

# Agreement establishing an Association between the United Kingdom of Great Britain and Northern Ireland and the Republic of Chile

The United Kingdom of Great Britain and Northern Ireland ("the United Kingdom") and the Republic of Chile ("Chile") (hereinafter referred to as "the Parties"),

RECOGNISING that 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, done at Brussels on 18 November 2002 (hereinafter referred to as "the EU-Chile Agreement") will cease to apply to the United Kingdom when it ceases to be a Member State of the European Union or at the end of any transitional period or implementation period during which the rights and obligations under the EU-Chile Agreement continue to apply to the United Kingdom;

DESIRING that the rights and obligations between them as provided for by the EU-Chile Agreement should continue after the United Kingdom has left the European Union;

HAVE AGREED AS FOLLOWS:

## Article 1. Objectives

1. The overriding objective of this Agreement is to preserve the links between the Parties established by the association created in Article 2 of the EU-Chile Agreement.
2. In particular, the Parties agree to preserve the preferential conditions relating to trade between them, subject to the provisions of this Agreement, which resulted from the EU-Chile Agreement and to provide a platform for further trade liberalisation between the Parties.
3. For the avoidance of doubt, the Parties reaffirm the objectives in Articles 2 and 55 of the Incorporated Agreement in their entirety.

## Article 2. Definitions

1. Throughout this Instrument:

"Incorporated Agreement" means the provisions of the EU-Chile Agreement, including the instruments referred to in Article 206, as incorporated into and made part of this Agreement (and references to an "incorporated Article" are to be read accordingly);

"mutatis mutandis" means with the necessary modifications to apply the EU-Chile Agreement as if it had been concluded between the United Kingdom and Chile, taking into account the object and purpose of this present Agreement.

2. "This Agreement" means this Instrument and the Incorporated Agreement.

## Article 3. Incorporation of the EU-Chile Agreement

1. The provisions of the EU-Chile Agreement, including the instruments referred to in Article 206, in effect immediately before they cease to apply to the United Kingdom are incorporated into and made part of this Agreement, mutatis mutandis, subject to the provisions of this Instrument.
2. In the event of any inconsistency between this Instrument and the Incorporated Agreement, this Instrument shall prevail to the extent of the inconsistency.

## Article 4. Integral Parts of this Agreement

1. The Annex and footnotes to this Instrument shall form an integral part of this Agreement.
2. Nothing in this Article shall affect Article 206 of the Incorporated Agreement.

## **Article 5. References to the Euro**

Notwithstanding Article 3, references to the euro (including "EUR" and "") in the Incorporated Agreement shall continue to be read as such in this Agreement.

## **Article 6. Territorial Application**

For the avoidance of doubt, this Agreement shall apply:

(a) in respect of the United Kingdom, to the extent that and under the conditions which the EU-Chile Agreement applied immediately before it ceased to apply to the United Kingdom, to the territory of the United Kingdom and the following territories for whose international relations it is responsible:

(i) Gibraltar;

(ii) the Channel Islands and the Isle of Man; and

(iii) the Sovereign Base Areas of Akrotiri and Dhekelia in Cyprus, and

b) in respect of Chile, to the territory of Chile, including 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 and its domestic law.

## **Article 7. Continuation of Time Periods**

1. The Parties agree that unless this Instrument provides otherwise, if a period in the EU-Chile Agreement:

(a) has not yet ended, the remainder of that period shall be incorporated into this Agreement; and

(b) has ended, any ongoing right or obligation in the EU-Chile Agreement shall apply between the Parties and that period shall not be incorporated into this Agreement.

2. Notwithstanding paragraph 1, a reference in the Incorporated Agreement to a period relating to a procedure or other administrative matter, such as a review, committee procedure or notification, shall not be affected.

## **Article 8. Further Provision In Relation to the Association Council and Association Committee**

1. The Association Council which the Parties establish under incorporated Article 3, and which is constituted pursuant to incorporated Article 4 as modified by this Agreement, shall, in particular, ensure that this Agreement operates properly.

