of public or private operators to whom BE has conferred exclusive rights. Establishment is required within the European Union for bulk storage services of gas (part of CPC 742). In BG: For pipeline transportation, storage and warehousing of petroleum and natural gas, including transit transmission (CPC 71310, part of 742). In PT: For the cross-border supply of storage and warehousing services of fuels transported through pipelines (natural gas). Also, concessions relating to the transmission, distribution and underground storage of natural gas and the reception, storage and regasification terminal of LNG are awarded through contracts concession, following public calls for tenders (CPC 7131, 7422). With respect to Cross-border trade in services – Local presence: In BE: The pipeline transport of natural gas and other fuels is subject to an authorisation requirement. An authorisation may only be granted to a natural or juridical person established in a Member State (in accordance with Article 3 of the AR of 14 May 2002). EU/CL/ITA/Annex 10/en 301 Where the authorisation is requested by a company: (i) the company must be established in accordance with Belgian law, or the law of another Member State, or the law of a third country, which has undertaken commitments to maintain a regulatory framework similar to the common requirements specified in Directive 2009/73/EC of the European Parliament and of the Council1; and (ii) the company must hold its administrative seat, its principal establishment or its head office within a Member State, or a third country, which has undertaken commitments to maintain a regulatory framework similar to the common requirements specified in Directive 2009/73/EC, provided that the activity of this establishment or head office represents an effective and continuous link with the economy of the country concerned (CPC 7131). In BE: In general the supply of natural gas to customers (customers being both distribution companies and consumers whose overall combined consumption of gas arising from all points of supply attains a minimum level of one million cubic metres per year) established in BE is subject to an individual authorisation provided by the minister, except where the supplier is a distribution company using its own distribution network. Such an authorisation may only be granted to natural or juridical persons of the European Union. 1 Directive 2009/73/EC of the European Parliament and of the Council

of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJ EU L 211, 14.8.2009, p. 94). EU/CL/ITA/Annex 10/en 302 With respect to Cross-border trade in services – Local presence: In CY: For the cross-border supply of storage and warehousing services of fuels transported through pipelines, and the retail sales of fuel oil and bottled gas other than by mail order (CPC 613, 62271, 63297, 7131, 742). Existing measures: BE: Arrêté Royal du 14 mai 2002 relatif à l'autorisation de transport de produits gazeux et autres par canalisations; and Loi du 12 avril 1965 relative au transport de produits gazeux et autres par canalisations, Article 8.2). BG: Energy Act. CY: The Regulation of the Electricity Market Law of 2003, Law 122(I)/2003 as amended; the Regulating of the Gas Market Laws of 2004, Law 183(I)/2004 as amended; the Petroleum (Pipelines) Law, Chapter 273; the Petroleum Law Chapter 272 as amended; and the Petroleum and Fuel Specifications Laws of 2003, Law 148(I)/2003 as amended. FI: Maakaasumarkkinalaki (Natural Gas Market Act) (587/2017). FR: Code de l'énergie. HU: Act XVI of 1991 about Concessions. EU/CL/ITA/Annex 10/en 303 LT: Law on Natural Gas of the Republic of Lithuania of 10 October 2000 No VIII-1973. PT: Decree-Law 230/2012 and Decree-Law 231/2012, 26 October 2012 – Natural Gas; Decree-Law 215-A/2012, and Decree-Law 215-B/2012, 8 October 2012 – Electricity; and Decree-Law 31/2006, 15 February 2006 – Crude oil/Petroleum products. (d) Nuclear (ISIC Rev. 3.1 12, 23, 120, 1200, 233, 2330, 40, part of 4010, CPC 887) With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment: In DE: For the production, processing or transportation of nuclear material and generation or distribution of nuclear-based energy. With respect to Investment liberalisation – National treatment and Cross-border trade in services – National treatment: In AT and FI: For the production, processing distribution or transportation of nuclear material and generation or distribution of nuclear-based energy. In BE: For the production, processing or transportation of nuclear material and generation or distribution of nuclear-based energy. EU/CL/ITA/Annex 10/en 304 With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements: In HU and SE: For the processing of nuclear fuel and nuclear-based electricity generation. With respect to Investment liberalisation – National treatment, Senior management and boards of directors: In BG: For the processing of fissionable and fusionable materials or the materials from which they are derived, as well as to the trade thereof, to the maintenance and repair of equipment and systems in nuclear energy production facilities, to the transportation of those materials and the refuse and waste matter of their processing, to the use of ionising radiation, and on all other services relating to the use of nuclear energy for peaceful purposes (including engineering and consulting services and services relating to software etc.). With respect to Investment liberalisation – National treatment: In FR: The manufacturing, production, processing, generation, distribution or transportation of nuclear material must respect the obligations of a Euratom Agreement. EU/CL/ITA/Annex 10/en 305 Existing measures: AT: Bundesverfassungsgesetz für ein atomfreies Österreich (Constitutional Act for a Non-nuclear Austria) BGBl. I Nr. 149/1999. BG: Safe Use of Nuclear Energy Act. FI: Ydinenergialaki (Nuclear Energy Act) (990/1987). HU: Act CXVI of 1996 on Nuclear Energy; and Government Decree Nr. 72/2000 on Nuclear Energy. SE: The Swedish Environmental Code (1998:808); and Law on Nuclear Technology Activities (1984:3). EU/CL/ITA/Annex 10/en 306 Reservation No. 22 – Other services not included elsewhere Sector: Other services not included elsewhere Industry classification: CPC 9703, part of 612, part of 621, part of 625, part of 85990 Type of reservation: National treatment Senior management and board of directors Performance requirements Local presence Chapter: Investment liberalisation and Cross-border trade in services EU/CL/ITA/Annex 10/en 307 Description: The EU reserves the right to adopt or maintain any measure with respect to the following: (a) Funeral, cremation services and undertaking services (CPC 9703) With respect to Investment liberalisation – National treatment: In FI: Cremation services and operation/maintenance of cemeteries and graveyards can only be performed by the state, municipalities, parishes, religious communities or non-profit foundations or societies. With respect to Investment liberalisation – National treatment, Senior management and boards of directors and Cross-border trade in services – National treatment, Local presence: In DE: Only juridical persons established under public law may operate a cemetery. The creation and operation of cemeteries and services related to funerals. In PT: Commercial presence is required to provide funeral and undertaking services. EEA nationality is required in order to become a technical manager for entities providing funeral and undertaking services. In SE: Church of Sweden or local authority monopoly on cremation and funeral services. In CY, SI: Funeral, cremation and undertaking services. EU/CL/ITA/Annex 10/en 308 Existing measures: FI: Hautaustoimilaki (Act on Burial Service) (457/2003). PT: Decree-Law 10/2015, of 16 January alterado p/ Lei 15/2018, 27 março. SE: Begravningslag (1990:1144) (Act of Burials); and Begravningsförordningen (1990:1147) (Ordinance of Burials). (b) New services With respect to Investment liberalisation – National treatment, Senior management and boards of directors, Performance requirements and Cross-border trade in services – National treatment, Local presence: In EU: For the provision of new services other than those classified in the CPC. EU/CL/ITA/Annex 10/en 309 Appendix 10-B-2 SCHEDULE OF CHILE Sector: All Sub-Sector: Obligations Concerned: National treatment (Investment) Most-favoured-nation treatment (Investment) Description: Investment Chile reserves the right to adopt or maintain any measure relating to the ownership or control of land within five kilometres of the coastline that is used for agricultural activities. Such measure could include a requirement that the majority of each class of stock of a Chilean juridical person that seeks to own or control such land be held by Chilean persons or by persons residing in Chile for 183 days or more per year. Existing Measures: Decree Law 1.939, Official Gazette, 10 November 1977, Rules for acquisition, administration and disposal of State-owned assets, Title I (Decreto Ley 1.939, Diario Oficial, noviembre 10, 1977, Normas sobre adquisición, administración y disposición de bienes del Estado, Título I) EU/CL/ITA/Annex 10/en 310 Sector: All Sub-Sector: Obligations Concerned: National treatment (Investment) Senior management and boards of directors (Investment)

Description: Investment In the transfer or disposal of any interest in stock or asset held in an existing state enterprise or governmental entity, Chile reserves the right to prohibit or impose limitations on the ownership of that interest or asset and on the right of foreign investors or their investments to control any State company created thereby or investments made by the same. In connection with any such transfer or disposal, Chile may adopt or maintain any measure related to the nationality of senior management and members of the board of directors. A "State company"1 means any company owned or controlled by Chile by means of an interest share in the ownership thereof, and includes any company created after the date of entry into force of this Agreement for the sole purpose of selling or disposing of its interest share in the capital or assets of an existing state company or governmental entity. 1 A list of existing state companies in Chile can be found on the following website: http://www.dipres.gob.cl. EU/CL/ITA/Annex 10/en 311 Sector: All Sub-Sector: Obligations Concerned: Most-favoured-nation treatment (Investment and CBTS) Description: Investment and Cross-border trade in services Chile reserves the right to adopt or maintain any measure that accords differential treatment to countries under any bilateral or multilateral international agreement in force on, or signed prior to, the date of entry into force of this Agreement. Chile reserves the right to adopt or maintain any measure that accords differential treatment to countries under any international agreement in force on, or signed after, the date of entry into force of this Agreement involving: (a) aviation; (b) fisheries; or (c) maritime matters, including salvage. Existing Measures: EU/CL/ITA/Annex 10/en 312 Sector: Communications Sub-Sector: Satellite broadcasting of digital telecommunication services Obligations Concerned: Local presence (CBTS) Description: Cross-border trade in services Chile reserves the right to adopt or maintain any measure related to cross-border trade in one-way satellite broadcasting of digital telecommunication services. Existing Measures: Law 18.168, Official Gazette, 2 October 1982, General Telecommunications Law, Titles I, II, III, V and VI (Ley 18.168, Diario Oficial, octubre 2, 1982, Ley General de Telecomunicaciones, Títulos I, II, III, V y VI) EU/CL/ITA/Annex 10/en 313 Sector: Communications Sub-Sector: Satellite broadcasting of digital telecommunication services Obligations Concerned: National treatment (Investment) Most-favoured-nation treatment (Investment) Performance requirements (Investment) Senior management and boards of directors (Investment) Description: Investment Chile reserves the right to adopt or maintain any measure related to the investors of the other Party or to their investments in one-way satellite broadcasting of digital telecommunication services. Existing Measures: Law 18.168, Official Gazette, 2 October 1982, General Telecommunications Law, Titles I, II, III, V and VI (Ley 18.168, Diario Oficial, octubre 2, 1982, Ley General de Telecomunicaciones, Títulos I, II, III, V y VI) EU/CL/ITA/Annex 10/en 314 Sector: Issues involving minorities Sub-Sector: Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Performance requirements (Investment) Senior management and boards of directors (Investment) Local presence (CBTS) Description: Investment and Cross-border trade in services Chile reserves the right to adopt or maintain any measure according rights or preferences to socially or economically disadvantaged minorities. Existing Measures: EU/CL/ITA/Annex 10/en 315 Sector: Issues involving indigenous peoples Sub-Sector: Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Performance requirements (Investment) Senior management and boards of directors (Investment) Local presence (CBTS) Description: Investment and Cross-border trade in services Chile reserves the right to adopt or maintain any measure according rights or preferences to indigenous peoples. Existing Measures: EU/CL/ITA/Annex 10/en 316 Sector: Education Sub-Sector: Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Performance requirements (Investment) Senior management and boards of directors (Investment) Local presence (CBTS) Description: Investment and Cross-border trade in services Chile reserves the right to adopt or maintain any measure relating to: (a) investors and an investment of an investor of the other Party in education; and (b) natural persons who supply educational services in Chile. EU/CL/ITA/Annex 10/en 317 Subparagraph (b) includes teachers and auxiliary personnel supplying educational services in pre-school, kindergarten, special education, elementary, secondary or higher education, professional, technical or university education, and all other persons that supply services related to education, including sponsors of educational institutions of any kind, schools, lyceums, academies, training centres, professional and technical institutes or universities. This reservation does not apply to investors and an investment of an investor of the other Party in kindergarten, pre-school, elementary or secondary private education institutions, that do not receive public resources, or to the supply of services related to second-language training, corporate, business, and industrial training and skills upgrading, which include consulting services relating to technical support, advice, curriculum, and programme development in education. Existing Measures: EU/CL/ITA/Annex 10/en 318 Sector: Government finances Sub-Sector: Obligations Concerned: National treatment (Investment) Description: Investment Chile reserves the right to adopt or maintain any measure related to the acquisition, sale or disposal by the other Party’s nationals of bonds, treasury securities or any other type of debt instruments issued by the Central Bank of Chile (Banco Central de Chile) or the Government of Chile. This entry is not intended to affect the rights of the other Party’s financial institutions (banks) established in Chile to acquire, sell or dispose of such instruments when required for the purposes of regulatory capital. Existing Measures: EU/CL/ITA/Annex 10/en 319 Sector: Fisheries Sub-Sector: Fishing-related activities Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Description: Investment and Cross-border trade in services Chile reserves the right to control the activities of foreign fishing, including fish landing, first landing of fish processed at sea and access to Chilean ports (port privileges). Chile reserves the right to control the use of beaches, land adjacent to beaches (terrenos de playas), water-columns (porciones de agua) and sea-bed lots (fondos marinos) for the issuance of maritime concessions. For greater certainty, "maritime concessions" do not cover aquaculture.

Existing Measures: Decree Law 2.222, Official Gazette, 31 May 1978, Navigation Law, Titles I, II, III, IV and V (Decreto Ley 2.222, Diario Oficial, mayo 31, 1978, Ley de Navegación Títulos I, II, III, IV y V) EU/CL/ITA/Annex 10/en 320 D.F.L. 340, Official Gazette, 6 April 1960, about Maritime Concessions (D.F.L. 340, Diario Oficial, abril 6, 1960, sobre Concesiones Marítimas) Supreme Decree 660, Official Gazette, 28 November 1988, Maritime Concession Act (Decreto Supremo 660, Diario Oficial, noviembre 28, 1988, Reglamento de Concesiones Marítimas) Supreme Decree 123 of the Ministry of Economic Affairs, Development and Reconstruction, Vice-Ministry of Fishing, Official Gazette, 23 August 2004, On Use of Ports (Decreto Supremo 123 del Ministerio de Economía, Fomento y Reconstrucción, Subsecretaría de Pesca, Diario Oficial, agosto 23, 2004, Sobre Uso de Puertos) EU/CL/ITA/Annex 10/en 321 Sector: Arts industries and cultural industries Sub-Sector: Obligations Concerned: Most-favoured-nation treatment (Investment and CBTS) Description: Investment and Cross-border trade in services Chile reserves the right to adopt or maintain any measure that accords differential treatment to countries under any existing or future bilateral or multilateral international agreement, with respect to arts and cultural industries, such as audio-visual cooperation agreements. For greater certainty, government-supported subsidy programmes for the promotion of cultural activities are not subject to the limitations or obligations of this Agreement. For the purposes of this entry, "arts and cultural industries" includes: (a) books, magazines, periodical publications, or printed or electronic newspapers, excluding the printing and typesetting of any of the foregoing; (b) recordings of movies or videos; (c) music recordings in audio or video format; EU/CL/ITA/Annex 10/en 322 (d) printed music scores or scores readable by machines; (e) visual arts, artistic photography and new media; (f) performing arts, including theatre, dance and circus arts; and (g) media services or multimedia. Existing Measures: EU/CL/ITA/Annex 10/en 323 Sector: Entertainment and broadcasting services Sub-Sector: Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Performance requirements (Investment) Description: Investment and Cross-border trade in services Chile reserves the right to adopt or maintain any measure relating to: (a) the organisation and presentation in Chile of concerts and musical performances; or (b) radio broadcasts aimed at the public in general, as well as all radio, television and cable television-related activities, satellite programming services and broadcasting networks. Notwithstanding the above, Chile shall extend to the persons and investors of the other Party, and their investments, treatment no less favourable than that Party accords persons and investors of Chile, and their investments. Existing Measures: EU/CL/ITA/Annex 10/en 324 Sector: Social services Sub-Sector: Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Performance requirements (Investment) Senior management and boards of directors (Investment) Local presence (CBTS) Description: Investment and Cross-border trade in services Chile reserves the right to adopt or maintain any measure with respect to the supply of public law enforcement and correctional services, and the following services to the extent that they are social services established or maintained for reasons of public interest: income security or insurance, social security or insurance, social welfare, education, public training, health care and child care. Existing Measures: EU/CL/ITA/Annex 10/en 325 Sector: Environmental services Sub-Sector: Obligations Concerned: National treatment (CBTS) Most-favoured-nation treatment (CBTS) Local presence (CBTS) Description: Cross-border trade in services Chile reserves the right to adopt or maintain any measure imposing the requirement that the production and distribution of drinking water, the collection and disposal of waste water and sanitation services, such as sewage systems, waste disposal and waste-water treatment, shall only be supplied by juridical persons incorporated under Chilean law or created in accordance with the requirements established by Chilean law. This entry does not apply to consultancy services retained by such juridical persons. Existing Measures: EU/CL/ITA/Annex 10/en 326 Sector: Construction services Sub-Sector: Obligations Concerned: National treatment (CBTS) Local presence (CBTS) Description: Cross-border trade in services Chile reserves the right to adopt or maintain any measure with respect to the supply of construction services by foreign juridical persons or legal entities. Such measures may include requirements such as residency, registration or any other form of local presence. Existing Measures: EU/CL/ITA/Annex 10/en 327 Sector: Transportation Sub-Sector: International road transportation Obligations Concerned: National treatment (Investment and CBTS) Most-favoured-nation treatment (Investment and CBTS) Local presence (CBTS) Description: Investment and Cross-border trade in services Chile reserves the right to adopt or maintain any measure relating to the international land transportation of cargo or passengers in border areas. Additionally, Chile reserves the right to adopt or maintain the following limitations for the supply of international land transportation from Chile: (a) the service supplier must be a Chilean natural or juridical person; (b) the service supplier must have a real and effective domicile in Chile; and EU/CL/ITA/Annex 10/en 328 (c) in the case of juridical persons, the service supplier must be legally constituted in Chile and more than 50 % of its capital stock must be owned by Chilean nationals and its effective control must be by Chilean nationals. Existing Measures: EU/CL/ITA/Annex 10/en 329 Sector: Transportation services Sub-Sector: Road transportation services Obligations Concerned: National treatment (CBTS) Description: Cross-border trade in services Chile reserves the right to adopt or maintain any measure that authorises only Chilean natural or juridical persons to supply land transportation of persons or merchandise inside the territory of Chile (cabotage). For this, the enterprises shall use vehicles registered in Chile. _____ EU/CL/ITA/Annex 10/en 330 ANNEX 10-C MARKET ACCESS COMMITMENTS Headnotes 1. The schedules of the Parties in Appendices 10-C-1 and 10-C-2 set out the market access commitments which each Party undertakes pursuant to Article 10.5 or 11.7 and the reservations taken by that Party with respect to existing or more restrictive or new measures that do not conform with obligations imposed by such provisions, under Article 10.11 or 11.8. 2. For the purposes of this Annex, "ISIC" means the International Standard Industrial Classification of all Economic Activities as set out in Statistical Office of the United Nations, Statistical Papers, Series M, No. 4,

