FREE TRADE AGREEMENT BETWEEN THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA AND THE GOVERNMENT OF THE REPUBLIC OF CHILE

Preamble The Government of the People's Republic of China ("China") and the Government of the Republic of Chile ("Chile"), hereinafter referred to as "the Parties";
Committed to strengthening the special bonds of friendship and cooperation between their countries;
Sharing the belief that a free trade agreement shall produce mutual benefits to each Party and contribute to the expansion and development of world trade under the multilateral trading system embodied in the Marrakesh Agreement Establishing the World Trade Organization ("the WTO Agreement");
Building on their respective rights and obligations under the WTO Agreement and other multilateral, regional and bilateral instruments of cooperation;
Supporting the wider liberalization process in the Asia-Pacific Economic Cooperation (APEC) and in particular the efforts of all APEC economies to meet the Bogor goals of free and open trade and the actions subscribed on the Osaka Action Agenda;
Recognizing the contribution, guidance and meaningful reference of the APEC Best Practices for Regional Trade Arrangements (RTAs), Free Trade Agreements (FTAs), and other Preferential Arrangements;
Resolved to promote reciprocal trade through the establishment of clear and mutually advantageous trade rules and the avoidance of trade barriers;
Recognizing that this Agreement should be implemented with a view toward raising the standard of living, creating new job opportunities, and promoting sustainable development in a manner consistent with environmental protection and conservation; and
Committed to promoting the public welfare within each of their countries;
Have agreed as follows:

Chapter I. Initial Provisions

Article 1. Establishment of a Free Trade Area

The Parties to this Agreement, consistent with Article XXIV of the General Agreement on Tariffs and Trade 1994, hereby establish a free trade area.

Article 2. Objectives

1. The objectives of this Agreement, as elaborated more specifically through its principles and rules, including national treatment, most-favored-nation (MFN) treatment, and transparency, are to:
(a) encourage expansion and diversification of trade between the Parties;
(b) eliminate barriers to trade in, and facilitate the cross-border movement of, goods between the Parties;
(c) promote conditions of fair competition in the free trade area;
(d) create effective procedures for the implementation and application of this Agreement, for its joint administration, and for the resolution of disputes; and
(e) establish a framework for further bilateral, regional, and multilateral cooperation to expand and enhance the benefits of this Agreement.

2. The Parties shall interpret and apply the provisions of this Agreement in the light of its objectives set out in paragraph 1 and in accordance with customary rules of interpretation of public international law.

Article 3. Relation to other Agreements

The Parties affirm their existing rights and obligations with respect to each other under the WTO Agreement and other

agreements to which both Parties are parties.

Article 4. Extent of Obligations

The Parties shall ensure that all necessary measures are taken in order to give effect to the provisions of this Agreement in their respective territories.

Chapter II. General Definitions

Article 5. Definitions of General Application

For purposes of this Agreement, unless otherwise specified:
Commission means the Free Trade Commission established under Article 97;
customs authorities means the competent authority, which is responsible for the enforcement national customs legislation;
days mean calendar days; existing means in effect on the date of entry into force of this Agreement;
GATT 1994 means the General Agreement on Tariffs and Trade 1994, which is part of the WTO Agreement;
goods of a Party means domestic products as these are understood in the GATT 1994 or such goods as the Parties may agree and includes originating goods of that Party; Harmonized System (HS) means the Harmonized Commodity Description and Coding System, adopted by World Customs Organization;
heading means the first four digits in the tariff classification number under the Harmonized System;
import customs duty means the duties which are collected in connection with the importation of a good, but does not include:
(a) charge equivalent to an internal tax imposed consistently with Article III:2 of the GATT 1994;
in respect of like, directly competitive or substitutable goods of the Party, or in respect of goods from which the imported good has been manufactured or produced in whole or in part;
(b) anti-dumping or countervailing duty; and
(c) fee or other charge in connection with importation commensurate with the cost of services rendered.
measure includes any law, regulation, procedure, requirement, or practice; originating means qualifying under the Rules of Origin set out in Chapter IV;
person means a natural person or a legal person, or any other entity established in accordance with domestic law;
preferential tariff means the import customs duty rate applicable under this Agreement to an originating good;
subheading means the first six digits in the tariff classification number under the Harmonized System;
territory means:
(a) with respect to China, the entire customs territory of People's Republic of China, including land, maritime and air space, 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; and
(b) with respect to Chile, 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.
TRIPS Agreement means the Agreement on Trade-Related Aspects of Intellectual Property Rights, which is part of the WTO Agreement;
WTO means the World Trade Organization; and WTO Agreement means the Marrakesh Agreement Establishing the World Trade Organization, done on April 15, 1994.