2. Unless the Parties otherwise agree, any decisions adopted by the Association Council or the Association Committee established by the EU-Chile Agreement before the EU-Chile Agreement ceased to apply to the United Kingdom shall, to the extent those decisions relate to the Parties to this Agreement, be deemed to have been adopted, mutatis mutandis and subject to the provisions of this Instrument, by the Association Council or the Association Committee the Parties establish under incorporated Articles 3 and 6, respectively.

3. Nothing in paragraph 2 prevents the Association Council or the Association Committee established by this Agreement from making decisions which are different to, modify, revoke or supersede the decisions deemed to have been adopted by them under that paragraph.

## **Article 9. Amendments**

1. The Parties may agree, in writing, to amend this Agreement. An amendment shall enter into force on the first day of the second month following the date of the later written notification by which the Parties notify each other that they have completed their respective legal requirements and procedures, or on such date as the Parties may agree.

2. Notwithstanding paragraph 1, the Association Council may decide to amend the Annexes, Appendices, Protocols and

Notes to this Agreement. The Parties may adopt the Association Council's decisions subject to their respective applicable legal requirements and procedures. (1)

(1) Chile shall implement any decision taken by the Association Council through acuerdos de ejecucion (executive agreements), in accordance with article 54 N°1, paragraph 4 of the Constitucion Politica de la Republica de Chile (Political Constitution of the Republic of Chile).

## **Article 10. Entry Into Force and Provisional Application**

1. Article 198 of the EU-Chile Agreement shall not be incorporated into this Agreement.

2. Each Party shall notify the other Party of the completion of its domestic procedures required for the entry into force of this Agreement.

3. This Agreement shall enter into force on:

(a) the later of:

(i) the date on which the EU-Chile Agreement ceases to apply to the United Kingdom; (2) or

(ii) the first day of the second month following the date of the later of the notifications by which the Parties notify each other that they have completed their respective legal requirements and procedures; or

(b) such date as the Parties may otherwise agree.

4. Notwithstanding paragraph 3, the negotiating States agree to apply this Agreement, or specific provisions thereof, from the later of:

(a) the date on which the EU-Chile Agreement ceases to apply to the United Kingdom; or

(b) the date of the later of the negotiating States' notifications signifying the completion of such domestic procedures as are required for provisional application.

5. A negotiating State may terminate the application of the Agreement, or specific provisions thereof, as agreed under paragraph 4, by giving written notice to the other negotiating State. Such termination shall take effect on the first day of the second month following the date of such notification.

6. Where this Agreement is, or certain provisions of this Agreement are, applied under paragraph 4, any reference to the term "entry into force of this Agreement" in such provisions shall be deemed to refer to the date from which the negotiating States agree to apply those provisions in accordance with paragraph 4.

7. The United Kingdom shall submit notifications under this Article to the General Directorate of International Economic Relations (DIRECON) of the Ministry of Foreign Affairs of Chile or its successor. Chile shall submit notifications under this Article to the United Kingdom's Department for International Trade or its successor.

(2) For certainty, Chile will be notified of the date referred to in this paragraph and paragraph (4)(a) either by the United Kingdom or through other means.

IN WITNESS WHEREOF the undersigned, duly authorised thereto by their respective Governments, have signed this Treaty.

Done in Duplicate at Santiago this Thirtieth day of January 2019 in the English and Spanish languages, both texts being equally authoritative.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

JAMIE BOWDEN

For the Government of Chile:

ROBERTO AMPUERO

## **Annex.**

The incorporation of the EU-Chile Agreement into this Agreement is further modified as follows:

### **Section 1. MODIFICATIONS TO PART I (GENERAL AND INSTITUTIONAL PROVISIONS)**

#### **A. TITLE II**

##### **INSTITUTIONAL FRAMEWORK**

1. Article 4.1 (Composition and rules of procedure) shall be replaced by:

"1. The Association Council shall be composed, on the one hand, of a Secretary of State of the United Kingdom or their representative(s), and, on the other hand, of the Minister of Foreign Affairs of Chile."

2. In Articles 9.1 (Association Parliamentary Committee) and 10.1 (Joint Consultative Committee), "is hereby" shall be replaced by "may be", and after "established", insert "by the Parties".