ISIC REV 3.1, 2002. 3. The economic activities in the sectors or subsectors covered by Chapters 10 and 11 and not inscribed in the schedules of the Parties are not covered by the market access commitments referred to in paragraph 1. 4. The schedule of a Party is without prejudice to the rights and obligations of the Parties under GATS. EU/CL/ITA/Annex 10/en 331 5. Each entry in the schedules sets out the following elements: (a) "sector" refers to the general sector in which the entry is made; (b) "subsector" refers to the specific sector or activity in which commitments are undertaken in accordance with, if applicable, the CPC or ISIC; and (c) "limitations on market access" specifies the applicable limitations, including the possibility to maintain existing measures if so specified, or to adopt new or more restrictive measures if market access is unbound, that do not conform to the obligations set out in Article 10.5 or 11.7. 6. A reservation taken at the level of the European Union applies to a measure of the European Union, to a measure of a Member State at the central level or to a measure of a government within a Member State, unless the reservation excludes a Member State. A commitment or a reservation taken by a Member State applies to a measure of a government at the central, regional or local level within that Member State. For the purposes of the reservations of Belgium, the central level of government covers the federal government and the governments of the regions and the communities as each of them holds equipollent legislative powers. For the purposes of the reservations of the European Union and its Member States, a regional level of government in Finland means the Åland Islands. A reservation taken at the level of Chile applies to a measure of the central government or a local government. EU/CL/ITA/Annex 10/en 332 7. The schedules of the Parties only contain limitations on market access which are nondiscriminatory. Discriminatory measures and requirements are set out in Annexes 10-A and 10-B. 8. For greater certainty, non-discriminatory measures do not constitute a market access limitation within the meaning of Articles 10.5 or 11.7 for any measure: (a) requiring the separation of the ownership of infrastructure from the ownership of the goods or services provided through that infrastructure to ensure fair competition, for example in the fields of energy, transportation and telecommunications; (b) restricting the concentration of ownership to ensure fair competition; (c) seeking to ensure the conservation and protection of natural resources and the environment, including a limitation on the availability, number and scope of concessions granted, and the imposition of a moratorium or ban; (d) limiting the number of authorisations granted because of technical or physical constraints, for example telecommunications spectra and frequencies; or (e) requiring that a certain percentage of the shareholders, owners, partners, or directors of an enterprise be qualified or practice a certain profession such as lawyers or accountants. EU/CL/ITA/Annex 10/en 333 9. The list of reservations below does not include measures relating to qualification requirements and procedures, technical standards and licensing requirements and procedures where they do not constitute a limitation within the meaning of Article 10.5 or 11.7. Those measures may include, in particular, the need to obtain a licence, to satisfy universal service obligations, to have recognised qualifications in regulated sectors, to pass specific examinations, including language examinations, to fulfil a membership requirement of a particular profession, such as membership in a professional organisation, to have a local agent for service, or to maintain a local address, or any other nondiscriminatory requirements that certain activities may not be carried out in protected zones or areas. Although they are not listed in this Annex, such measures continue to apply. 10. Treatment granted to juridical persons established by investors of a Party in accordance with the law of the other Party (including, in the case of the European Union, the law of a Member State) and having their registered office, central administration or principal place of business within that other Party, is without prejudice to any condition or obligation, pursuant to Chapter 10, which may have been imposed on such juridical person when it was established in that other Party, and which shall continue to apply. 11. The schedules of the Parties apply only to the territories of the Parties in accordance with Article 33.8 and are only relevant in the context of trade relations between the European Union and its Member States and Chile. They do not affect the rights and obligations of the Member States under European Union law. EU/CL/ITA/Annex 10/en 334 12. The following abbreviations are used in the schedule of the European Union: EU European Union, including all its Member States AT Austria BE Belgium BG Bulgaria CY Cyprus CZ Czechia DE Germany DK Denmark EE Estonia EL Greece ES Spain FI Finland FR France HR Croatia EU/CL/ITA/Annex 10/en 335 HU Hungary IE Ireland IT Italy LT Lithuania LU Luxembourg LV Latvia MT Malta NL Netherlands PL Poland PT Portugal RO Romania SE Sweden SI Slovenia SK Slovakia EEA European Economic Area EU/CL/ITA/Annex 10/en 336 Appendix 10-C-1 SCHEDULE OF THE EUROPEAN UNION Sector or Subsector Limitations on Market Access III-EU-1 All sectors (a) Commercial presence With respect to Investment: In the EU: Services considered as public utilities at national or local level may be subject to public monopolies or to exclusive rights granted to private operators. Public utilities exist in sectors such as related scientific and technical consulting services, research and development (R&D) services on social sciences and humanities, technical testing and analysis services, environmental services, health services, transport services and services auxiliary to all modes of transport. Exclusive rights on those services are often granted to private operators, for instance operators with concessions from public authorities, subject to specific service obligations. Given that public utilities often also exist at the sub-central level, detailed and exhaustive sector-specific scheduling is not practical. This reservation does not apply to telecommunications and to computer and related services. In HU: Establishment should take a form of limited liability company, joint-stock company or representative office. Initial entry as a branch is not permitted except for financial services. In IT: Unbound for the acquisition of equity stakes of companies operating in the fields of defence and national security. The acquisition of strategic assets in the fields of transport services, telecommunications and energy may be subject to the approval of the Presidency of the Council of Ministers' Office. In LT: Unbound for enterprises, sectors, zones, assets and facilities of strategic importance to national security. EU/CL/ITA/Annex 10/en 337 Sector or Subsector Limitations on Market Access (b) Acquisition of real estate With

respect to Investment: In the EU, with the exception of HU: None. In HU: Unbound for the acquisition of State-owned properties. (c) Arms, munition and war material With respect to Investment and Cross-border trade in services: In the EU: Unbound for the production or distribution of, or trade in, arms, munitions and war material. War material is limited to any product which is solely intended and made for military use in connection with the conduct of war or defence activities. EU/CL/ITA/Annex 10/en 338 Sector or Subsector Limitations on Market Access III-EU-2 – Professional services (all professions except health-related) (a) Legal services (part of CPC 861), including patent agent services For greater certainty, consistent with the Headnotes, in particular headnote 9, requirements to register with a Bar may include a requirement to have obtained a law degree in the host country or its equivalent, or to have completed some training under the supervision of a licensed lawyer, or to have an office or a postal address within the jurisdiction of a specific Bar in order to be eligible to apply for membership in that Bar. Some Member States may impose the requirement of having the right to practise host-jurisdiction law on those natural persons holding certain positions within a law firm, company or enterprise or for shareholders. With respect to Investment and Cross-border trade in services: In the EU, with the exception of SE: Unbound for the supply of legal advisory and legal authorisation, documentation, and certification services provided by legal professionals entrusted with public functions, such as notaries, huissiers de justice or other officiers publics et ministériels, and with respect to services provided by bailiffs who are appointed by an official act of government (part of CPC 861, part of 87902). In SE: None. In the EU: Specific non-discriminatory legal form requirements apply in each Member State (some examples are listed below for transparency purposes). In BE: Quotas apply for representation before the Cour de cassation in non-criminal cases. In FR: Representation before the Cour de Cassation and Conseil d'Etat is subject to quotas. For fully admitted lawyers, company must take one of the following legal form authorised under French law on a nondiscriminatory basis: SCP (société civile professionnelle), SEL (société d'exercice libéral), SEP (société en participation), SARL (société à responsabilité limitée), SAS (société par actions simplifiée), SA (société anonyme), SPE (société pluriprofessionnelle d'exercice) and association, under certain conditions. In a law firm providing services in respect of French or European Union law, shareholding and voting rights may be subject to quantitative restrictions related to the professional activity of the partners. In SI: Commercial presence for appointed attorneys by the Slovene Bar Association is restricted to sole proprietorship, law firm with limited liability (partnership) or law firm with unlimited liability (partnership) only. The activities of a law firm shall be restricted to the practice of law. Only attorneys may be partners in a law firm. EU/CL/ITA/Annex 10/en 339 Sector or Subsector Limitations on Market Access (b) Patent agents, industrial property agents, intellectual property attorneys (part of CPC 879, 861, 8613) With respect to Investment: In the EU, with the exception of FR: None. In FR: Provision only through SCP (société civile professionnelle), SEL (société d'exercice libéral) or any other legal form, under certain conditions. (c) Accounting and book-keeping services (CPC 8621 other than auditing services, 86213, 86219, 86220) With respect to Investment and Cross-border trade in services: In the EU, with the exception of FR and HU: None. With respect to Investment: In FR: Provision through any company form except SNC (Société en nom collectif) and SCS (Société en commandite simple). Specific conditions apply to SEL (sociétés d'exercice libéral), AGC (Association de gestion et comptabilité) and SPE (Société pluri-professionnelle d'exercice) (CPC 86213, 86219, 86220). With respect to Cross-border trade in services: In HU: Unbound for cross-border activities for accounting and bookkeeping. (d) Auditing services (CPC – 86211, 86212 other than accounting services) With respect to Investment and Cross-border trade in services: In the EU, with the exception of DE, EE, BG, FR, HU, PL and PT: None. In EE: Non-discriminatory legal form requirements apply. With respect to Investment: In BG: Non-discriminatory legal form requirements apply. In FR: Provision through any company form except those in which partners are considered to be traders (commerçants), such as SNC (Société en nom collectif) and SCS (Société en commandite simple). In PL: Legal form requirements apply. EU/CL/ITA/Annex 10/en 340 Sector or Subsector Limitations on Market Access With respect to Cross-border trade in services: In DE: Auditing companies (Wirtschaftsprüfungsgesellschaften) may only adopt legal forms admissible within the EEA. General partnerships and limited commercial partnerships may be recognised as Wirtschaftsprüfungsgesellschaften if they are listed as trading partnerships in the commercial register on the basis of their fiduciary activities. In HU and PT: Unbound for cross-border supply of auditing services. (e) Taxation advisory services (CPC 863, not including legal advisory and legal representational services on tax matters, which are to be found under legal services) With respect to Investment and Cross-border trade in services: In the EU, with the exception of DE, FR and PL: None. In DE, PL: Legal form requirements apply. With respect to Investment: In FR: Provision through any company form except SNC (Société en nom collectif) and SCS (Société en commandite simple). Specific conditions apply to SEL (sociétés d'exercice libéral), AGC (Association de gestion et comptabilité) and SPE (Société pluri-professionnelle d'exercice). (f) Architecture and urban planning services, engineering and integrated engineering services (CPC 8671, 8672, 8673, 8674) With respect to Investment and Cross-border trade in services: In the EU, with the exception of FR and HR: None. With respect to Investment: In FR: An architect may only establish in FR in order to provide architectural services using one of the following legal forms (on a nondiscriminatory basis): SA et SARL (sociétés anonymes, à responsabilité limitée), EURL (Entreprise unipersonnelle à responsabilité limitée), SCP (en commandite par actions), SCOP (Société coopérative et participative), SELARL (société d'exercice libéral à responsabilité limitée), SELAFA (société d'exercice libéral à forme anonyme), SELAS (société d'exercice libéral) or SAS (Société par actions simplifiée), or as individual or as a partner in an architectural firm (CPC 8671). EU/CL/ITA/Annex 10/en 341 Sector or Subsector Limitations on Market Access With respect to Cross-border trade in services: In HR: Unbound for the cross-border supply of urban planning. III-EU-3 – Professional services – healthrelated and retail of pharmaceuticals (a) Medical and dental services; and services provided by

midwives, nurses, physiotherapists, psychologists and paramedical personnel (CPC 85201, 9312, 9319) With respect to Investment and Cross-border trade in services: In the EU, with the exception of AT, BE, BG, CZ, DE, FI and MT: None. In CZ and MT: Unbound for the supply of all health-related professional services, whether publicly or privately funded, including the services provided by professionals such as medical doctors, dentists, midwives, nurses, physiotherapists, paramedics, psychologists, as well as other related services (CPC 9312, part of 9319). In FI: Unbound for the supply of all health-related professional services, whether publicly or privately funded, including medical and dental services, services provided by midwives, physiotherapists and paramedical personnel, and services provided by psychologists, excluding services provided by nurses (CPC 9312, 93191). In BG: Unbound for the supply of all health-related professional services, whether publicly or privately funded, including medical and dental services, services provided by nurses, midwives, physiotherapists and paramedical personnel, and services provided by psychologists (CPC 9312, part of 9319). EU/CL/ITA/Annex 10/en 342 Sector or Subsector Limitations on Market Access With respect to Investment: In AT: Specific non-discriminatory legal form requirements may apply (CPC 9312, part of 9319). Cooperation of physicians for the purpose of ambulatory public healthcare, so-called group practices, can take place only under the legal form of Offene Gesellschaft/OG or Gesellschaft mit beschränkter Haftung/GmbH. Only physicians may act as associates of such a group practice. They must be entitled to independent medical practice, registered with the Austrian Medical Chamber and actively pursue the medical profession in the practice. Other natural or juridical persons may not act as associates of the group practice and may not take a share in its revenues or profits (part of CPC 9312). In DE: Geographical restrictions may be imposed on professional registration, which apply to nationals and non-nationals alike. Non-discriminatory restrictions on the legal form to provide these services may exist (§ 95 SGB V). For doctors (including psychologists, and psychotherapists) registration can be subject to quantitative restrictions based on the regional distribution of doctors. Registration is necessary only for doctors participating in the public health scheme. With respect to Cross-border trade in services: In BE: Unbound for the cross-border supply, whether publicly or privately funded, of all health-related professional services, including medical, dental and midwives services and services provided by nurses, physiotherapists, psychologists and paramedical personnel (part of CPC 85201, 9312, part of 93191). EU/CL/ITA/Annex 10/en 343 Sector or Subsector Limitations on Market Access (b) Veterinary services (CPC 932) With respect to Investment and Cross-border trade in services: In the EU, with the exception of BE, BG, DE, DK, ES, FR, IE, HU, LV, NL and SK: None. In DE: Telemedicine may only be provided in the context of a primary treatment involving the prior physical presence of a veterinary. In DE, DK, ES, LV, NL and SK: The supply of veterinary services is restricted to natural persons. In IE: The supply of veterinary services is restricted to natural persons or partnerships. In HU: Authorisation is subject to an economic needs test. Main criteria: labour market conditions in the sector. With respect to Investment: In FR: The legal forms available to a company providing veterinary services are limited to SEP (société en participation), SCP (société civile professionnelle) and SEL (société d'exercice liberal). With respect to Cross-border trade in services: In BE, BG and LV: Unbound for cross-border supply of veterinary services. EU/CL/ITA/Annex 10/en 344 Sector or Subsector Limitations on Market Access (c) Retail sales of pharmaceutical, medical and orthopaedic goods, other services provided by pharmacists (CPC 63211) With respect to Investment and Cross-border trade in services: In the EU, with the exception of BG, LT: The retail of pharmaceuticals and specific medical goods to the public may only be carried out through a pharmacy. The mail order of pharmaceuticals is prohibited, with the exception of non-prescription medicines. In EE: The retail of pharmaceuticals and specific medical goods to the public may only be carried out through a pharmacy. Mail order of medicinal products as well as delivery by post or express service of medicinal products ordered through the internet is prohibited. Establishment authorisation is subject to an economic needs test. Main criteria: density conditions in the area. In EL: Only natural persons, who are licensed pharmacists, and companies founded by licensed pharmacists, are permitted to provide retail services of pharmaceuticals and specific medical goods to the public. In ES: Only natural persons, who are licensed pharmacists, are permitted to provide retail services of pharmaceuticals and specific medical goods to the public. Each pharmacist cannot obtain more than one licence. Mail order of pharmaceuticals is prohibited. In FI: Unbound for retail sales of pharmaceutical products and of medical and orthopaedic goods. In IE: The mail order of pharmaceuticals is prohibited, with the exception of non-prescription medicines. In IT: The practice of the profession is possible only for natural persons enrolled in the register, as well as for juridical persons in the form of partnerships, where every partner of the company must be an enrolled pharmacist. Establishment authorisation is subject to an economic needs test. Main criteria: population and density conditions in the area. In LU: Only natural persons are permitted to provide retail services of pharmaceuticals and specific medical goods to the public. In NL: Unbound for mail order of medicine. In PL: The practice of the profession is possible only for natural persons enrolled in the register, as well as for juridical persons in the form of partnerships, where every partner of the company must be an enrolled pharmacist. In SE: Unbound for retail sales of pharmaceutical goods and the supply of pharmaceutical goods to the general public. EU/CL/ITA/Annex 10/en 345 Sector or Subsector Limitations on Market Access With respect to Investment: In the EU, with the exception of EL, IE, LU, LT and NL: For restricting the number of suppliers entitled to provide a particular service in a specific local zone or area on a non-discriminatory basis. An economic needs test may therefore be applied, taking into account such factors as the number of and impact on existing establishments, transport infrastructure, population density or geographic spread. In BG: Managers of pharmacies must be qualified pharmacists and may only manage one pharmacy in which they themselves work. A quota (not more than four 4) exists for the number of pharmacies which may be owned per person in BG. In DE: Only natural persons (pharmacists) are permitted to operate a pharmacy. The total number of pharmacies per person is restricted to one pharmacy and up to three branch