Chapter III. National Treatment and Market Access for Goods

Article 6. Scope and Coverage

Except as otherwise provided, this Chapter applies to trade in goods between the Parties.

Article 7. National Treatment

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

Article 8. Tariff Elimination

1. Except as otherwise provided in this Agreement, neither Party may increase any existing import customs duty, or adopt any new import customs duty, on a good of the other Party. 2. Except as otherwise provided in this Agreement, each Party shall progressively eliminate its import customs duties on originating goods in accordance with Annex 1.
3. If a Party reduces its applied most favored nation import customs duty rate (except for the interim duty rate referred in the Article 4 and 9 of Regulation on Import and Export Tariff of the People's Republic of China) after the entry into force of this Agreement and before the end of the tariff elimination period, the tariff elimination schedule (Schedule) of that Party shall apply to the reduced rate.
4. On the request of either Party, the Parties shall consult to consider accelerating the elimination of import customs duties set out in their Schedules. An agreement between the Parties to accelerate the elimination of an import customs duty on a good shall supersede any duty rate or staging category determined pursuant to their Schedules for such good when approved by each Party in accordance with their respective applicable legal procedures and subparagraph b of paragraph 3 of Article 97.

Article 9. Administrative Fees and Formalities

1. Each Party shall ensure, in accordance with Article VIII:1 of the GATT 1994 and its interpretive notes, that all fees and charges of whatever character (other than import customs duties, charges equivalent to an internal tax or other internal charge applied consistently with Article III:2 of the GATT 1994, and antidumping and countervailing duties) imposed on or in connection with importation or exportation are limited in amount to the approximate cost of services rendered and do not represent an indirect protection to domestic goods or a taxation of imports or exports for fiscal purposes.
2. Neither Party may require consular transactions, including related fees and charges, in connection with the importation of any good of the other Party.
3. Each Party shall make available through the Internet or a comparable computer-based telecommunications network a current list of the fees and charges it imposes in connection with importation or exportation.

Article 10. Geographical Indications

1. The terms listed in Annex 2A are geographical indications in China, within the meaning of paragraph 1 of Article 22 of the TRIPS Agreement. Subject to domestic laws and regulations, in a manner that is consistent with the TRIPS Agreement, such terms will be protected as geographical indications in the territory of the other Party.
2. The terms listed in Annex 2B are geographical indications in Chile, within the meaning of paragraph 1 of Article 22 of the TRIPS Agreement. Subject to domestic laws and regulations, in a manner that is consistent with the TRIPS Agreement, such terms will be protected as geographical indications in the territory of the other Party.

Article 11. Special Requirements Related to Border Measures

1. Each Party shall provide that any right holder initiating procedures for suspension by the customs authorities of the release of suspected counterfeit trademark or pirated copyright goods 1 into free circulation is required to provide adequate evidence to satisfy the competent authorities that, under the laws of the Party of importation, there is prima facie an infringement of the right holder's intellectual property right and to supply sufficient information to make the suspected goods reasonably recognizable to the customs authorities. The sufficient information required shall not unreasonably deter recourse to these procedures.
2. Each Party shall provide the competent authorities with the authority to require an applicant to provide a reasonable security or equivalent assurance sufficient to protect the defendant and the competent authorities and to prevent abuse. Such security or equivalent assurance shall not unreasonably deter recourse to these procedures.
3. Where the competent authorities have made a determination that goods are counterfeit or pirated, a Party shall grant the competent authorities the authority to inform the right holder, at the right holder's request, of the names and addresses of the consignor, the importer, and the consignee, and of the quantity of the goods in question.
4. Each Party shall provide that the competent authorities are permitted to initiate border measures *ex officio*, without the need for a formal complaint from a person or 1 For the purposes of this Article:
(a) counterfeit trademark goods means any goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trademark, and which thereby infringes the rights of the owner of the trademark in question under the law of the Party of importation;
(b) pirated copyright goods means any goods which are copies made without the consent of the right holder or person duly authorized by the right holder in the Party of production and which are made directly or indirectly from an article where the making of that copy would have constituted an infringement of a copyright or a related right under the law of the Party of importation. right holder. Such measures shall be used when there is reason to believe or suspect that goods being imported, or destined for export are counterfeit or pirated.