3. Article 10.2 shall be replaced by: "The Parties shall determine the membership of the Joint Consultative Committee, having regard to the Committee's object and purpose outlined in this Article. The Joint Consultative Committee shall be composed of an equal number of members representing the United Kingdom, on the one hand, and Chile, on the other."

### **Section 2. MODIFICATIONS TO PART III (COOPERATION)**

#### **TITLE I**

##### **ECONOMIC COOPERATION**

1. In Article 23.2(c) (Transport), "for transfers of European technology in the Global Navigation Satellite System and urban public transport centres" shall be replaced by "in the field of satellite navigation systems and urban public transport".

2. Article 25.2 (Fisheries) shall not be incorporated into this Agreement.

3. In Article 26.2 (Customs cooperation), "to the Framework Cooperation Agreement" shall be replaced by ", as incorporated into and modified by this Agreement".

4. In Article 27.2(b) (Cooperation on statistics), ", and with Eurostat" shall not be incorporated into this Agreement.

#### **B. TITLE VI**

##### **OTHER COOPERATION AREAS**

5. In Article 47.2(c) (Cooperation on drugs and combating organised crime), "the European Monitoring Centre for Drugs and Drug Addiction," shall not be incorporated into this Agreement.

6. In Article 47.2(g): (a) "equivalent" shall be replaced by "comparable"; and

(b) "and in accordance with the Agreement between the Republic of Chile and the European Community on the prevention of the diversion of precursors and chemical substances frequently used in the illicit manufacture of narcotic drugs or psychotropic substances of 24 November 1998" shall not be incorporated into this Agreement.

#### **C. TITLE VII**

##### **GENERAL PROVISIONS**

7. After Article 48(c) (Participation of civil society in cooperation), insert as a new paragraph:

"In this Article and Article 53, references to financial resources shall be understood to cover a range of forms of such resources and means by which such resources may be provided, including resources provided through multilateral and regional organisations."

8. Article 53.2 (Resources) shall not be incorporated into this Agreement.

9. In Article 54.2(c) (Specific tasks of the Association Committee in cooperation matters), ", on the multiannual indicative programmes, which shall contain a description of sectoral priorities, specific objectives, expected results and indicative amounts, and annual action programmes" shall not be incorporated into this Agreement.

## **Section 3. MODIFICATIONS TO PART IV (TRADE AND TRADE-RELATED MATTERS)**

### **A. TITLE I**

#### **GENERAL PROVISIONS**

1. In Article 56.2 (Customs unions and free trade areas), "In particular, in the event of accession, such consultation shall take place so as to ensure that account can be taken of the mutual interests of the Parties." shall not be incorporated into this Agreement.

### **B. TITLE II**

#### **FREE MOVEMENT OF GOODS**

2. Article 74 (Evolution clause) shall be replaced by:

"Within two years of the entry into force of this Agreement, the Parties shall review the situation, taking account of the pattern of trade in agricultural products and processed agricultural products between the Parties, in particular the usage of the tariff concessions established in Annexes I and II of this Agreement, and noting the particular sensitivities of such products and the development of agricultural policy on both sides. The Parties shall examine, in the Association Committee, product by product and on an orderly and appropriate reciprocal basis, the opportunities for granting each other further concessions with a view to improving liberalisation of trade in agricultural and processed agricultural products."

3 In Article 79.5 (Customs and related trade matters), "to the Framework Cooperation Agreement" shall be replaced by ", as incorporated into and modified by this Agreement".

### **C. TITLE VII**

#### **COMPETITION**

4. Article 173.2(a) (Definitions) shall be replaced by "(a) for the United Kingdom, the Competition and Markets Authority; and".

## **Section 4. MODIFICATIONS TO PART V (FINAL PROVISIONS)**

1. Article 197 (Definition of the Parties) shall not be incorporated into this Agreement.

2. After Article 201.2 (Future developments), insert as a new paragraph:

"3. Notwithstanding paragraphs 1 and 2, the Parties shall within two years of the entry into force of this Agreement, and every two years thereafter, discuss how to enhance their trading relationship. The Parties' consideration of how to enhance their trading relationship should include enhancements of the Parties' rights and obligations and of specific market access commitments under this Agreement and may take into account other agreements signed by either Party with other partners."