pharmacies. In DK: Only natural persons who have been granted a pharmacist licence from the Danish Health and Medicines Authority are permitted to provide retail services of pharmaceuticals and specific medical goods to the public. In FR: Pharmacy opening must be authorised and commercial presence, including sale at a distance of medicinal products to the public by means of information society services, must take one of the legal forms which are allowed under national law on a non-discriminatory basis: société d'exercice libéral (SEL) anonyme, par actions simplifiée, à responsabilité limitée unipersonnelle or pluripersonnelle, en commandite par actions, société en noms collectifs (SNC) or société à responsabilité limitée (SARL) unipersonnelle or pluripersonnelle only. In ES, HR, HU, and PT: Establishment authorisation is subject to an economic needs test. Main criteria: population and density conditions in the area. In MT: Issuance of pharmacy licences under specific restrictions. A person shall not have more than one licence in their name in any town or village (Regulation 5(1) of the Pharmacy Licence Regulations (LN279/07)), except in the case where there are no further applications for that town or village (Regulation 5(2) of the Pharmacy Licence Regulations (LN279/07)). In PT: In commercial companies where the capital is represented by shares, these shall be nominative. A person shall not hold or exercise, at the same time, directly or indirectly, ownership, operation or management of more than four pharmacies. In SI: The network of pharmacies in SI consists of public pharmacy institutions, owned by municipalities, and of private pharmacists with concession where the majority owner must be a pharmacist by profession. Mail order of pharmaceuticals requiring a prescription is prohibited. Mail order of non-prescription medicines requires special State permission. EU/CL/ITA/Annex 10/en 346 Sector or Subsector Limitations on Market Access III-EU-4 – Business services – research and development services (CPC 851, 852, 853) With respect to Investment and Cross-border trade in services: In the EU, with the exception of RO: None. With respect only to Cross-border trade in services: In RO: Unbound for the cross-border supply of research and development services. III-EU-5 – Business services – real estate services (CPC 821, 822) With respect to Investment and Cross-border trade in services: In the EU, with the exception of CZ and HU: None. With respect to Cross-border trade in services: In CZ and HU: Unbound for the cross-border supply of real estate services. III-EU-6 – Business services – rental or leasing services (a) Rental or leasing services without operators (CPC 831) With respect to Investment and Cross-border trade in services: In the EU: Unbound for rental or leasing of aircraft without crew (dry lease). Aircraft used by an air carrier of the European Union are subject to applicable aircraft registration requirements. A dry lease agreement to which a European Union carrier is a party shall be subject to requirements in the European Union or national law on aviation safety, such as prior approval and other conditions applicable to the use of third countries' registered aircraft (CPC 83104). (b) Rental or leasing services without operators concerning personal and household goods (CPC 832) With respect to Investment and Cross-border trade in services: In the EU, with the exception of BE and FR: None. With respect to Cross-border trade in services: In BE and FR: Unbound for cross-border supply of leasing or rental services without operator concerning personal and household goods. EU/CL/ITA/Annex 10/en 347 Sector or Subsector Limitations on Market Access III-EU-7 – Business services (a) Computer and related services (CPC 84)1 None. (b) Market research and public opinion polling services (CPC 864) None. (c) Management consulting services (CPC 865) and services related to management consulting (CPC 866) None. (d) Related scientific and technical consulting services (CPC 8675) With respect to Investment and Cross-border trade in services: In the EU, with the exception of FR: None. With respect to Investment: In FR: For surveying, access through SEL (anonyme, à responsabilité limitée ou en commandite par actions), SCP (Société civile professionnelle), SA and SARL (sociétés anonymes, à responsabilité limitée) only. (e) Technical testing and analysis services (CPC 8676) With respect to Investment and Cross-border trade in services: In the EU, with the exception of FR and PT: None. With respect to Investment and Cross-border trade in services: In FR: The profession of biologist is reserved for natural persons. In PT: The professions of biologist, chemical analyst and agronomist are reserved for natural persons. (f) Advertising services (CPC 871) With respect to Investment and Cross-border trade in services: In the EU: None. 1 The EU subscribes to the "Understanding on the scope of coverage of computer services – CPC 84". EU/CL/ITA/Annex 10/en 348 Sector or Subsector Limitations on Market Access (g) Placement services (CPC 87201, 87202, 87203, 87204, 87205, 87206, 87209) With respect to Investment and Cross-border trade in services: In the EU, with the exception of HU and SE: Unbound for the supply services of domestic help personnel, other commercial or industrial workers, nursing and other personnel. In HU and SE: None (CPC 87204, 87205, 87206, 87209). In the EU for executive search services (CPC 87201): None, except for BG, CY, CZ, DE, EE, FI, MT, LT, LV, PL, PT, RO, SI and SK where: Unbound. In the EU for the establishment of placement services of office support personnel and other workers (CPC 87202): None, except for AT, BG, CY, CZ, EE, FI, LT, LV MT, PL, PT, RO, SI and SK where: Unbound. In the EU for supply services of office support personnel (CPC 87203): None, except for AT, BG, CY, CZ, DE, EE, FI, MT, LT, LV, PL, PT, RO, SI and SK where: Unbound. In DE: Restrictions on the number of suppliers of placement services. In ES: Restrictions the number of suppliers of executive search services and placement services (CPC 87201, 87202). In FR: These services can be subject to a State monopoly (CPC 87202). In IT: Restrictions on the number of suppliers of supply services of office personnel (CPC 87203). With respect to Cross-border trade in services: In the EU, with the exception of BE, HU and SE: Unbound for the crossborder supply of placement services of office support personnel and other workers (CPC 87202). In BE: None. In IE: Unbound for the cross-border supply of executive search services (CPC 87201). In FR, IE, IT and NL: Unbound for the cross-border supply of services of office personnel (CPC 87203). (h) Security services (CPC 87302, 87303, 87304, 87305, 87309) With respect to Investment and Cross-border trade in services: In the EU, with the exception of BG, CY, CZ, DK, EE, ES, FI, HR, HU, LT, LV, MT, PL, RO, SI and SK: None. In BG, CY, CZ, EE, ES, LT, LV, MT, PL, RO, SI and SK: Unbound. In DK, HR and HU: Unbound for the supply of the following subsectors: guard services (87305) in HR and HU, security consultation services (87302) in HR, airport

guard services (part of 87305) in DK and armoured car services (87304) in HU. EU/CL/ITA/Annex 10/en 349 Sector or Subsector Limitations on Market Access With respect to Investment: In FI: Unbound for licences to supply security services. (i) Investigation services (CPC 87301) With respect to Investment and Cross-border trade in services: In the EU, with the exception of AT and SE: Unbound. In AT and SE: None. (j) Building-cleaning services (CPC 874) With respect to Investment and Cross-border trade in services: In the EU: None. (k) Photographic services (CPC 875) None. (l) Packaging services (CPC 876) None. (m) Credit reporting services and collection agency services (CPC 87901, 87902) With respect to Cross-border trade in services: In the EU, with the exception of ES, LV and SE: Unbound for the supply of collection agency services and credit reporting services. In ES, LV and SE: None. (n) Telephone answering services (CPC 87903) With respect to Investment and Cross-border trade in services: In the EU: None. (o) Duplicating services (CPC 87904) With respect to Investment and Cross-border trade in services: In the EU, with the exception of HU: None. With respect to Cross-border trade in services: In HU: Unbound for the cross-border supply of duplicating services. (p) Translation and interpretation services (CPC 87905) With respect to Investment and Cross-border trade in services: In the EU, with the exception of HU and PL: None. In HU: Official translations, official certifications of translations, and certified copies of official documents in foreign languages may only be provided by the Hungarian Office for Translation and Attestation (OFFI). In PL: Only natural persons may be sworn translators. (q) Mailing list compilation and mailing services (CPC 87906) With respect to Investment and Cross-border trade in services: In the EU: None. EU/CL/ITA/Annex 10/en 350 Sector or Subsector Limitations on Market Access (r) Specialty design services (CPC 87907) None. (s) Other business services n.e.c. (CPC 87909) With respect to Investment and Cross-border trade in services: In the EU, with the exception of SE: None. In SE: The economic plan for a building society must be certified by two persons. These persons must be publicly approved by authorities in the EEA. In SE: Pawn-shops must be established as either a limited liability company or as a branch. (t) Air transport related business services: – Selling and Marketing – Computer Reservations System (CRS) services With respect to Investment and Cross-border trade in services: In the EU: None. (u) Repair services incidental to metal products, machinery and equipment (CPC 886, except 8868) None. With respect to Investment and Cross-border trade in services: In the EU, with the exception of HU: None. In HU: Unbound for services incidental to energy distribution and crossborder supply of services incidental to manufacturing, with the exception of advisory and consulting services relating to these sectors. (v) Maintenance and repair of vessels, rail transport equipment and aircraft and parts thereof (part of CPC 86764, 86769, 8868) None. EU/CL/ITA/Annex 10/en 351 Sector or Subsector Limitations on Market Access (x) Other business services and hallmarking services (part of CPC 893) With respect to Investment and Cross-border trade in services: In the EU, with the exception of CZ, LT and NL: None. In LT: Unbound. In NL: The hallmarking of precious metal articles is currently exclusively granted to two Dutch public monopolies. (y) Packaging (part of CPC 88493, ISIC 37) With respect to Investment and Cross-border trade in services: In CZ: A packaging company supplying services relating to packaging take back and recovery must be a joint-stock company (part of CPC 88493, ISIC 37). III-EU-8 – Communication services (a) Postal and courier services (part of CPC 71235, part of 73210, part of 751) With respect to Investment and Cross-border trade in services: In the EU: The organisation of the siting of letter boxes on the public highway, the issuing of postage stamps and the provision of the registered mail service used in the course of judicial or administrative procedures may be restricted in accordance with national legislation. Licensing systems may be established for those services for which a general universal service obligation exists. These licences may be subject to particular universal service obligations or a financial contribution to a compensation fund. (b) Telecommunications (CPC 752, 753, 754) With respect to Investment and Cross-border trade in services: In the EU, with the exception of BE: None. In BE: Unbound for satellite broadcast transmission services. III-EU-9 – Construction (CPC 511, 512, 513, 514, 515, 516, 517, 518) With respect to Investment and Cross-border trade in services: In the EU: None. EU/CL/ITA/Annex 10/en 352 Sector or Subsector Limitations on Market Access III-EU-10 – Distribution services (a) Distribution services (CPC 3546, 631, 632 except 63211, 63297, 62276, part of 621) With respect to Investment and Cross-border trade in services: In the EU, with the exception of PT: None. With respect to Investment: In PT: A specific authorisation scheme exists for the installation of certain retail establishments and shopping centres. This relates to shopping centres that have a gross leasable area equal to or greater than 8 000 m2, and retail establishments having a sales area equal to or exceeding 2 000 m2, when located outside shopping centres. Main criteria: Contribution to a multiplicity of commercial offers; assessment of services to consumer; quality of employment and corporate social responsibility; integration in urban environment; and contribution to ecoefficiency (CPC 631, 632 except 63211, 63297). (b) Distribution of pharmaceuticals (CPC 62117, 62251, 8929) With respect to Investment and Cross-border trade in services: In the EU, with the exception of FI: None. In FI: Unbound for the distribution of pharmaceutical products. (c) Distribution of alcoholic beverages (part of CPC 62112, 62226, 63107, 8929) With respect to Investment and Cross-border trade in services: In the EU, with the exception of FI and SE: None. In FI: Unbound for the distribution of alcoholic beverages. In SE: Imposing a monopoly on retail sales of liquor, wine and beer (except non-alcoholic beer). Currently Systembolaget AB has such governmental monopoly on retail sales of liquor, wine and beer (except non-alcoholic beer). Alcoholic beverages are beverages with an alcohol content over 2, 25 %per volume. For beer, the limit is an alcohol content over 3,5 % per volume (part of CPC 631). EU/CL/ITA/Annex 10/en 353 Sector or Subsector Limitations on Market Access (d) Distribution of tobacco (part of CPC 6222, 62228, part of 6310, 63108) With respect to Investment and Cross-border trade in services: In the EU, with the exception of AT, ES, FR and IT: None. In AT: Only natural persons may apply for an authorisation to operate as a tobacconist (CPC 63108). In ES: Only natural persons may operate as a tobacconist. Each tobacconist cannot obtain more than one licence (CPC 63108). There is a State monopoly on retail sales of tobacco. In FR: State monopoly on wholesale and

retail sales of tobacco (part of CPC 6222, part of 6310). In IT: In order to distribute and sell tobacco, a licence is needed. The licence is granted through public procedures. The granting of licences is subject to an economic needs test. Main criteria: population and geographical density of existing selling points (part of CPC 6222, part of 6310). EU/CL/ITA/Annex 10/en 354 Sector or Subsector Limitations on Market Access III-EU-11 – Environmental services (a) Waste water services (CPC 9401) (b) Solid/hazardous waste management, excluding cross-border transport of hazardous waste (i) Refuse disposal services (CPC 9402) (ii) Sanitation and similar services (CPC 9403) (c) Protection of ambient air and climate (CPC 9404) With respect to Investment and Cross-border trade in services: In the EU, with the exception of DE: None. With respect only to Cross-border trade in services: In DE: Unbound for the cross-border supply of waste management services, other than advisory services and with respect to services relating to the protection of soil and the management of contaminated soils, other than advisory services (CPC 9401, 9402, 9403, 94060). (d) Remediation and clean-up of soil and waters (i) Treatment, remediation of contaminated or polluted soil and water (part of CPC 9406) EU/CL/ITA/Annex 10/en 355 Sector or Subsector Limitations on Market Access (e) Noise and vibration abatement (CPC 9405) (f) Protection of biodiversity and landscape (g) Nature and landscape protection services (part of CPC 9406) (h) Other environmental and ancillary services (CPC 9409) EU/CL/ITA/Annex 10/en 356 Sector or Subsector Limitations on Market Access III-EU-12 – Education services (CPC 92) (Only privately funded services) With respect to Investment and Cross-border trade in services: In the EU: Unbound for educational services which receive public funding or State support in any form. Where the supply of privately funded education services by a foreign provider is permitted, participation of private operators in the education system may be subject to concession allocated on a non-discriminatory basis. In the EU, with the exception of CZ, NL, SE and SK: Unbound for the supply of privately funded other education services, which means other than those classified as being primary, secondary, higher and adult education services (CPC 929). In CY, FI, MT and RO: Unbound for the supply of privately funded primary, secondary, and adult education services (CPC 921, 922, 924). In AT, BG, CY, FI, MT and RO: Unbound for the supply of privately funded higher education services (CPC 923). In SE: Unbound for educational services suppliers that are approved by public authorities to provide education. This reservation applies to privately funded educational services suppliers with some form of State support, inter alia, educational service suppliers recognised by the State, educational services suppliers under State supervision or education which entitles to study support (CPC 92). In SK: For all privately funded education services other than postsecondary technical and vocational education services: An economic needs test may apply and the number of schools being established may be limited by local authorities (CPC 921, 922, 923 other than 92310, 924). With respect to Investment: In the EU, with the exception of ES and IT: For opening of a privately funded university which issues recognised diplomas or degrees an economic needs test is applied. Main criteria: population and density of existing establishments. In ES: The procedure involves obtaining the advice of the Parliament. In IT: This is based on a three-year programme and only Italian juridical persons may be authorised to issue State-recognised diplomas (CPC 923). EU/CL/ITA/Annex 10/en 357 Sector or Subsector Limitations on Market Access III-EU-13 – Health and social services (Only privately funded services) (a) Health services – hospital, ambulance, residential health services (CPC 93, 931, other than 9312, part of 93191, 9311, 93192, 93193, 93199) With respect to Investment: In the EU: Unbound for the supply of all health services which receive public funding or State support in any form. Unbound for all privately funded health services, other than privately funded hospital, ambulance, and residential health facilities services other than hospital services. The participation of private operators in the privately funded health network may be subject to concession on a non-discriminatory basis. An economic needs test may apply. Main criteria: number of, and impact on, existing establishments, transport infrastructure, population density, geographic spread, and creation of new employment. This reservation does not relate to the supply of all health-related professional services, including the services supplied by professionals such as medical doctors, dentists, midwives, nurses, physiotherapists, paramedics, and psychologists, which are covered by other reservations (CPC 931 other than 9312, part of 93191). In AT, PL and SI: Unbound for the supply of privately funded ambulance services (CPC 93192). In BE: Unbound for the establishment of privately funded ambulance and residential health facilities services other than hospital services (CPC 93192, 93193). In BG, CY, CZ, FI, MT and SK: Unbound for the supply of privately funded hospital, ambulance, and residential health services other than hospital services (CPC 9311, 93192, 93193). In DE: Unbound for the supply of the Social Security System of Germany, where services may be provided by different companies or entities involving competitive elements which are thus not "activities performed in the exercise of governmental authority" (CPC 93). In DE: Unbound for the ownership of privately funded hospitals run by the German Forces. In FI: Unbound for the supply of other human health services (CPC 93199). In FR: Unbound for the supply of privately funded laboratory analysis and testing services. EU/CL/ITA/Annex 10/en 358 Sector or Subsector Limitations on Market Access In DE: (applies also to the regional level of government): Rescue services and "qualified ambulance services" are organised and regulated by the Länder. Most Länder delegate competences in the field of rescue services to municipalities. Municipalities are allowed to give priority to not-forprofit operators. This applies equally to foreign as well as domestic service suppliers (CPC 931, 933). Ambulance services are subject to planning, permission and accreditation. Regarding telemedicine, the number of ICT (information and communications technology) service suppliers may be limited to guarantee interoperability, compatibility and necessary safety standards. This is applied in a non-discriminatory way. In SI: A State monopoly is reserved for the following services: Supply of blood, blood preparations, removal and preservation of human organs for transplant, socio-medical, hygiene, epidemiological and health-ecological services, patho-anatomical services, and biomedically-assisted procreation (CPC 931). In FR: For hospital and ambulance services, residential health facilities (other than hospital services) and social services:

Companies can take any legal forms, except those reserved to liberal professions. (b) Health and social services, including pension insurance With respect to Cross-border trade in services: In the EU, with the exception of HU: Unbound for the cross-border supply of health services, social services and activities or services forming part of a public retirement plan or statutory system of social security. This reservation does not relate to the supply of all healthrelated professional services, including the services provided by professionals such as medical doctors, dentists, midwives, nurses, physiotherapists, paramedics, and psychologists, which are covered by other reservations (CPC 931 other than 9312, part of 93191). In HU: Unbound for the cross-border supply from outside its territory of all hospital, ambulance and residential health services other than hospital services, which receive public funding (CPC 9311, 93192, 93193). EU/CL/ITA/Annex 10/en 359 Sector or Subsector Limitations on Market Access (c) Social services, including pension insurance With respect to Investment and Cross-border trade in services: In the EU: Unbound for the supply of all social services which receive public funding or State support in any form and activities or services forming part of a public retirement plan or statutory system of social security. The participation of private operators in the privately funded social network may be subject to concession on a non-discriminatory basis. An economic needs test may apply. Main criteria: number of and impact on existing establishments, transport infrastructure, population density, geographic spread, and creation of new employment. In CZ, FI, HU, MT, PL, RO, SK and SI: Unbound for the supply of privately funded social services. In BE, CY, DE, DK, EL, ES, FR, IE, IT, and PT: Unbound for the supply of privately funded social services other than services relating to convalescent and rest houses and old people's homes. In DE: Unbound for the Social Security System of Germany, where services are provided by different companies or entities involving competitive elements and might therefore not fall under the definition of "activities performed in the exercise of governmental authority". With respect only to Investment: In HR: Establishment of some privately funded social care facilities may be subject to an economic needs test, in particular, geographical areas (CPC 9311, 93192, 93193, 933). III-EU-14 Tourism and travel-related services (a) Hotels, restaurants and catering (CPC 641, 642, 643) excluding catering in air transport services, which found under ground-handling services (b) Travel agencies and tour operators services (including tour managers) (CPC 7471) (c) Tourist guides services (CPC 7472) With respect to Investment: In the EU, with the exception of BG: None. In BG: Incorporation (no branches) is required (CPC 7471, 7472). EU/CL/ITA/Annex 10/en 360 Sector or Subsector Limitations on Market Access III-EU-15 – Recreational, cultural and sporting services (other than audiovisual services) (a) Library, archive, museum and other cultural services (CPC 963) With respect to Investment and Cross-border trade in services: In the EU, with the exception of AT and for investment in LT: Unbound for the supply of library, archive, museum and other cultural services. In AT and LT: a licence or concession may be required for establishment. (b) Entertainment services, theatre, live bands and circus services (CPC 9619, 964 other than 96492) With respect to Investment: In the EU: None, other than: In CY, CZ, FI, MT, PL, RO, SI and SK: Unbound for the supply of entertainment services, including theatre, live bands, circus and discotheque services. In BG: Unbound for the supply of the following entertainment services: circus, amusement park and similar attraction services, ballroom, discotheque and dance instructor services, and other entertainment services. In EE: Unbound for the supply of other entertainment services except for cinema theatre services. In LT and LV: Unbound for the supply of all entertainment services other than cinema theatre operation services. With respect to Cross-border trade in services: In the EU, with the exception of AT and SE: Unbound for the crossborder supply of entertainment services, including theatre, live bands, circus and discotheque services. In AT and SE: None. (c) News agency services (CPC 962) With respect to Investment and Cross-border trade in services: In the EU, with the exception of HU: None. In HU: Unbound. (d) Sporting and other recreational services (CPC 964) With respect to Investment and Cross-border trade in services: In the EU: None. EU/CL/ITA/Annex 10/en 361 Sector or Subsector Limitations on Market Access (e) Gambling and betting services (CPC 96492) With respect to Investment and Cross-border trade in services: In the EU: Unbound for the supply of gambling activities, which involve wagering a stake with pecuniary value in games of chance, including, in particular, lotteries, scratch cards, gambling services offered in casinos, gambling arcades or licensed premises, betting services, bingo services and gambling services operated by and for the benefit of charities or nonprofit- making organisations. III-EU-16 – Transport services and auxiliary transport services (a) Maritime transport. (i) International passenger transportation (CPC 7211 excluding national cabotage transport) (ii) International freight transportation (CPC 7212 excluding national cabotage transport) With respect to Investment and Cross-border trade in services: In the EU, with the exception of LV and MT: Unbound for the purpose of registering a vessel and operating a fleet under the national flag of the State of establishment (all commercial marine activity undertaken from a seagoing ship, including fishing, aquaculture, and services incidental to fishing, international passenger and freight transportation (CPC 721), and services auxiliary to maritime transport). In the EU: Unbound for feeder services, and for repositioning owned or leased containers on a non-revenue basis by European Union shipping companies, for the part of these services which does not fall under the exclusion of national maritime cabotage. In MT: Exclusive rights exist for the maritime link to mainland Europe through IT with MT (CPC 7213, 7214, part of 742, 745, part of 749). In LV: None EU/CL/ITA/Annex 10/en 362 Sector or Subsector Limitations on Market Access (b) Auxiliary services to maritime transport and inland waterways transport With respect to Investment and Cross-border trade in services: In the EU: Unbound for the supply of pilotage and berthing services (CPC 7452). In the EU: Unbound for services auxiliary to inland waterways transportation. In the EU: For port services, the managing body of a port or the competent authority may limit the number of providers of port services for a given port service. In the EU, with the exception of LT and LV: Unbound for pushing and towing services (CPC 7214). In LT and LV: None. In BG: The number of the service suppliers at the ports may be limited depending on the objective capacity of the port, which is decided by an expert

commission, set up by the Minister of Transport, Information Technology and Communications (ISIC 0501, 0502, CPC 5133, 5223, 721, 722, 74520, 74540, 74590, 882). In BG: Regarding supporting services for public transport carried out in Bulgarian ports, in ports having national significance, the right to perform supporting activities is granted through a concession contract. In ports having regional significance, this right is granted by a contract with the owner of the port (CPC 74520, 74540 and 74590). With respect to Investment: In the EU, with the exception of EL and IT: None. In EL: Public monopoly imposed in port areas for cargo-handling services (CPC 741). In IT: An economic needs test is applied for maritime cargo-handling services. Main criteria: number of and impact on existing establishments, population density, geographic spread and creation of new employment (CPC 741). EU/CL/ITA/Annex 10/en 363 Sector or Subsector Limitations on Market Access (c) Rail transport and auxiliary services to rail transport With respect to Investment and Cross-border trade in services: In the EU: Unbound for railway passenger and freight transportation (CPC 711). In LT: The exclusive rights for the provision of transit services are granted to railway undertakings which are owned, or whose stock is 100 % owned, by the State (CPC 711). In the EU, with the exception of LT and SE, for auxiliary services to rail transport: None. In LT: Maintenance and repair services of rail transport equipment are subject to a State monopoly (CPC 86764, 86769, part of 8868). In SE: Maintenance and repair services of rail transport equipment are subject to an economic needs test when an investor intends to establish its own terminal infrastructure facilities. Main criteria: space and capacity constraints (CPC 86764, 86769, part of 8868). EU/CL/ITA/Annex 10/en 364 Sector or Subsector Limitations on Market Access (d) Road transport (passenger transportation, freight transportation, international truck transport services) and services auxiliary to road transport With respect to Cross-border trade in services: In the EU: Unbound for road transport (passenger transportation, freight transportation, international truck transport services). With respect to Investment: In the EU: Unbound for cabotage within a Member State by foreign investors established in another Member State (CPC 712). In the EU: An economic needs test may apply to taxi services in the European Union setting a limit on the number of service suppliers. Main criterion: local demand as provided in applicable laws (CPC 71221). In BE: A maximum number of licences may be fixed by law (CPC 71221). In AT, BG and DE: For passenger and freight transportation, exclusive rights or authorisations may only be granted to natural persons of the European Union and to juridical persons of the European Union having their headquarters in the European Union. (CPC 712). In CZ: Incorporation in CZ is required (no branches). In ES: For passenger transportation, an economic needs test applies to services provided under CPC 7122. Main criterion: local demand. An economic needs test applies for intercity bussing services. Main criteria: number of and impact on existing establishments, population density, geographical spread, impact on traffic conditions and creation of new employment. In FR: Unbound for the supply of intercity bussing services (CPC 712). In IE: Economic needs test for intercity bussing services. Main criteria: number of and impact on existing establishments, population density, geographical spread, impact on traffic conditions and creation of new employment (CPC 7121, 7122). EU/CL/ITA/Annex 10/en 365 Sector or Subsector Limitations on Market Access In IT: An economic needs test is applied to limousine services. Main criteria: number of and impact on existing establishments, population density, geographical spread, impact on traffic conditions and creation of new employment. An economic needs test is applied to intercity bussing services. Main criteria: number of and impact on existing establishments, population density, geographical spread, impact on traffic conditions and creation of new employment. An economic needs test is applied to the supply of freight transportation services. Main criteria: local demand (CPC 712). In MT: For public bus services: The entire network is subject to a concession which includes a Public Service Obligation agreement to cater for certain social sectors (such as students and the elderly) (CPC 712). In MT: For taxis, numerical restrictions on the number of licences apply. For Karozzini (horse-drawn carriages), numerical restrictions on the number of licences apply (CPC 712). In PT: For passenger transportation, an economic needs test is applied to the supply of limousine services. Main criteria: number of and impact on existing establishments, population density, geographical spread, impact on traffic conditions and creation of new employment (CPC 71222). In SE: Maintenance and repair services of road transport equipment are subject to an economic needs test when an investor intends to establish its own terminal infrastructure facilities. Main criteria: space and capacity constraints (CPC 6112, 6122, 86764, 86769, part of 8867). In SE: In order to engage in the occupation of road transport operator, a Swedish licence is needed. Criteria for receiving a taxi licence include that the company has appointed a natural person to act as the transport manager (a de facto residency requirement – see the Swedish reservation on types of establishment) (CPC 712). In SK: For freight transportation, an economic needs test is applied. Main criteria: local demand (CPC 712). With respect to Cross-border trade in services: In the EU, with the exception of BG, for the cross-border supply of supporting services to road transport (CPC 744): None. In BG: Unbound. EU/CL/ITA/Annex 10/en 366 Sector or Subsector Limitations on Market Access (e) Services auxiliary to air transport services (CPC 7461, 7469, 83104) With respect to Investment and Cross-border trade in services: In the EU: The level of openness of ground-handling services depends on the size of airport. The number of suppliers in each airport may be limited. For big airports, this limit may not be less than two suppliers. With respect to Investment: In PL: For storage services of frozen or refrigerated goods, the possibility to supply certain categories of services will depend on the size of the airport. The number of suppliers in each airport may be limited due to available space constraints, and to not less than two suppliers for other reasons (part of CPC 742). (f) Space transport and rental of space craft With respect to Investment and Cross-border trade in services: The EU: Unbound for the transportation services via space and the rental of space craft (CPC 733, part of 734). III-EU-17 – Agriculture, fishing, water, manufacturing (a) Agriculture, hunting, forestry and services incidental to agriculture, hunting and forestry (ISIC 01, 02, CPC 881) With respect to Investment and Cross-border trade in services: In the EU, with the exceptions of HR, HU, PT and SE:

None. In HR: Unbound for agricultural and hunting activities. In HU: Unbound for agricultural activities (ISIC 011, 012, 013, 014, 015, CPC 8811, 8812, 8813 other than advisory and consultancy services). In PT: The professions of biologist, chemical analyst and agronomist are reserved for natural persons (CPC 881). In SE: Unbound for reindeer husbandry (ISIC 014). (b) Fishing, aquaculture, and services incidental to fishing (ISIC 05, CPC 882) With respect to Investment and Cross-border trade in services: In the EU: Unbound for fishing, aquaculture, services incidental to fishing. In the EU: Unbound for the establishment of marine or inland aquaculture facilities. In FR: Unbound for participation in French maritime State property for fish, shellfish or algae farming. In BG: Unbound for the taking of marine and river-living resources, performed by vessels in the internal marine waters, and the territorial sea of BG. EU/CL/ITA/Annex 10/en 367 Sector or Subsector Limitations on Market Access (c) Collection, purification and distribution of water (ISIC 41) With respect to Investment and Cross-border trade in services: In the EU: Unbound for activities including services relating to the collection, purification and distribution of water to household, industrial, commercial or other users, including the supply of drinking water, and water management. (d) Manufacturing (ISIC 16, 17, 18, 19, 20, 21) With respect to Investment and Cross-border trade in services: In the EU: None. (e) Publishing, printing and reproduction of recorded media (ISIC 22, CPC 88442) None. (f) Manufacturing (ISIC 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37) None. III-EU-18 – Mining and energy related activities (a) Mining and quarrying (ISIC 10, 11, 12: Mining of energy producing materials, ISIC 13, 14: Mining of metal ores and other mining; CPC 5115, 7131, 8675, 883) With respect to Investment and Cross-border trade in services: In the EU, with the exception of BE, FI, IT and NL: None. In IT: (applies also to the regional level of government for exploration): Mines belonging to the State have specific exploration and mining rules. Prior to any exploitation activity, a permit for exploration is needed (permesso di ricerca, Article 4 Royal Decree 1447/1927). This permit has a duration, defines exactly the borders of the ground under exploration and more than one exploration permit may be granted for the same area to different persons or companies (this type of licence is not necessarily exclusive). In order to cultivate and exploit minerals, an authorisation (concessione, Article 14) from the regional authority is required (ISIC 10, 11, 12, 13, 14, CPC 8675, 883). EU/CL/ITA/Annex 10/en 368 Sector or Subsector Limitations on Market Access With respect to Investment: In BE: The exploration for and exploitation of mineral resources and other non-living resources in territorial waters and the continental shelf are subject to concession. The concessionaire must have an address for service in BE (ISIC 14). In FI: For the mining of nuclear material an authorisation may be subject to an economic needs test. Main criteria: overall economic and social benefits (ISIC Rev. 3.1 120). In NL: The exploration for and exploitation of hydrocarbons in NL is always performed jointly by a private company and the public (limited) company designated by the Minister of Economic Affairs. Articles 81 and 82 of the Mining Act stipulate that all shares in this designated company must be directly or indirectly held by the Dutch State (ISIC Rev. 3.1 10, 3.1 11, 3.1 12, 3.1 13, 3.1 14). (b) Energy services – general (ISIC 40, CPC 613, 7131, 7139, 742, 7422, 887 (other than advisory and consulting services)) With respect to Investment and Cross-border trade in services: In the EU, with the exception of BE, BG, FR and LT: None. In FR: Unbound for the electricity and gas transmission systems and oil and gas pipeline transport (CPC 7131). In BE: Unbound for the energy distribution services, and services incidental to energy distribution (CPC 887 other than consultancy services). In BE: Unbound for energy transmission services, regarding the types of legal entities and to the treatment of public or private operators to whom BE has conferred exclusive rights (ISIC 4010, CPC 71310). In BG: Unbound for services incidental to energy distribution (part of CPC 88). With respect to Cross-border trade in services: In LT: Unbound for pipeline transportation of fuels and services auxiliary to pipeline transport of goods other than fuel. EU/CL/ITA/Annex 10/en 369 Sector or Subsector Limitations on Market Access (c) Electricity (ISIC 40, 4010; CPC 62279, 887 (other than advisory and consulting services)) With respect to Investment and Cross-border trade in services: In the EU, with the exception of AT, BG, CZ, FI, FR, LT, MT, NL and SK: None. In AT, BG: Unbound for the production of electricity, energy distribution services and services incidental to energy distribution (ISIC 4010, CPC 887 other than advisory and consultancy services). In CZ: Exclusive rights exist with regard to electricity and gas transmission and market operator licences (ISIC 40, CPC 7131, 63297, 742, 887). In FI: Unbound for the importation of electricity. Unbound for crossborder trade relating to the wholesale and retail of electricity. Unbound for electricity transmission and distribution networks and systems (ISIC 4010, CPC 62279, 887 other than advisory and consultancy services). In FR: Unbound for the production of electricity (ISIC 4010). In FR: Unbound for electricity transmission and distribution (ISIC 4010, CPC 887). In LT: Unbound for wholesale and retail services and trading of electricity that originates from non-safe nuclear sources. In SK: For the production, transmission and distribution of electricity, wholesale and retail of electricity, and related services incidental to energy distribution, including services in the area of energy efficiency, energy savings and energy audit. An economic needs test is applied and the application may be denied only if the market is saturated (ISIC 4010, CPC 62279, 887). With respect to Investment: In MT: EneMalta plc has a monopoly for the provision of electricity (ISIC 4010; CPC 887). In NL: Unbound for ownership of the electricity network which is exclusively granted to the Dutch government (transmission systems) and other public authorities (distribution systems) (ISIC 4010, CPC 887). EU/CL/ITA/Annex 10/en 370 Sector or Subsector Limitations on Market Access (d) Fuels, gas, crude oil or petroleum products (ISIC 232, 4020; CPC 62271, 63297, 713, 742, 887 (other than advisory and consulting services)) With respect to Investment and Cross-border trade in services: In the EU, with the exception of AT, BG, CZ, DK, FI, FR, HU, NL and SK: None. In AT: Unbound for transportation of gas and goods other than gas (CPC 713). In BG: Unbound for pipeline transportation, storage and warehousing of petroleum and natural gas, including transit transmission (ISIC 4020, CPC 7131, part of CPC 742). In CZ: Unbound for gas generation, transmission, distribution, storage and trading (ISIC 2320, 4020, CPC 7131, 63297, 742, 887). In DK: The owner or user intending to establish a pipeline for the transport of crude or refined