3. Article 205 (Authentic Texts) shall not be incorporated into this Agreement.

## **Section 11. MODIFICATIONS TO ANNEX VII (SCHEDULE OF SPECIFIC COMMITMENTS ON SERVICES)**

### **A. PART A: COMMUNITY'S SCHEDULE**

1. In the Introductory Note: (a) paragraphs 1 and 2 shall not be incorporated into this Agreement; and (b) the first sentence of paragraph 3 shall not be incorporated into this Agreement.

## **B. HORIZONTAL COMMITMENTS**

2. In the table of specific commitments, in the column specifying limitations on national treatment, for mode 3, in paragraph (a), the second sentence, which commences "However, this does not...", shall not be incorporated into this Agreement.

3. In the table of specific commitments, in the column specifying the limitations on national treatment, for mode 4, the second paragraph, which commences "Community directives on mutual recognition...", shall not be incorporated into this Agreement.

## **C. SECTOR-SPECIFIC COMMITMENTS**

4. In the table of specific commitments, for sector "1. BUSINESS SERVICES", sub-sector "E. Rental/Leasing Services without Operations", sub sub-sector (b) "Relating to Aircraft", in the column specifying the limitations on market access, for mode 2, "or elsewhere in the Community" shall not be incorporated into this Agreement.

5. In the table of specific commitments, for sector "10. TRANSPORT SERVICES", sub-sector "B. Internal Waterways Transport", in the columns specifying the limitations on market access and on national treatment, for modes 1 and 3, in the first paragraph, "(including agreements following the Rhine-Main- Danube link)" and "Regulations implementing the Mannheim Convention on Rhine Shipping" shall not be incorporated into this Agreement.

## **D. ATTACHMENT A**

6. The Glossary, entitled "Terms used for individual Member States", shall not be incorporated into this Agreement.

## **Subsection 12. MODIFICATIONS TO ANNEX VIII (SCHEDULE OF SPECIFIC COMMITMENTS ON FINANCIAL SERVICES)**

### **A. PART A: INTRODUCTORY NOTE**

1. Paragraph 1 shall not be incorporated into this Agreement. 2. In paragraph 2, the words "The following abbreviations are used to indicate the Member States:" and the list of abbreviations for the Member States of the European Union shall not be incorporated into this Agreement.

### **B. HORIZONTAL COMMITMENTS**

3. In the table of specific commitments, in the column specifying limitations on national treatment, for mode 3, in paragraph (a), the second sentence, which commences "However, this does not...", shall not be incorporated into this Agreement.

4. In the table of specific commitments, in the column specifying limitations on national treatment, for mode 4, the second paragraph, which commences "Community directives on mutual recognition...", shall not be incorporated into this Agreement.

### **C. SECTOR-SPECIFIC COMMITMENTS**

5. The footnote to the heading "I. FINANCIAL SERVICES-SPECIFIC COMMITMENTS (first part)", which commences "Unlike foreign subsidiaries, ...", shall not be incorporated into this Agreement.

### **D. ADDITIONAL COMMITMENTS BY PART OF THE EC INSURANCE**

6. Paragraphs (a) and (d) shall not be incorporated into this Agreement.

## **Section 13. MODIFICATIONS TO ANNEX X (SCHEDULE OF SPECIFIC COMMITMENTS ON ESTABLISHMENT)**

### **A. PART A: INTRODUCTORY NOTE**

1. Paragraph 1 shall not be incorporated into this Agreement.

2. In paragraph 2, the words "The following abbreviations are used to indicate the Member States:" and the list of abbreviations for the Member States of the European Union shall not be incorporated into this Agreement.

### **B. HORIZONTAL COMMITMENTS**

3. In the table of specific commitments, in the column specifying limitations on national treatment to establishment, in

paragraph (a), the second sentence, which commences "However, this does not...", shall not be incorporated into this Agreement.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

JAMIE BOWDEN

For the Government of Chile:

ROBERTO AMPUERO