petroleum and petroleum products and of natural gas must obtain a permit from the local authority before commencing work. The number of permits issued may be limited (CPC 7131). In FI: Unbound for gas transmission and distribution networks and systems. Quantitative restrictions in the form of monopolies or exclusive rights for the importation of natural gas (ISIC 4020, CPC 887 other than advisory and consultancy services). In FR: Only companies where 100 % of the capital is held by the French State, by another public sector organisation or by ENGIE, may own and operate gas transmission or distribution systems for reasons of national energy security (ISIC 4020, CPC 887). In HU: Unbound for the supply of pipeline transport services. Requires establishment. Services may be provided through a Contract of Concession granted by the State or the local authority. The supply of this service is regulated by the Concession Law (CPC 7131). In NL: Unbound for the ownership of the electricity network and the gas pipeline network are exclusively granted to the Dutch government (transmission systems) and other public authorities (distribution systems) (ISIC 40, CPC 71310). In SK: An authorisation is required for manufacture of gas and distribution of gaseous fuels and the pipeline transportation of fuels. An economic needs test is applied and the application may be denied only if the market is saturated. (ISIC 4020, CPC 62271, 63297, 7131, 742 and 887). EU/CL/ITA/Annex 10/en 371 Sector or Subsector Limitations on Market Access (e) Nuclear (ISIC 12, 2330, part of 4010, CPC 887) With respect to Investment and Cross-border trade in services: In the EU, with the exception of AT, BE, BG, DE, FI, FR, HU, and SE: None. In AT and FI: Unbound for the production, processing, distribution or transportation of nuclear material and generation or distribution of nuclear-based energy. In DE: Unbound for the production, processing or transportation of nuclear material and generation or distribution of nuclear-based energy. In BE: Unbound for the production, processing or transportation of nuclear material and generation or distribution of nuclear-based energy. With respect to Investment: In BG: Unbound for the processing of fissionable and fusionable materials or the materials from which they are derived, as well as to the trade thereof, to the maintenance and repair of equipment and systems in nuclear energy production facilities, to the transportation of those materials and the refuse and waste matter of their processing, to the use of ionising radiation, and on all other services relating to the use of nuclear energy for peaceful purposes (including engineering and consulting services and services relating to software, etc.). In FR: Unbound for the manufacturing, production, processing, generation, distribution or transportation of nuclear material for obligations of a Euratom Agreement. In HU and SE: Unbound for the processing of nuclear fuel and nuclearbased electricity generation. (ISIC 2330, part of 4010). (f) Steam and hot water supply (ISIC 4030, CPC 62271, 887) With respect to Investment and Cross-border trade in services: In the EU, with the exception of BG, FI and SK: None. In BG: Unbound for the production and distribution of heat (ISIC 4030, CPC 887). In SK: An authorisation is required for production and distribution of steam and hot water, wholesale and retail of steam and hot water, and related services incidental to energy distribution. An economic needs test is applied and the application may be denied only if the market is saturated. EU/CL/ITA/Annex 10/en 372 Sector or Subsector Limitations on Market Access With respect to Investment: In FI: Quantitative restrictions in the form of monopolies or exclusive rights exist for the production and distribution of steam and hot water (ISIC 40, CPC 7131). In FI: Unbound for the transmission and distribution networks and systems of steam and hot water (ISIC 4030, CPC 7131 other than advisory and consultancy services). III-EU-19 – Other services not included elsewhere (a) Funeral, cremation services and undertaking services CPC 9703 With respect to Investment and Cross-border trade in services: In the EU, with the exception of CY, DE, FI, PT, SE and SI: None. In CY, DE, FI, PT, SE and SI: Unbound for funeral, cremation and undertaking services. (b) Other businessrelated services (part of CPC 612, part of 621, part of 625, part of 85990) With respect to Investment and Cross-border trade in services: In the EU, with the exception of CZ, LT and FI, for other businessrelated services (part of CPC 612, part of 621, part of 625, part of 85990): None. With respect to Cross-border trade in services: In CZ: Unbound for auction services (part of CPC 612, part of 621, part of 625, part of 85990). In LT: Unbound for the entity authorised by the government to have exclusive rights to provide the following services: data transmission through secure state data transmission networks. In FI: Unbound for the cross-border provision of electronic identification services. (c) New services In the EU: Unbound for the provision of new services other than those classified in the CPC. EU/CL/ITA/Annex 10/en 373 Appendix 10-C-2 SCHEDULE OF CHILE Sector or subsector Limitations on Market Access No. 1 All sectors (a) State company In the transfer or disposal of any interest in stock or asset held in an existing state enterprise or governmental entity, Chile reserves the right to prohibit or impose limitations on the ownership of such interest or asset and on the right of investors or their investments to control any State company created thereby or investments made by the same. A "State company" shall mean any company owned or controlled by Chile by means of an interest share in the ownership thereof, and it shall include any company created after the date of entry into force of this Agreement for the sole purpose of selling or disposing of its interest share in the capital or assets of an existing state enterprise or governmental entity. (b) Public utilities Public utilities exist in sectors such as related scientific and technical consulting services, research and development (R&D) services on social sciences and humanities, technical testing and analysis services, water services and treatment, sewage, environmental services, health services, transport services and services auxiliary to all modes of transport. Exclusive rights on those services are often granted to private operators, for instance operators with concessions from public authorities, subject to specific service obligations. This reservation does not apply to telecommunications and to computer and related services. EU/CL/ITA/Annex 10/en 374 Sector or subsector Limitations on Market Access (c) Acquisition of real estate In Chile unbound for the acquisition of "State land", "the borderland zone" and any land within five kilometers of the coastline that is used for agricultural activities as indicated in Annexes 10-A and 10-B. Any Chilean natural person or person residing in Chile or a Chilean juridical person shall be able to acquire or control lands used for agricultural activities. Chile reserves the right

to adopt or maintain any measures related to the ownership or control of such lands. (d) Commercial presence This schedule does not apply to representative offices. (e) Indigenous peoples Chile reserves the right to adopt or maintain any measure regarding indigenous peoples. (f) Disadvantaged minorities Chile reserves the right to adopt or maintain any measure according rights or preferences to socially or economically disadvantaged minorities. No. 2 Manufacturing Manufacturing excluding services (ISIC Rev. 3.1 15, 17, 18, 19, 20, 21, 26, 27, 28, 30, 31, 32, 33, 34, 35, 36, except for 16, 22, 24, 25, 29, 37) None. Manufacturing (ISIC Rev. 3.1 Division 16: Manufacture of tobacco products) Unbound. Manufacturing (ISIC Rev. 3.1 Division 22: Publishing, printing and reproduction of recorded media) None, except for: 222 Printing and service activities related to printing: Unbound for services activities related to printing. EU/CL/ITA/Annex 10/en 375 Sector or subsector Limitations on Market Access Manufacturing (ISIC Rev. 3.1 Division 24: Manufacture of chemicals and chemical products) Specific types of legal entities to carry out the economic activity may apply for: 241 Manufacture of basic chemicals; and 242 Manufacture of other chemical products. Manufacturing (ISIC Rev. 3.1 Division 25: Manufacture of rubber and plastics products) Specific types of legal entities to carry out the economic activity may apply for: 251 Manufacture of rubber products; and 252 Manufacture of plastics products. Manufacturing (ISIC Rev. 3.1 Division 29: Manufacture of machinery and equipment n.e.c.) None, except for: 2927 Manufacture of weapons and ammunition: Unbound. Manufacturing (ISIC Rev. 3.1 Division 31: Manufacture of electrical machinery and apparatus n.e.c.) Specific types of legal entities to carry out the economic activity may apply for: 311 Manufacture of electric motors, generators and transformers; and 314 Manufacture of accumulators, primary cells and primary batteries. Manufacturing (ISIC Rev. 3.1 Division 37: Recycling) Specific types of legal entities to carry out the economic activity may apply for: 371 Recycling of metal waste and scrap; and 372 Recycling of non-metal waste and scrap. EU/CL/ITA/Annex 10/en 376 Sector or subsector Limitations on Market Access No. 3 Mining and quarrying Mining and quarrying, excluding services (ISIC Rev. 3.1 10, 11, 12, 13, 14) Unbound for: Division 11 Extraction of crude petroleum and natural gas; service activities incidental to oil and gas extraction; and Division 12 Mining of uranium and thorium ores. The exploration, exploitation, and treatment (beneficio) of lithium, liquid or gaseous hydrocarbons, deposits of any kind existing in sea waters subject to national jurisdiction, and deposits of any kind wholly or partially located in areas classified as important to national security with mining effects, which qualification shall be made by law only, can be the object of administrative concessions or special operating contracts, subject to the requirements and conditions to be determined, in each case by a Supreme Decree. Furthermore, only the Chilean Nuclear Energy Commission (Comisión Chilena de Energía Nuclear), or parties authorised by that Commission, may execute or enter into a legal act regarding extracted natural atomic materials and lithium, as well as their concentrates, derivatives and compounds. No. 4 Agriculture Agriculture and hunting, excluding services (ISIC Rev. 3.1 A 01) None. Forestry, excluding services (ISIC Rev. 3.1 A 02) None. For greater certainty, a management plan approved by the Forestry Commission (Corporación Nacional Forestal) is required. EU/CL/ITA/Annex 10/en 377 Sector or subsector Limitations on Market Access No. 5 Energy Electricity generation and distribution, excluding services (ISIC Rev. 3.1 E 40, 401, 4010) (a) None, except for production, transmission, and distribution of electricity for the National Electric System (Sistema Eléctrico Nacional). The following limitations shall apply: Only a specific type of public corporations, open or closed (sociedad anónima abierta o cerrada) incorporated in Chile is authorised to operate concessions in energy distribution. Such corporation's exclusive line of business must be energy distribution. Only a specific type of public corporations, open or closed (sociedad anónima abierta o cerrada) incorporated in Chile is authorised to operate concessions in energy transmission for the National Transmission System (Sistema Interconectado Central). Such corporation's exclusive line of business must be energy transmission. Hydroelectrical energy production may be exploited through concessions. Only juridical persons established in accordance with Chilean law can apply for such concessions and public bids for obtaining such concessions. Exploration or exploitation of geothermal energy is subject to concessions. Only juridical persons established in accordance with Chilean law can apply for such concessions and public bids for obtaining such concessions. The production of nuclear energy for peaceful purposes shall only be performed by the Chilean Nuclear Energy Commission or, with its authorisation, in conjunction with third parties. Should the Commission determine it advisable to grant such authorisation, it shall also establish the terms and conditions for operation. (b) Unbound for activities of electric power brokers or agents that arrange the sale of electricity via power distribution systems operated by others. EU/CL/ITA/Annex 10/en 378 Sector or subsector Limitations on Market Access No. 6 Fishing Fishing, operation of fish hatcheries and fish farms, excluding services (ISIC Rev. 3.1 B 05) Unbound. No. 7 Services Legal services (part of CPC 861) With respect to Investment and Cross-border trade in services: (1) and (3): None, except in the case of receivers in bankruptcy (síndicos de quiebra) who must be duly authorised by the Minister of Justice (Ministerio de Justicia), and they can only work in the place where they reside. (2): None. Accounting, auditing, and bookkeeping services (CPC 86211) (1) and (3): None, except the external auditors of financial institutions must be inscribed in the Register of External Auditors of the Superintendence of Banks and Financial Institutions (Superintendencia de Bancos e Instituciones Financieras) and in the Superintendence of Securities and Insurance (Superintendencia de Valores y Seguros). Only firms legally incorporated in Chile as partnerships (sociedades de personas) or associations (asociaciones), and whose main line of business is auditing services, may be inscribed in the Register. (2): None. Taxation advisory services (CPC 863) (1), (2), and (3): None. Architectural services (CPC 8671) (1), (2) and (3): None. Engineering services (CPC 8672) (1), (2) and (3): None. Integrated engineering services (CPC 86733) (1), (2) and (3): None. Urban planning and landscape architectural service (CPC 8674) (1), (2) and (3): None. Veterinary services (CPC 932) (1), (2) and (3): None. EU/CL/ITA/Annex 10/en 379 Sector or subsector Limitations on Market Access

Services provided by midwives, nurses, physiotherapists and paramedical personnel (CPC 93191) (1), (2) and (3): None. Computer related services (CPC 841, 842, 843, 844 and 845) (1), (2) and (3): None. Interdisciplinary research and development services, research and development services on natural sciences, and related scientific and technical consulting services (part of CPC 851, part of CPC 853 and part of CPC 86751) (1) and (3): None, except: Any exploration of a scientific or technical nature, or related to mountain climbing (andinismo), that legal or natural persons domiciled abroad intend to carry out in border areas need to be authorised and supervised by the Directorate of Borders and Frontiers (Dirección de Fronteras y Límites del Estado). The Directorate of Borders and Frontiers may stipulate that an expedition include one or more representatives of relevant Chilean activities. These representatives would participate in and learn about the studies and their scope. (2): None. Research and development services on social sciences and humanities (CPC 852) (1), (2) and (3): None. Real estate services: involving owned or leased property or on a fee or contract basis (CPC 821 and 822) (1), (2) and (3): None. Rental/leasing services without crew/operators, related to vessels, other transport equipment and relating to other machinery and equipment (CPC 8310, except 83104) (1), (2) and (3): None. EU/CL/ITA/Annex 10/en 380 Sector or subsector Limitations on Market Access Leasing or rental services concerning aircraft (without operator) (CPC 83104) (1), (2) and (3): None. Advertising services (CPC 871) (1), (2) and (3): None. Market research and public opinion polling services (CPC 864) (1), (2) and (3): None. Management consulting services (CPC 865) (1), (2) and (3): None. Services related to management consulting (CPC 866, except 86602) (1), (2) and (3): None. Technical testing and analysis services (CPC 8676) (1), (2) and (3): None. Services related to agriculture, hunting and forestry (CPC 881) (1), (2) and (3): None. Services related to mining (CPC 883) (1), (2) and (3): None. Placement and supply services of personnel (CPC 87201, 87202, 87203) (1), (2) and (3): None. Investigation and security services (CPC 87302, 87303, 87304 and 87305) (1), (2) and (3): None. Maintenance and repair of equipment, not including vessels, aircraft, or other transport equipment (CPC 633) (1), (2) and (3): None. Building-cleaning services (CPC 874) (1), (2) and (3): None. EU/CL/ITA/Annex 10/en 381 Sector or subsector Limitations on Market Access Photographic services (CPC 875) (1), (2) and (3): None. Packing services (CPC 876) (1), (2) and (3): None. Credit reporting services, collection agency services (CPC 87901, 87902) (1), (2) and (3): Unbound. Telephone answering services (CPC 87903) (1), (2) and (3): None. Duplicating services (CPC 87904) (1), (2) and (3): None. Translation and interpretation services (CPC 87905) (1), (2) and (3): None, except official translations, official certifications of translations, and certified copies of official documents in foreign languages may only be provided by official translators registered under Chilean authorities. Mailing list compilation and mailing services (CPC 87906) (1), (2) and (3): None. Specialty design services (CPC 87907) (1), (2) and (3): None. Other business services n.e.c. (CPC 87909) (1), (2) and (3): Unbound. Printing and publishing services (CPC 88442) (1), (2) and (3): None. Convention services (CPC 87909) (1), (2) and (3): None. Postal services (CPC 7511) (1), (2) and (3): Unbound. EU/CL/ITA/Annex 10/en 382 Sector or subsector Limitations on Market Access Courier services (CPC 7512) Services relating to the handling1 of postal items2 according to the following list of sub-sectors, whether for domestic or foreign destinations: (i) handling of addressed written communications on any kind of physical medium3, including – hybrid mail service, and – direct mail; (ii) handling of addressed parcels and packages4; (1), (2) and (3): None, except: That under Decreto Supremo Nº 5037 of 4 November 1960 of the Ministry of Internal Affairs (Ministerio del Interior) and Decreto con Fuerza de Ley Nº 10 of 30 January 1982 of the Ministry of Transports and Telecommunications (Ministerio de Transporte y Telecomunicaciones) or its successors, the State of Chile may exercise, through the Empresa de Correos de Chile, a monopoly on the admission, transport and delivery of postal items (objetos de correspondencia). "Postal items" means: letters, simple and postage-paid postcards, business papers, newsletters and printed matters of all kinds, including printed matter in Braille, merchandise samples, small packages up to one kilogram and special postal service consisting in the recording and delivery of sound messages (fonos postales). 1 The term "handling" should be understood as including admission (admisión), transport (transporte) and delivery (entrega). 2 "Postal item" refers to items handled by any type of commercial operator, whether public or private. 3 E.g. letter and postcards. 4 Books and catalogues are included hereunder. EU/CL/ITA/Annex 10/en 383 Sector or subsector Limitations on Market Access (iii) handling of addressed press products1; (iv) handling of items referred to in (i) to (iii) above as registered or insured mail; (v) express delivery services2 for items referred to in (i) to (iii) above; (vi) handling of nonaddressed items; and (vii) other services not elsewhere specified. International long-distance telecommunications services (1), (2) and (3): None. Local basic telecommunication services and networks, intermediate telecommunications services, supplementary telecommunications services, and limited telecommunications services (1), (2), and (3): None. 1 Journals, newspapers and periodicals. 2 Express delivery services may include, in addition to greater speed and reliability, value added elements such as collection from point of origin, personal delivery to addressee, tracing and tracking, possibility of changing the destination and addressee in transit or confirmation of receipt. EU/CL/ITA/Annex 10/en 384 Sector or subsector Limitations on Market Access Construction services (CPC 511, 512, 513, 514, 515, 516, 517 and 518) (1), (2), and (3): Unbound. Commission agents' services (CPC 621) (1), (2), and (3): None. Wholesale trade services (CPC 622, 61111, 6113 and 6121) (1), (2), and (3): None. Retailing services (CPC 632, 61111, 6113 and 6121) (1), (2), and (3): None. Franchising (CPC 8929) (1), (2), and (3): None. Environmental services (CPC 940) (1), (2), and (3): Unbound, except for consultancy services. Education services (CPC 92) (1), (2), and (3): Unbound. Health services – hospital, ambulance, residential health services (CPC 93, 931 other than 9312, part of 93191, 9311, 93192, 93193, 93199) (1), (2), and (3): Unbound. Health and social services, including pension insurance (1), (2), and (3): Unbound. Social services, including pension insurance (1), (2), and (3): Unbound. Hotels and restaurants, including catering (CPC 641, 642 and 643) (1), (2), and (3): None. Travel agencies and tour operators services (CPC 74710) (1), (2), and (3): None. Tourist guide services (CPC

74720) (1), (2), and (3): None. EU/CL/ITA/Annex 10/en 385 Sector or subsector Limitations on Market Access Entertainment services, including theatre, live bands and circus services (CPC 9619) (1), (2), and (3): None. Libraries, archives, museums and other cultural services (CPC 963) (1), (2), and (3): None. Entertainment services, theatre, live bands and circus services (CPC 9619, 964 other than 96492) (1), (2), and (3): Unbound. News agency services (CPC 962) (1), (2), and (3): Unbound. Sporting and other recreational services (CPC 9641) (1), (2) and (3): None, except that a specific type of legal entity may be required for sporting organisations that develop professional activities. In addition, on a national treatment basis: (a) it is not permitted to participate with more than one team in the same category of a sport competition; (b) specific regulations may be established on equity ownership in sporting companies; and (c) minimal capital requirement may be imposed. Gambling and betting services (CPC 96492) (1), (2), and (3): Unbound. EU/CL/ITA/Annex 10/en 386 Sector or subsector Limitations on Market Access Other recreational services n.e.c. (CPC 96499) (1), (2), and (3): None. Maritime transport services (CPC 721) Passenger transportation (CPC 7211) (1) and (2): None. (3): (a) Establishment of registered company for the purpose of operating a fleet under the national flag of Chile: Unbound. (b) Other forms of commercial presence for the supply of international maritime transport services1: None. 1 "Other forms of commercial presence for the supply of international maritime transport services" means the ability of international maritime transport service suppliers of the other Party to undertake locally all activities which are necessary for the supply to their customers of a partially or fully integrated transport service within which the maritime transport constitutes a substantial element. This commitment shall not, however, be construed as limiting in any manner the commitments undertaken under the cross-border mode of delivery. These activities include, but are not limited to: (a) marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements; (b) the acquisition, on their own account or on behalf of their customers (and the resale to their customers) of any transport and related services, including inward transport services by any mode, particularly inland waterways, road and rail, necessary for the supply of the integrated services; (c) the preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the goods transported; (d) the provision of business information by any means, including computerised information systems and electronic data interchange (subject to this Agreement); (e) the setting up of any business arrangements (including participation in the stock of a company) and the appointment of personnel recruited locally (or, in the case of foreign personnel, subject to the horizontal commitment on movement of personnel) with any locally established shipping agency; and (f) acting on behalf of the companies, organising the call of the ship or taking over cargoes when required. EU/CL/ITA/Annex 10/en 387 Sector or subsector Limitations on Market Access Freight transportation (CPC 7212) Rental/Leasing of vessels including crew (CPC 7223) Maintenance and repair of vessels (CPC 8868) Pushing and towing services (CPC 72140) Support services related to maritime transport (CPC 745) Loading and unloading services (CPC 741) Storage and warehouse services (CPC 742) Internal waterways transport (CPC 722) (1), (2), and (3): Unbound. Rail transport and auxiliary services to rail transport (1), (2), and (3): Unbound. Road transport services: Freight transportation (CPC 7123) (1), (2), and (3): None. Road transport services: Rental of commercial vehicles with operator (CPC 71222 – Rental services of passenger cars with operator) (1), (2), and (3): None. Road transport services: Maintenance and repair of road transport equipment (CPC 6112 – Maintenance and repair services of motor vehicles) (1), (2), and (3): None. EU/CL/ITA/Annex 10/en 388 Sector or subsector Limitations on Market Access Road transport services: Supporting services for road transport services (CPC 7441 – Bus station services) (1), (2), and (3): None. Services auxiliary to all modes of transport: Cargo handling services (CPC 741) (1), (2), and (3): None. Services auxiliary to all modes of transport: Storage and warehouse services (CPC 742) (1), (2), and (3): None. Services auxiliary to all modes of transport: Freight transport agency services (CPC 748) (1), (2), and (3): None. Pipeline transport: transportation of fuels and other goods (CPC 7131) (1), (2) and (3): None, except that the service has to be supplied by juridical persons established under Chilean law and the supply of the service may be subject to a concession on a national treatment basis. Aircraft repair and maintenance services (1): Unbound. (2) and (3): None. Selling and marketing of air transport services (1), (2) and (3): None. Computer reservation systems (CRS) services (1), (2) and (3): None. Ground handling services (1), (2) and (3): None. Specialty air services (1), (2) and (3): Unbound. Space transport and rental of space craft (1), (2) and (3): Unbound. _____ EU/CL/ITA/Annex 12/en 1 ANNEX 12-A BUSINESS VISITORS FOR ESTABLISHMENT PURPOSES, INTRA-CORPORATE TRANSFEREES, INVESTORS AND SHORT-TERM BUSINESS VISITORS 1. Any existing non-conforming measure listed in this Annex may be maintained, continued, promptly renewed, or modified, provided that the modification does not decrease the conformity of such measure with Articles 12.3 and 12.4, as it existed immediately before the modification. 2. Articles 12.3 and 12.4 do not apply to any existing non- conforming measure listed in this Annex, to the extent of the non- conformity. 3. In addition to non-conforming measures listed in this Annex, each Party may adopt or maintain a measure relating to qualification requirements, qualification procedures, technical standards, licensing requirements or licensing procedures that does not constitute a limitation within the meaning of Articles 12.3 and 12.4. Those measures may include the need to obtain a licence, obtain recognition of qualifications in regulated sectors or to pass specific examinations, such as language examinations, to fulfil a membership requirement of a particular profession, such as membership in a professional organisation, or any other non-discriminatory requirements under which it is not allowed to carry out certain activities in protected zones or areas. Although they are not listed in this Annex, such measures continue to apply. EU/CL/ITA/Annex 12/en 2 4. The schedules in paragraphs 7 and 8 of this Annex apply only to the territories of the European Union and Chile in

accordance with Article 33.8 and are only relevant in the context of trade relations between the European Union and its Member States and Chile. Those schedules do not affect the rights and obligations of the Member States under European Union law. 5. For greater certainty, the obligation of the European Union to grant national treatment does not entail the requirement to extend to natural or juridical persons of Chile the treatment granted in a Member State, pursuant to the Treaty on the Functioning of the European Union, or to any measure adopted pursuant to that Treaty, including their implementation in a Member State, to: (a) natural persons or residents of another Member State; or (b) juridical persons constituted or organised under the law of another Member State or of the European Union and having their registered office, central administration or principal place of business in the European Union. 6. The following abbreviations are used in the paragraphs below: AT Austria BE Belgium BG Bulgaria EU/CL/ITA/Annex 12/en 3 CY Cyprus CZ Czechia DE Germany DK Denmark EE Estonia EL Greece ES Spain EU European Union, including all its Member States FI Finland FR France HR Croatia HU Hungary IE Ireland EU/CL/ITA/Annex 12/en 4 IT Italy LT Lithuania LU Luxembourg LV Latvia MT Malta NL The Netherlands PL Poland PT Portugal RO Romania SE Sweden SI Slovenia SK Slovakia EU/CL/ITA/Annex 12/en 5 7. The non-conforming measures of the European Union are: Business visitors for establishment purposes All sectors AT, CZ: Business visitor for establishment purposes needs to work for an enterprise other than a non-profit organisation, otherwise: Unbound. SK: Business visitor for establishment purposes needs to work for an enterprise other than a non-profit organisation, otherwise: Unbound. Work permit required, including economic needs test. CY: Permissible length of stay: up to 90 days in any 12-month period. Business visitor for establishment purposes needs to work for an enterprise other than a non-profit organisation, otherwise: Unbound. Intra-corporate transferees All sectors AT, CZ, SK: Intra-corporate transferees need to be employed by an enterprise other than a non-profit organisation, otherwise: Unbound. FI: Senior personnel needs to be employed by an enterprise other than a non-profit organisation. HU: Natural persons who have been a partner in an enterprise do not qualify to be transferred as intra-corporate transferees. Trainee employees AT, CZ, DE, FR, ES, HU, LT: Training of the trainee employee must be linked to the university degree which has been obtained. EU/CL/ITA/Annex 12/en 6 Short-term business visitors All short-term business visitors CY, DK, HR: Work permit, including economic needs test, required in cases where the short-term business visitor supplies a service. LV: Work permit required for operations or activities to be performed on the basis of a contract. MT: Work permit required. No economic needs tests performed. SI: A single residency and work permit is required for the supply of services exceeding 14 days at a time and for certain activities (research and design; training seminars; purchasing; commercial transactions; translation and interpretation). An economic needs test is not required. SK: In the case of supplying a service in the territory of Slovakia, a work permit, including an economic needs test, is required beyond seven days in a month or 30 days in calendar year. Installers and maintainers AT: Work permit required, including economic needs test. Economic needs test is waived for natural persons training workers to supply services and possessing specialised knowledge. CY: Work permit is required beyond seven days in a month or 30 days in calendar year. CZ: Work permit is required if work exceeds seven consecutive calendar days or a total of 30 days in a calendar year. ES: Work permit required. Installers, repair and maintainers shall be employed as such by the juridical person supplying the good or service or by an enterprise which is a member of the same group as the originating juridical person for at least three months immediately preceding the date of submission of an application for entry, and they shall possess at least three years of relevant professional experience, if applicable, obtained after the age of majority. FI: Depending on the activity, a residence permit may be required. SE: Work permit required, except for: (i) natural persons who participate in training, testing, preparation or completion of deliveries, or similar activities within the framework of a business transaction; or (ii) fitters or technical instructors in connection with urgent installation or repair of machinery for up to two months, in the context of an emergency. No economic needs test required. EU/CL/ITA/Annex 12/en 7 Investors All sectors: AT: Economic needs test. CY: Maximum stay of 90 days within any six-month period. CZ, SK: Work permit, including economic needs test, required in case of investors employed by an enterprise. DK: Maximum stay of 90 days within any six-month period. If investors wish to establish a business in Denmark as self-employed, a work permit is required. FI: Investors need to be employed by an enterprise other than a non-profit organisation, in a position of middle or top management. HU: Maximum length of stay 90 days if the investor is not employed by an enterprise in Hungary. Economic needs test required if the investor is employed by an enterprise in Hungary. IT: Economic needs test required if the investor is not employed by an enterprise. LT, NL, PL: The category of investors is not recognised with regard to natural persons representing the investor. LV: For pre-investment phase maximum length of stay is limited to 90 days within any six-month period. Extension in post-investment phase to one year, subject to criteria in national legislation such as field and amount of investment made. SE: Work permit required if investor considered to be employed. EU/CL/ITA/Annex 12/en 8 8. The non-conforming measures of Chile are: Business visitors for establishment purposes All sectors None Intra-corporate transferees All sectors None Short-term business visitors All sectors None Investors All sectors None EU/CL/ITA/Annex 12/en 9 The activities that short-term business visitors of the European Union are permitted to engage in, provided that their principal place of business, actual place of remuneration and predominant place of accrual of profits remain outside Chile, are: (a) attending meetings or conferences, or engaging in consultations with business colleagues; (b) taking orders from or negotiating contracts with an enterprise located in Chile but not selling goods or providing services to the general public; (c) undertaking business consultations concerning the establishment, expansion or winding up of an enterprise or investment in Chile; or (d) installing, repairing or maintaining equipment or machinery, performing services or training workers to perform services, pursuant to a warranty or other service contract incidental to the sale or lease of such equipment or machinery, during the

life of the warranty or service agreement. _____ EU/CL/ITA/Annex 12/en 10 ANNEX 12-B CONTRACTUAL SERVICES SUPPLIERS AND INDEPENDENT PROFESSIONALS 1. Each Party shall allow the supply of services in its territory by contractual services suppliers or independent professionals of the other Party through the presence of natural persons, in accordance with Article 12.5, for the sectors listed in this Annex and subject to the relevant limitations. 2. The lists in paragraphs 11 and 12 are composed of the following elements: (a) a first column, indicating the sector or sub-sector for which the category of contractual services suppliers and independent professionals is liberalised; and (b) a second column, describing the applicable limitations. 3. In addition to the list of reservations in this Annex, each Party may adopt or maintain a measure relating to qualification requirements, qualification procedures, technical standards, licensing requirements or licensing procedures that does not constitute a limitation within the meaning of Article 12.5. Those measures may include the need to obtain a licence, obtain recognition of qualifications in regulated sectors or to pass specific examinations, such as language examinations, to fulfil a membership requirement of a particular profession, such as membership in a professional organisation, or any other non-discriminatory requirements under which it is not allowed to carry out certain activities in protected zones or areas. Although they are not listed in this Annex, such measures continue to apply. EU/CL/ITA/Annex 12/en 11 4. The Parties do not undertake any commitment for contractual services suppliers and independent professionals in economic activities which are not listed in this Annex. 5. In the sectors where economic needs tests are applied, their main criteria will be the assessment of: (a) for Chile, the relevant market situation in Chile; and (b) for the European Union, the relevant market situation in the Member State or the region where the service is to be provided, including with respect to the number of, and the impact on, service suppliers who are already supplying a service when the assessment is made. 6. The schedules in paragraphs 11 to 12 of this Annex apply only to the territories of the European Union and Chile in accordance with Article 33.8 and are only relevant in the context of trade relations between the European Union and its Member States and Chile. Those schedules do not affect the rights and obligations of the Member States under European Union law. 7. For greater certainty, the obligation of the European Union to grant national treatment does not entail the requirement to extend to natural or juridical persons of Chile the treatment granted in a Member State, pursuant to the Treaty on the Functioning of the European Union, or to any measure adopted pursuant to that Treaty, including their implementation in a Member State, to: (a) natural persons or residents of another Member State; or EU/CL/ITA/Annex 12/en 12 (b) juridical persons constituted or organised under the law of another Member State or of the European Union and having their registered office, central administration or principal place of business in the European Union. 8. The following abbreviations are used in the lists below: AT Austria BE Belgium BG Bulgaria CY Cyprus CZ Czechia DE Germany DK Denmark EE Estonia EL Greece ES Spain EU/CL/ITA/Annex 12/en 13 EU European Union, including all its Member States FI Finland FR France HR Croatia HU Hungary IE Ireland IT Italy LT Lithuania LU Luxembourg LV Latvia MT Malta NL Netherlands PL Poland EU/CL/ITA/Annex 12/en 14 PT Portugal RO Romania SE Sweden SI Slovenia SK Slovakia CSS Contractual Services Suppliers IP Independent Professionals Contractual Services Suppliers 9. Subject to the list of reservations in paragraphs 11 and 12 of this Annex, the Parties undertake commitments in accordance with Article 12.5 with respect to contractual services suppliers in the following sectors or sub-sectors: (a) Legal services for legal advice in respect of public international law and home jurisdiction law; (b) Accounting and bookkeeping services; EU/CL/ITA/Annex 12/en 15 (c) Taxation advisory services; (d) Architectural services and urban planning and landscape architectural services; (e) Engineering services and integrated engineering services; (f) Medical and dental services; (g) Veterinary services; (h) Midwives services; (i) Services provided by nurses, physiotherapists and paramedical personnel; (j) Computer and related services; (k) Research and development services; (l) Advertising services; (m) Market research and opinion polling; (n) Management consulting services; EU/CL/ITA/Annex 12/en 16 (o) Services related to management consulting; (p) Technical testing and analysis services; (q) Related scientific and technical consulting services; (r) Mining; (s) Maintenance and repair of vessels; (t) Maintenance and repair of rail transport equipment; (u) Maintenance and repair of motor vehicles, motorcycles, snowmobiles and road transport equipment; (v) Maintenance and repair of aircrafts and parts thereof; (w) Maintenance and repair of metal products, of (non-office) machinery, of (non-transport and non-office) equipment and of personal and household goods; (x) Translation and interpretation services; (y) Telecommunication services; EU/CL/ITA/Annex 12/en 17 (z) Postal and courier services; (aa) Construction and related engineering services; (bb) Site investigation work; (cc) Higher education services; (dd) Services relating to agriculture, hunting and forestry; (ee) Environmental services; (ff) Insurance and insurance related services (advisory and consulting services); (gg) Other financial services (advisory and consulting services); (hh) Other financial services listed in Annex 18 – only for Chile; (ii) Transport advisory and consulting services; (jj) Travel agencies and tour operators services; (kk) Tourist guides services; (ll) Manufacturing advisory and consulting services. EU/CL/ITA/Annex 12/en 18 Independent Professionals 10. Subject to the list of reservations in paragraphs 11 and 12 of this Annex, the Parties undertake commitments in accordance with Article 12.5 with respect to independent professionals in the following sectors or sub-sectors: (a) Legal services for legal advice in respect of public international law and home jurisdiction law; (b) Architectural services and urban planning and landscape architectural services; (c) Engineering services and integrated engineering services; (d) Computer and related services; (e) Research and development services; (f) Market research and opinion polling; (g) Management consulting services; (h) Services related to management consulting; EU/CL/ITA/Annex 12/en 19 (i) Mining; (j) Translation and interpretation services; (k) Telecommunication services; (l) Postal and courier services (m) Higher education services; (n) Insurance related services (advisory and consulting services); (o) Other financial services (advisory and consulting services); (p) Other financial services listed in Annex 18 – only for Chile; (q) Transport advisory and

consulting services; (r) Manufacturing advisory and consulting services. EU/CL/ITA/Annex 12/en 20 11. The reservations of the European Union are: Sector or sub-sector Description of reservations All sectors CSS: EU: The number of persons covered by the service contract shall not be larger than the number necessary to fulfil the contract, as may be required by the laws and regulations of the Party where the service is supplied. Legal services for legal advice in respect of public international law and home jurisdiction law (part of CPC 861) CSS: In AT, BE, CY, DE, EE, EL, ES, FR, HR, IE, IT, LU, NL, PL, PT, SE: None. In BG, CZ, DK, FI, HU, LT, LV, MT, RO, SI, SK: Economic needs test. IP: In AT, CY, DE, EE, FR, HR, IE, LU, LV, NL, PL, PT, SE: None. In BE, BG, CZ, DK, EL, ES, FI, HU, IT, LT, MT, RO, SI, SK: Economic needs tests. Accounting and bookkeeping services (CPC 86212 other than "auditing services", 86213, 86219 and 86220) CSS: In AT, BE, DE, EE, ES, HR, IE, IT, LU, NL, PL, PT, SI, SE: None. In BG, CZ, CY, DK, EL, FI, FR, HU, LT, LV, MT, RO, SK: Economic needs test. IP: EU: Unbound. EU/CL/ITA/Annex 12/en 21 Sector or sub-sector Description of reservations Taxation advisory services (CPC 863)1 CSS: In AT, BE, DE, EE, ES, FR, HR, IE, IT, LU, NL, PL, SI, SE: None. In BG, CZ, CY, DK, EL, FI, HU, LT, LV, MT, RO, SK: Economic needs test. In PT: Unbound. IP: EU: Unbound. Architectural services and urban planning and landscape architectural services (CPC 8671 and 8674) CSS: In BE, CY, EE, ES, EL, FR, HR, IE, IT, LU, MT, NL, PL, PT, SI, SE: None. In FI: None, except: The natural person must demonstrate that it possesses special knowledge relevant to the service being supplied. In BG, CZ, DE, HU, LT, LV, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. In AT: Planning services only, where: Economic needs test. IP: In CY, DE, EE, EL, FR, HR, IE, LU, LV, MT, NL, PL, PT, SI, SE: None. In FI: None, except: The natural person must demonstrate that it possesses special knowledge relevant to the service being supplied. In BE, BG, CZ, DK, ES, HU, IT, LT, RO, SK: Economic needs test. In AT: Planning services only, where: Economic needs test. 1 Does not include legal advice and legal representation on tax matters, which is covered under legal services in respect of public international law and home jurisdiction law. EU/CL/ITA/Annex 12/en 22 Sector or sub-sector Description of reservations Engineering services and integrated engineering services (CPC 8672 and 8673) CSS: In BE, CY, EE, ES, EL, FR, HR, IE, IT, LU, MT, NL, PL, PT, SI, SE: None. In FI: None, except: The natural person must demonstrate that it possesses knowledge relevant to the service being supplied. In BG, CZ, DE, HU, LT, LV, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. In AT: Planning services only, where: Economic needs test. IP: In CY, DE, EE, EL, FR, HR, IE, LU, LV, MT, NL, PL, PT, SI, SE: None. In FI: None, except: The natural person must demonstrate that it possesses knowledge relevant to the service being supplied. In BE, BG, CZ, DK, ES, HU, IT, LT, RO, SK: Economic needs test. In AT: Planning services only, where: Economic needs test. Medical (including psychologists) and dental services (CPC 9312 and part of 85201) CSS: In SE: None. In CY, CZ, DE, DK, EE, ES, IE, IT, LU, MT, NL, PL, PT, RO, SI: Economic needs test. In FR: Economic needs test, except for psychologists, where: Unbound. In AT: Unbound, except for psychologists and dental services, where: Economic needs test. In BE, BG, EL, FI, HR, HU, LT, LV, SK: Unbound. IP: EU: Unbound. EU/CL/ITA/Annex 12/en 23 Sector or sub-sector Description of reservations Veterinary services (CPC 932) CSS: In SE: None. In CY, CZ, DE, DK, EE, EL, ES, FI, FR, IE, IT, LT, LU, MT, NL, PL, PT, RO, SI: Economic needs test. In AT, BE, BG, HR, HU, LV, SK: Unbound. IP: EU: Unbound. Midwives services (part of CPC 93191) CSS: In IE, SE: None. In AT, CY, CZ, DE, DK, EE, EL, ES, FR, IT, LT, LV, LU, MT, NL, PL, PT, RO, SI: Economic needs test. In BE, BG, FI, HR, HU, SK: Unbound. IP: EU: Unbound. Services provided by nurses, physiotherapists and paramedical personnel (part of CPC 93191) CSS: In IE, SE: None. In AT, CY, CZ, DE, DK, EE, EL, ES, FR, IT, LT, LV, LU, MT, NL, PL, PT, RO, SI: Economic needs test. In BE, BG, FI, HR, HU, SK: Unbound. IP: EU: Unbound. EU/CL/ITA/Annex 12/en 24 Sector or sub-sector Description of reservations Computer and related services (CPC 84) CSS: In BE, DE, EE, EL, ES, FR, HR, IE, IT, LU, LV, MT, NL, PL, PT, SI, SE: None. In FI: None, except: The natural person must demonstrate that it possesses special knowledge relevant to the service being supplied. In AT, BG, CZ, CY, HU, LT, RO, SK: Economic needs test. In DK: Economic needs test except for CSS stays of up to three months. IP: In DE, EE, EL, FR, IE, LU, LV, MT, NL, PL, PT, SI, SE: None. In FI: None, except: The natural person must demonstrate that it possesses special knowledge relevant to the service being supplied. In AT, BE, BG, CZ, CY, DK, ES, HU, IT, LT, RO, SK: Economic needs test. In HR: Unbound. Research and development services (CPC 851, 852 excluding psychologists services1, and 853) CSS: EU except in NL, SE: A hosting agreement with an approved research organisation is required2. EU except in CZ, DK, SK: None. In CZ, DK, SK: Economic needs test. IP: EU except in NL, SE: A hosting agreement with an approved research organisation is required3. EU except in BE, CZ, DK, IT, SK: None. In BE, CZ, DK, IT, SK: Economic needs test. 1 Part of CPC 85201, which is under medical and dental services. 2 For all Member States except DK, the approval of the research organisation and the hosting agreement must meet the conditions set pursuant to Directive (EU) 2016/801 of the European Parliament and of the Council of 11 May 2016 on the conditions of entry and residence of third-country nationals for the purposes of research, studies, training, voluntary service, pupil exchange schemes or educational projects and au pairing (OJ EU L 132, 21.5.2016, p. 21). 3 For all Member States except DK, the approval of the research organisation and the hosting agreement must meet the conditions set pursuant to Directive (EU) 2016/801. EU/CL/ITA/Annex 12/en 25 Sector or sub-sector Description of reservations Advertising services (CPC 871) CSS: In BE, DE, EE, ES, FR, HR, IE, IT, LU, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, DK, EL, FI, HU, LT, LV, MT, RO, SK: Economic needs test. IP: EU: Unbound, except NL. In NL: None. Market research and opinion polling services (CPC 864) CSS: In BE, DE, EE, ES, FR, IE, IT, LU, NL, PL, SE: None. In AT, BG, CZ, CY, DK, EL, FI, HR, LV, MT, RO, SI, SK: Economic needs test. In PT: None, except for public opinion polling services (CPC 86402), where: Unbound. In HU, LT: Economic needs test, except for public opinion polling services (CPC 86402), where: Unbound. IP: In DE, EE, FR, IE, LU, NL, PL, SE: None. In AT, BE, BG, CZ, CY, DK, EL, ES, FI, HR, IT, LV, MT, RO, SI, SK: Economic needs test. In PT: None, except for public opinion polling services (CPC 86402), where: Unbound. In HU, LT: Economic needs test, except for public opinion polling services (CPC 86402), where: Unbound. EU/CL/ITA/Annex 12/en 26 Sector or sub-sector Description

of reservations Management consulting services (CPC 865) CSS: In BE, DE, EE, EL, ES, FI, FR, HR, IE, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, HU, LT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. IP: In CY, DE, EE, EL, FI, FR, IE, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BE, BG, CZ, DK, ES, HR, HU, IT, LT, RO, SK: Economic needs test. Services related to management consulting (CPC 866) CSS: In BE, DE, EE, EL, ES, FI, FR, HR, IE, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, LT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. In HU: Economic needs test, except for arbitration and conciliation services (CPC 86602), where: Unbound. IP: In CY, DE, EE, EL, FI, FR, IE, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BE, BG, CZ, DK, ES, HR, IT, LT, RO, SK: Economic needs test. In HU: Economic needs test, except for arbitration and conciliation services (CPC 86602), where: Unbound. EU/CL/ITA/Annex 12/en 27 Sector or sub-sector Description of reservations Technical testing and analysis services (CPC 8676) CSS: In BE, DE, EE, EL, ES, FR, HR, IE, IT, LU, NL, PL, SI, SE: None. In AT, BG, CZ, CY, FI, HU, LT, LV, MT, PT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. IP: EU: Unbound, except NL. In NL: None. Related scientific and technical consulting services (CPC 8675) CSS: In BE, EE, EL, ES, HR, IE, IT, LU, NL, PL, SI, SE: None. In AT, CZ, CY, DE, DK, FI, HU, LT, LV, MT, PT, RO, SK: Economic needs test. In DE: None, except for publicly appointed surveyors, where: Unbound. In FR: None, except for "surveying" operations relating to the establishment of property rights and to land law, where: Unbound. In BG: Unbound. IP: EU: Unbound, except NL. In NL: None. EU/CL/ITA/Annex 12/en 28 Sector or sub-sector Description of reservations Mining (CPC 883, advisory and consulting services only) CSS: In BE, DE, EE, EL, ES, FI, FR, HR, IE, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ,CY, HU, LT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. IP: In DE, EE, EL, FI, FR, HR, IE, LV, LU, MT, NL, PT, SI, SE: None. In AT, BE, BG, CZ, CY, DK, ES, HU, IT, LT, PL, RO, SK: Economic needs test. Maintenance and repair of vessels (part of CPC 8868) CSS: In BE, EE, EL, ES, FR, HR, IT, LV, LU, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, DE, DK, FI, HU, IE, LT, MT, RO, SK: Economic needs test. IP: EU: Unbound, except NL. In NL: None. Maintenance and repair of rail transport equipment (part of CPC 8868) CSS: In BE, EE, EL, ES, FR, HR, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, DE, DK, FI, HU, IE, LT, RO, SK: Economic needs test. IP: EU: Unbound, except NL. In NL: None. EU/CL/ITA/Annex 12/en 29 Sector or sub-sector Description of reservations Maintenance and repair of motor vehicles, motorcycles, snowmobiles and road transport equipment (CPC 6112, 6122, part of 8867 and part of 8868) CSS: In BE, EE, EL, ES, FR, HR, IT, LV, LU, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, DE, DK, FI, HU, IE, LT, MT, RO, SK: Economic needs test. IP: EU: Unbound, except NL. In NL: None. Maintenance and repair of aircraft and parts thereof (part of CPC 8868) CSS: In BE, EE, EL, ES, FR, HR, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, DE, DK, FI, HU, IE, LT, RO, SK: Economic needs test. IP: EU: Unbound, except NL. In NL: None. Maintenance and repair of metal products, of (non-office) machinery, of (non-transport and non-office) equipment and of personal and household goods1 (CPC 633, 7545, 8861, 8862, 8864, 8865 and 8866) CSS: In BE, EE, EL, ES, FR, HR, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, DE, DK, HU, IE, LT, RO, SK: Economic needs test. In FI: Unbound, except in the context of an after-sales or after-lease contract; for maintenance and repair of personal and household goods (CPC 633): Economic needs test. IP: EU: Unbound, except NL. In NL: None. 1 Maintenance and repair services of office machinery and equipment including computers (CPC 845) are under computer services. EU/CL/ITA/Annex 12/en 30 Sector or sub-sector Description of reservations Translation and interpretation services (CPC 87905, excluding official or certified activities) CSS: In BE, CY, DE, EE, EL, ES, FR, HR, IT, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, DK, FI, HU, IE, LT, LV, RO, SK: Economic needs test. IP: In CY, DE, EE, FR, LU, LV, MT, NL, PL, PT, SI, SE: None. In AT, BE, BG, CZ, DK, EL, ES, FI, HU, IE, IT, LT, RO, SK: Economic needs test. In HR: Unbound. Telecommunication services (CPC 7544, advisory and consulting services only) CSS: In BE, DE, EE, EL, ES, FI, FR, HR, IE, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, HU, LT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. IP: In DE, EE, EL, FI, FR, HR, IE, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BE, BG, CZ, CY, DK, ES, HU, IT, LT, RO, SK: Economic needs test. EU/CL/ITA/Annex 12/en 31 Sector or sub-sector Description of reservations Postal and courier services (CPC 751, advisory and consulting services only) CSS: In BE, DE, EE, EL, ES, FR, HR, IE, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, FI, HU, LT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. IP: In DE, EE, EL, FR, HR, IE, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BE, BG, CZ, CY, DK, ES, FI, HU, IT, LT, RO, SK: Economic needs test. Construction and related engineering services (CPC 511, 512, 513, 514, 515, 516, 517 and 518. BG: CPC 512, 5131, 5132, 5135, 514, 5161, 5162, 51641, 51643, 51644, 5165 and 517) CSS: EU: Unbound except in BE, CZ, DK, ES, NL and SE. In BE, DK, ES, NL, SE: None. In CZ: Economic needs test. IP: EU: Unbound, except NL. In NL: None. Site investigation work (CPC 5111) CSS: In BE, DE, EE, EL, ES, FR, HR, IE, IT, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, FI, HU, LT, LV, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. IP: EU: Unbound. EU/CL/ITA/Annex 12/en 32 Sector or sub-sector Description of reservations Higher education services (CPC 923) CSS: EU except in LU, SE: Unbound. In LU: Unbound, except for university professors, where: None. In SE: None, except for publicly funded and privately funded educational services suppliers with some form of State support, where: Unbound. IP: EU except in SE: Unbound. In SE: None, except for publicly funded and privately funded educational services suppliers with some form of State support, where: Unbound. Services relating to agriculture, hunting and forestry (CPC 881, advisory and consulting services only) CSS: EU except in BE, DE, DK, ES, FI, HR and SE: Unbound. In BE, DE, ES, HR, SE: None. In DK: Economic needs test. In FI: Unbound, except for advisory and consulting services relating to forestry, where: None. IP: EU: Unbound. Environmental services (CPC 9401, 9402, 9403, 9404, part of 94060, 9405, part of 9406 and 9409) CSS: In BE, EE, ES, FI, FR, HR, IE, IT, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, DE, DK, EL, HU, LT, LV, RO, SK: Economic needs test. IP: EU: Unbound. EU/CL/ITA/Annex 12/en 33 Sector or sub-sector Description of reservations

Insurance and insurance related services (advisory and consulting services only) CSS: In BE, DE, EE, EL, ES, FR, HR, IE, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ,CY, FI, LT, RO, SK: Economic needs test. In DK: Economic needs test except for CSS stays of up to three months. In HU: Unbound. IP: In DE, EE, EL, FR, HR, IE, LV, LU, MT, NL, PT, SI, SE: None. In AT, BE, BG, CZ, CY, DK, ES, FI, IT, LT, PL, RO, SK: Economic needs test. In HU: Unbound. Other financial services (advisory and consulting services only) CSS: In BE, DE, ES, EE, EL, FR, HR, IE, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, FI, LT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS that stays of up to three months. In HU: Unbound. IP: In DE, EE, EL, FR, HR, IE, LV, LU, MT, NL, PT, SI, SE: None. In AT, BE, BG, CZ, CY, DK, ES, FI, IT, LT, PL, RO, SK: Economic needs test. In HU: Unbound. EU/CL/ITA/Annex 12/en 34 Sector or sub-sector Description of reservations Transport (CPC 71, 72, 73, and 74, advisory and consulting services only) CSS: In DE, EE, EL, ES, FI, FR, HR, IE, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, HU, LT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. In BE: Unbound. IP: In CY, DE, EE, EL, FI, FR, HR, IE, LV, LU, MT, NL, PT, SI, SE: None. In AT, BG, CZ, DK, ES, HU, IT, LT, RO, SK: Economic needs test. In PL: Economic needs test, except for air transport, where: None. In BE: Unbound. Travel agencies and tour operators services (including tour managers1) (CPC 7471) CSS: In AT, CY, CZ, DE, EE, ES, FR, HR, IT, LU, NL, PL, SI, SE: None. In BG, EL, FI, HU, LT, LV, MT, PT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. In BE, IE: Unbound, except for tour managers, where: None. IP: EU: Unbound. 1 Services suppliers whose function is to accompany a tour group of a minimum of ten natural persons, without acting as guides in specific locations. EU/CL/ITA/Annex 12/en 35 Sector or sub-sector Description of reservations Tourist guides services (CPC 7472) CSS: In NL, PT, SE: None. In AT, BE, BG, CY, CZ, DE, DK, EE, FI, FR, EL, HU, IE, IT, LV, LU, MT, RO, SK, SI: Economic needs test. In ES, HR, LT, PL: Unbound. IP: EU: Unbound. Manufacturing (CPC 884, and 885, advisory and consulting services only) CSS: In BE, DE, EE, EL, ES, FI, FR, HR, IE, IT, LV, LU, MT, NL, PL, PT, SI, SE: None. In AT, BG, CZ, CY, HU, LT, RO, SK: Economic needs test. In DK: Economic needs test, except for CSS stays of up to three months. IP: In DE, EE, EL, FI, FR, HR, IE, LV, LU, MT, NL, PT, SI, SE: None. In AT, BE, BG, CZ, CY, DK, ES, HU, IT, LT, PL, RO, SK: Economic needs test. EU/CL/ITA/Annex 12/en 36 12. The reservations of Chile are: Sector or sub-sector Description of reservations Legal services for legal advice in respect of public international law and home jurisdiction law (part of CPC 861) None. Accounting and bookkeeping services (CPC 86212 other than "auditing services", 86213, 86219 and 86220) None. Taxation advisory services (CPC 863)1 None. Architectural services and urban planning and landscape architectural services (CPC 8671 and 8674) None. Engineering services and integrated engineering services (CPC 8672 and 8673) None. Medical (including psychologists) and dental services (CPC 9312 and part of 85201) None. Veterinary services (CPC 932) None. Midwives services (part of CPC 93191) None. Services provided by nurses, physiotherapists and paramedical personnel (part of CPC 93191) None. Computer and related services (CPC 84) None. Research and development services (CPC 851, 852 excluding psychologists services2, and 853) None. Advertising services (CPC 871) None. Market research and opinion polling services (CPC 864) None. 1 Does not include legal advice and legal representation on tax matters, which is covered under legal services in respect of public international law and home jurisdiction law. 2 Part of CPC 85201, which is under medical and dental services. EU/CL/ITA/Annex 12/en 37 Sector or sub-sector Description of reservations Management consulting services (CPC 865) None. Services related to management consulting (CPC 866) None. Technical testing and analysis services (CPC 8676) None. Related scientific and technical consulting services (CPC 8675) None. Mining (CPC 883, advisory and consulting services only) None. Maintenance and repair of vessels (part of CPC 8868) None. Maintenance and repair of rail transport equipment (part of CPC 8868) None. Maintenance and repair of motor vehicles, motorcycles, snowmobiles and road transport equipment (CPC 6112, 6122, part of 8867 and part of 8868) None. Maintenance and repair of aircraft and parts thereof (part of CPC 8868) None. Maintenance and repair of metal products, of (non-office) machinery, of (non-transport and non-office) equipment and of personal and household goods1 (CPC 633, 7545, 8861, 8862, 8864, 8865 and 8866) None. Translation and interpretation services (CPC 87905, excluding official or certified activities) None. Telecommunication services (CPC 7544, advisory and consulting services only) None. Postal and courier services (CPC 751, advisory and consulting services only) None. 1 Maintenance and repair services of office machinery and equipment including computers (CPC 845) are under computer services. EU/CL/ITA/Annex 12/en 38 Sector or sub-sector Description of reservations Construction and related engineering services (CPC 511, 512, 513, 514, 515, 516, 517 and 518. BG: CPC 512, 5131, 5132, 5135, 514, 5161, 5162, 51641, 51643, 51644, 5165 and 517) None. Site investigation work (CPC 5111) None. Higher education services (CPC 923) None. Agriculture, hunting and forestry (CPC 881, advisory and consulting services only) None. Environmental services (CPC 9401, 9402, 9403, 9404, part of 94060, 9405, part of 9406 and 9409) None. Insurance and insurance related services (advisory and consulting services only) None. Other financial services (advisory and consulting services only) None. Other financial services (listed in section B of Appendix 18-2) None. Transport (CPC 71, 72, 73, and 74, advisory and consulting services only) None. Travel agencies and tour operators services (including tour managers1) (CPC 7471) None. Tourist guides services (CPC 7472) None. Manufacturing (CPC 884, and 885, advisory and consulting services only) None. _____ 1 Service suppliers whose function is to accompany a tour group of a minimum of 10 natural persons, without acting as guides in specific locations. EU/CL/ITA/Annex 12/en 39 ANNEX 12-C MOVEMENT OF NATURAL PERSONS FOR BUSINESS PURPOSES Entry and temporary stay-related procedural commitments 1. The Parties should ensure that the processing of applications for entry and temporary stay pursuant to their respective commitments in this Agreement follows good administrative practice. To that effect: (a) each Party shall ensure that fees charged by competent authorities for the processing of applications for entry and temporary stay do not unduly impair or delay trade in services under this Agreement; (b) subject to the discretion of the

competent authorities, the documents required from an applicant for the grant of entry and temporary stay of short-term visitors for business purposes should be commensurate with the purpose for which they are collected; (c) complete applications for the grant of entry and temporary stay shall be processed as expeditiously as possible; EU/CL/ITA/Annex 12/en 40 (d) the competent authorities of a Party shall endeavour to provide, without undue delay, information in response to any reasonable request from an applicant concerning the status of an application for entry and temporary stay; (e) if the competent authorities of a Party require additional information from the applicant in order to process the application for entry and temporary stay, those authorities shall endeavour to notify, without undue delay, the applicant thereof; (f) the competent authorities of each Party shall notify the applicant of the outcome of the application for entry and temporary stay promptly after a decision has been taken; (g) if the application for entry and temporary stay is approved, the competent authorities of each Party shall notify the applicant of the period of stay and other relevant terms and conditions; (h) if the application for entry and temporary stay is denied, the competent authorities of a Party shall, on request of the applicant or on their own initiative, make available to the applicant information on any available review and appeal procedures; (i) each Party shall endeavour to accept and process applications in electronic format. EU/CL/ITA/Annex 12/en 41 2. The following additional procedural commitments apply to intra-corporate transferees and their family members1: (a) the competent authorities of each Party shall adopt a decision on the application for entry or temporary stay of an intra-corporate transferee or a renewal of it and notify that decision to the applicant, in accordance with the notification procedures under national law, as soon as possible but not later than 90 days from the date on which the complete application was submitted; (b) if the information or documentation supplied in support of the application for entry or temporary stay of an intra-corporate transferee or a renewal of it is incomplete, the competent authorities of a Party shall notify the applicant, within a reasonable period of time, of the additional information that is required and set a reasonable deadline for providing it; the period of time referred to in subparagraph (a) shall be suspended until the competent authorities have received the additional information required; (c) the European Union shall extend to family members of natural persons of Chile who are intracorporate transferees to the European Union the right of temporary entry and stay granted to family members of an intra-corporate transferee under Article 19 of the ICT Directive; 1 Subparagraphs (a), (b) and (c) do not apply for the Member States that are not subject to the application of Directive 2014/66/EU of the European Parliament and of the Council of 15 May 2014 on the conditions of entry and residence of third-country nationals in the framework of an intra-corporate transfer (OJ EU L 157, 27.5.2014, p.1) ("ICT Directive"). EU/CL/ITA/Annex 12/en 42 (d) Chile shall grant to family members of natural persons of the European Union who are business visitors for establishment purposes, investors, intra-corporate transferees, contractual services suppliers and independent professionals, a visa as a dependent, which does not allow such family members to perform remunerated activities in Chile; nevertheless, a family dependent may be permitted to perform a remunerated activity in Chile upon a separate application, under this Agreement or the general immigration rules, for their own visa as nondependent; such application can be submitted and processed in Chile. Cooperation on return and readmission 3. The Parties acknowledge that the enhanced movement of natural persons following from the provisions of paragraphs 1 and 2 requires full cooperation on return and readmission of natural persons who do not fulfil, or no longer fulfil, the conditions for entry to, presence in or residence on the territory of the other Party. 4. For the purposes of paragraph 3, a Party may suspend the application of the provisions of paragraphs 1 and 2 if it assesses that the other Party does not observe its obligation under international law to readmit its nationals without conditions. The Parties reaffirm their understanding that such assessment is not subject to review under Chapter 31. _____ EU/CL/ITA/Annex 31/en 1 ANNEX 31-A RULES OF PROCEDURE I. Definitions 1. For the purposes of this Annex: (a) "administrative staff" means, in respect of a panellist, individuals under the direction and control of a panellist, other than assistants; (b) "adviser" means an individual retained by a Party to advise or assist that Party in connection with the panel proceedings; (c) "assistant" means an individual who, under the terms of appointment and under the direction and control of a panellist, conducts research or provides assistance to that panellist; and (d) "representative of a Party" means an employee or any individual appointed by a government department, agency or any other public entity of a Party who represents the Party for the purposes of a dispute under Chapter 31. EU/CL/ITA/Annex 31/en 2 II. Notifications 2. Any request, notice, written submission or other document of: (a) the panel shall be sent to both Parties at the same time; (b) a Party, which is addressed to the panel, shall be copied to the other Party at the same time; and (c) a Party, which is addressed to the other Party, shall be copied to the panel at the same time, as appropriate. 3. Any notification referred to in Rule 2 shall be made by e-mail or, where appropriate, any other means of telecommunication that provides a record of the sending thereof. Unless proven otherwise, such notification shall be deemed to be delivered on the date of its sending. 4. All notifications shall be addressed, for the European Union, to the Directorate-General for Trade of the European Commission and, for Chile, to the Undersecretariat of International Economic Relations, or their successors, respectively. 5. Minor errors of a clerical nature in a request, notice, written submission or other document related to the panel proceedings may be corrected by delivery of a new document clearly indicating the changes. EU/CL/ITA/Annex 31/en 3 6. If the last day for delivery of a document falls on a non-working day of the European Commission or of Chile, the time period for the delivery of the document shall end on the first following working day. III. Appointment of panellists 7. If pursuant to Article 31.6 a panellist or a chairperson is selected by lot, the co-chair of the Trade Committee of the complaining Party shall promptly inform the co-chair of the Party complained against of the date, time and venue of the selection by lot. The Party complained against may, if it so chooses, be present during the selection by lot. In any event, the selection by lot shall be carried out with the Party or Parties that are present. 8. The co-chair of the

Trade Committee of the complaining Party shall notify, in writing, each individual who has been selected to serve as a panellist of their appointment. Each individual shall confirm their availability to the Parties within five days after the date on which they were informed of their appointment. 9. The co-chair of the Trade Committee of the complaining Party shall select by lot the panellist or chairperson, within five days after the expiry of the time period provided for in Article 31.6(2), if any of the sub-lists referred to in Article 31.8(1): (a) is not established – from the individuals who have been formally proposed by one or both Parties for the establishment of that particular sub-list; or EU/CL/ITA/Annex 31/en 4 (b) no longer contains at least five individuals – from the individuals who remain on that particular sub-list. 10. The Parties shall endeavour to ensure that, at the latest by the time when all the panellists have notified the Parties of the acceptance of their appointment in accordance with Article 31.6(5), they have agreed on the remuneration and the reimbursement of expenses of the panellists and assistants, and have prepared the necessary appointment contracts, with a view to having them signed promptly. The remuneration and expenses of the panellists shall be based on WTO standards. The remuneration and expenses of one or more assistants of a panellist shall not exceed 50 % of the remuneration of the panellist that they assist. IV. Organisational meeting 11. Unless the Parties agree otherwise, they shall meet the panel within seven days of the establishment of the panel in order to determine such matters that the Parties or the panel deem appropriate, including the timetable of the panel proceedings. Panellists and representatives of the Parties may take part in this meeting through any means, including telephone or video conference. EU/CL/ITA/Annex 31/en 5 V. Written submissions 12. The complaining Party shall deliver its written submission no later than 20 days after the date of establishment of the panel. The Party complained against shall deliver its written submission no later than 20 days after the date of delivery of the written submission of the complaining Party. VI. Operation of the panel 13. The chairperson of the panel shall preside over all its meetings. Further to Rules 17 and 18, the panel may delegate to the chairperson the authority to make administrative or procedural decisions. 14. Unless otherwise provided in Chapter 31 or in this Annex, the panel may conduct its activities by any means, including telephone, video conference or other electronic means of communication. 15. Only panellists may take part in the deliberations of the panel, but the panel may permit the assistants of the panellists to be present at its deliberations. 16. The drafting of any decision and report shall remain the exclusive responsibility of the panel and shall not be delegated. EU/CL/ITA/Annex 31/en 6 17. If a procedural question arises that is not covered by Chapter 31, this Annex or Annex 31-B, the panel, after consulting the Parties, may adopt an appropriate procedure that is compatible with the provisions of Chapter 31, this Annex or Annex 31-B. 18. If the panel considers that there is a need to modify any of the time periods for the proceedings other than the time periods set out in Chapter 31 or to make any other procedural or administrative adjustment, it shall inform the Parties in writing of the modification of the time period or any other procedural or administrative adjustment needed and the reasons therefor. The panel may adopt such modification or adjustment after consultation with the Parties. VII. Replacement 19. If a Party considers that a panellist does not comply with the requirements of Annex 31-B and for that reason should be replaced, that Party shall notify the other Party within 15 days after the date on which it obtained sufficient evidence of the panellist's alleged failure to comply with the requirements of Annex 31-B. 20. The Parties shall consult with each other within 15 days after the notification referred to in Rule 19. They shall inform the panellist of their alleged failure and they may request the panellist to take steps to remedy the failure. The Parties may also agree to remove the panellist and select a new panellist in accordance with Article 31.6. EU/CL/ITA/Annex 31/en 7 21. If, pursuant to Rule 20, the Parties fail to agree on the need to replace a panellist, other than the chairperson of the panel, either Party may refer this matter to the chairperson of the panel, whose decision shall be final. If the chairperson of the panel finds that the panellist does not comply with the requirements of Annex 31-B, the panellist shall be removed and replaced by a new panellist selected in accordance with Article 31.6. 22. If, pursuant to Rule 20, the Parties fail to agree on the need to replace the chairperson of the panel, either Party may request to refer this matter to one of the remaining individuals on the sublist of chairpersons established pursuant to subparagraph (c) of Article 31.8(1). The co-chair of the Trade Committee of the requesting Party, or that co-chair's delegate, shall draw the name of that individual by lot. The decision by the selected individual on the need to replace the chairperson shall be final. If this selected individual finds that the chairperson does not comply with the requirements of Annex 31-B, a new chairperson shall be selected in accordance with Article 31.6. VIII. Hearings 23. Based upon the timetable determined pursuant to Rule 11, after consulting with the Parties and the other panellists, the chairperson of the panel shall notify the Parties of the date, time and venue of the hearing. That information shall be made publicly available by the Party in the territory of which the hearing takes place, unless the hearing is closed to the public. EU/CL/ITA/Annex 31/en 8 24. Unless the Parties agree otherwise, the hearing shall be held in Brussels if the complaining Party is Chile and in Santiago if the complaining Party is the European Union. The Party complained against shall bear the expenses derived from the logistical administration of the hearing. In duly justified circumstances and on request of a Party, the panel may decide to hold a virtual or hybrid hearing and make appropriate arrangements, after consulting the Parties, taking into account the rights of due process and the need to ensure transparency. 25. The panel may convene additional hearings if the Parties so agree. 26. All panellists shall be present during the entirety of the hearing. 27. Unless the Parties agree otherwise, the following persons may attend the hearing, irrespective of whether the hearing is open to the public or not: (a) representatives of a Party; (b) advisers; (c) assistants and administrative staff; EU/CL/ITA/Annex 31/en 9 (d) interpreters, translators and stenographers of the panel; and (e) experts, as decided by the panel pursuant to Article 31.22(2). 28. No later than five days before the date of a hearing, each Party shall deliver to the panel and to the other Party a list of the names of persons who will make oral arguments or presentations at the hearing on behalf of that Party

and of other representatives and advisers who will be attending the hearing. 29. The panel shall conduct the hearing in the following manner, ensuring that the complaining Party and the Party complained against are afforded equal time in both argument and rebuttal argument: (a) Argument: (i) argument of the complaining Party; (ii) argument of the Party complained against. EU/CL/ITA/Annex 31/en 10 (b) Rebuttal argument: (i) reply of the complaining Party; (ii) counter-reply of the Party complained against. 30. The panel may direct questions to either Party at any time during the hearing. 31. The panel shall arrange for a recording of the hearing to be prepared and delivered to the Parties as soon as possible after the hearing. 32. Each Party may deliver a supplementary written submission concerning any matter that arose during the hearing within 10 days after the date of the hearing. IX. Questions in writing 33. The panel may at any time during the proceedings submit questions in writing to one or both Parties. Any questions submitted to one Party shall be copied to the other Party. 34. Each Party shall provide the other Party with a copy of its responses to the questions submitted by the panel. The other Party shall have an opportunity to provide comments in writing on the Party's responses within five days after the delivery of such copy. EU/CL/ITA/Annex 31/en 11 X. Confidentiality 35. Each Party and the panel shall treat as confidential any information submitted by the other Party to the panel which that other Party has designated as confidential. When a Party submits to the panel a written submission which contains confidential information, it shall also provide, within 15 days, a submission without the confidential information which shall be disclosed to the public. 36. Nothing in this Annex shall preclude a Party from disclosing statements of its own positions to the public to the extent that, when making reference to information submitted by the other Party, it does not disclose any information designated by the other Party as confidential. 37. The panel hearings shall be held in closed session when the submission or arguments of a Party contains confidential information. The Parties shall maintain the confidentiality of the panel hearings when the hearings are held in closed session. XI. Ex parte contacts 38. The panel shall not meet or communicate with a Party in the absence of the other Party. 39. A panellist shall not discuss any aspect of the subject matter of the proceedings with one Party or both Parties in the absence of the other panellists. EU/CL/ITA/Annex 31/en 12 XII. Amicus curiae submissions 40. Unless the Parties agree otherwise within five days after the date of the establishment of the panel, the panel may receive unsolicited written submissions from natural persons of a Party or juridical persons established in the territory of a Party that are independent from the governments of the Parties, provided that they: (a) are received by the panel within 10 days after the date of the establishment of the panel; (b) are concise and in no case longer than 15 pages, including any annexes, typed at double space; (c) are directly relevant to a factual or a legal issue under consideration by the panel; (d) contain a description of the person making the submission, including for a natural person their nationality and for a juridical person its place of establishment, the nature of its activities, its legal status, general objectives and its source of financing; (e) specify the nature of the interest that the person has in the panel proceedings; and (f) are drafted in the languages chosen by the Parties in accordance with Rules 44 and 45. EU/CL/ITA/Annex 31/en 13 41. The submissions shall be delivered to the Parties by the panel for their comments. The Parties may submit comments, within 10 days after the delivery, to the panel. 42. The panel shall list in its report all the submissions it has received pursuant to Rule 40. The panel shall not be obliged to address in its report the arguments made in such submissions. However, if it does, it shall also take into account any comments made by the Parties pursuant to Rule 41. XIII. Urgent cases 43. If the case concerns a matter of urgency as referred to in Article 31.12, the panel, after consulting the Parties, shall adjust, as appropriate, the time periods referred to in this Annex. The panel shall notify the Parties of those adjustments. XIV. Working language and translations 44. During the consultations referred to in Article 31.4, and no later than the date of the organisational meeting referred to in Rule 11 of this Annex, the Parties shall endeavour to agree on a common working language for the proceedings before the panel. EU/CL/ITA/Annex 31/en 14 45. If the Parties are unable to agree on a common working language, each Party shall make its written submissions in its chosen language. Each Party shall provide at the same time a translation in the language chosen by the other Party, unless its submissions are written in one of the working languages of the WTO. The Party complained against shall arrange for the interpretation of oral submissions into the languages chosen by the Parties. 46. Panel reports and decisions shall be issued in the languages chosen by the Parties. If the Parties have not agreed on a common working language, the interim and final report of the panel shall be issued in one of the working languages of the WTO. 47. A Party may provide comments on the accuracy of the translation of any translated version of a document drawn up in accordance with this Annex. 48. Each Party shall bear the costs of the translation of its written submissions. Any costs incurred for translation of reports and decisions of the panel shall be borne equally by the Parties. XV. Special time periods 49. The time periods laid down in this Annex shall be adjusted in line with the special time periods provided for in Articles 31.15 to 31.18 for the adoption of a report or decision by the panel in the proceedings under those Articles. _____ EU/CL/ITA/Annex 31/en 15 ANNEX 31-B CODE OF CONDUCT FOR PANELLISTS AND MEDIATORS I. Definitions 1. For the purposes of this Annex: (a) "administrative staff" means, in respect of a panellist, individuals under the direction and control of a panellist, other than assistants; (b) "assistant" means an individual who, under the terms of appointment and under the direction and control of a panellist, conducts research or provides assistance to that panellist; and (c) "candidate" means an individual whose name is on the list of panellists referred to in Article 31.8 and who is under consideration for selection as a panellist pursuant to Article 31.6. EU/CL/ITA/Annex 31/en 16 II. Governing principles 2. In order to preserve the integrity and impartiality of the dispute settlement mechanism, each candidate and panellist shall: (a) get acquainted with this Code of Conduct; (b) be independent and impartial; (c) avoid direct or indirect conflicts of interests; (d) avoid impropriety and the appearance of impropriety or bias; (e) observe high standards of conduct; and (f) not be influenced by self-interest, outside pressure, political

considerations, public clamour or loyalty to a Party or fear of criticism. 3. A panellist shall not, directly or indirectly, incur any obligation or accept any benefit that would in any way interfere, or appear to interfere, with the proper performance of their duties. EU/CL/ITA/Annex 31/en 17 4. A panellist shall not use their position on the panel to advance any personal or private interests. A panellist shall avoid actions that may create the impression that others are in a special position to influence them. 5. A panellist shall not allow past or existing financial, business, professional, personal or social relationships or responsibilities to influence their conduct or judgement. 6. A panellist shall avoid entering into any relationship or acquiring any financial interest that is likely to affect their impartiality, or that might reasonably create an appearance of impropriety or bias. III. Disclosure obligations 7. A candidate requested to serve as a panellist pursuant to Article 31.6 shall, prior to the acceptance of their appointment, disclose any interest, relationship or matter that is likely to affect their independence or impartiality, or that might reasonably create an appearance of impropriety or bias in the proceedings. To that end, a candidate shall make all reasonable efforts to become aware of any such interests, relationships or matters, including financial, professional, employment or family interests. EU/CL/ITA/Annex 31/en 18 8. The disclosure obligation set out in paragraph 7 is a continuing duty which requires a panellist to disclose any such interests, relationships or matters that may arise during any stage of the proceedings. 9. A candidate or a panellist shall communicate to the Trade Committee for consideration by the Parties any matters concerning actual or potential violations of this Annex at the earliest time they become aware of them. IV. Duties of panellists 10. Upon acceptance of their appointment, a panellist shall be available to perform and shall perform their duties thoroughly and expeditiously throughout the proceedings and with fairness and diligence. 11. A panellist shall consider only the issues raised in the proceedings and necessary for a decision and shall not delegate this duty to any other person. 12. A panellist shall take all appropriate steps to ensure that their assistants and administrative staff are aware of, and comply with, the obligations of panellists set out in Parts II, III, IV and VI of this Annex. EU/CL/ITA/Annex 31/en 19 V. Obligations of former panellists 13. A former panellist shall avoid actions that may create the appearance that they were biased in carrying out the duties or derived advantage from the decision of the panel. 14. A former panellist shall comply with the obligations set out in Part VI of this Annex. VI. Confidentiality 15. A panellist shall not disclose, at any time, any non-public information concerning the proceedings or acquired during the proceedings for which they have been appointed. A panellist shall not, in any case, disclose or use such information to gain personal advantage or advantage for others or to adversely affect the interest of others. 16. A panellist shall not disclose a decision of the panel or parts thereof prior to its publication in accordance with Chapter 31. 17. A panellist shall not, at any time, disclose the deliberations of a panel, or any panellist's view, nor make any statements on the proceedings for which they have been appointed, or on the issues in dispute in the proceedings. EU/CL/ITA/Annex 31/en 20