5. This Article shall be implemented no later than two years upon entry into force of this Agreement.

Article 12. Agricultural Export Subsidies

1. The Parties share the objective of the multilateral elimination of export subsidies for agricultural goods and shall work together toward an agreement in the World Trade Organization to eliminate those subsidies and prevent their reintroduction in any form.
2. Neither Party shall introduce or maintain any export subsidy on any agricultural good destined for the territory of the other Party.

Article 13. Committee on Trade In Goods

1. The Parties hereby establish a Committee on Trade in Goods, comprising representatives of each Party.
2. The Committee shall meet on the request of either Party or the Commission to consider any matter arising under this Chapter, Chapter IV or Chapter V.
3. The Committee's functions shall include:
(a) promoting trade in goods between the Parties, including through consultations on accelerating tariff elimination under this Agreement and other issues as appropriate; and
(b) addressing barriers to trade in goods between the Parties, especially those related to the application of non-tariff measures, and, if appropriate, referring such matters to the Commission for its consideration.

Article 14. Definitions

For purposes of this Chapter: agricultural goods means those goods referred to in Article 2 of the Agreement on Agriculture, which is part of the WTO Agreement; consular transactions means requirements that goods of a Party intended for export to the territory of the other Party must first be submitted to the supervision of the consul of the importing Party in the territory of the exporting Party for the purpose of obtaining consular invoices or consular visas for commercial invoices, certificates of origin, manifests, shippers' export declarations or any other customs documentation required on or in connection with importation; and export subsidies shall have the meaning assigned to that term in Article 1(e) of the Agreement on Agriculture, which is part of the WTO Agreement, including any amendment of that Article.

Chapter IV. Rules of Origin

Article 15. Originating Goods

For the purpose of this Agreement, a good shall be regarded as originating in China or in Chile when:
(a) the good is wholly obtained or produced entirely in the territory of one Party, within the meaning of Article 16;
(b) the good is produced entirely in the territory of one or both Parties, exclusively from materials whose origin conforms to the provisions of this Chapter; or
(c) the good is produced in the territory of one or both Parties, using non-originating materials that conform to a regional value content not less than 40%, except for the goods listed in the Annex 3, which must comply with the requirements specified therein. All goods must meet the other applicable requirements of this Chapter.

Article 16. Wholly Obtained Goods

For the purpose of subparagraph (a) of Article 15, the following goods shall be regarded as wholly obtained or produced in the territory of one Party:
(a) mineral products extracted from the soil or from the seabed of China or Chile;
(b) plants and plants products harvested in China or Chile;
(c) live animals, born and raised in China or Chile;
(d) products from live animals raised in China or Chile;
(e) products obtained by hunting, trapping or fishing in inland waters conducted in China or Chile;
(f) products of sea fishing and other products taken from the territorial sea or the exclusive economic zone of China or Chile;
(g) products of sea fishing and other products taken from the sea beyond the exclusive economic zone by a vessel flying the flag of China or Chile;
Products of sea fishing and other products, if exclusively taken by a vessel registered or recorded within a Party and flying its flag, from the sea within its exclusive economic zone shall be regarded as wholly obtained in that Party.

(h) products manufactured on board a factory ship flying the flag of China or Chile, exclusively from products referred to in subparagraphs (f) and (g);
(i) used articles collected in China or Chile fit only for the recovery of raw materials;
(j) waste and scrap resulting from manufacturing operations conducted in China or Chile and are fit only for the recovery of raw materials;
(k) products extracted from the seabed or beneath the seabed outside the territorial sea of China or Chile, provided that they have sole rights to exploit such seabed; and
(l) products manufactured in China or Chile exclusively from products specified in subparagraphs (a) to (k).

Article 17. Regional Value Content (rvc)

1. The regional value content of a good shall be calculated on the basis of the following method: V – VNM RVC = ----------x 100 V where: RVC means the regional value content expressed as a percentage; V means the value of the good, as defined in the Customs Valuation Agreement, adjusted on an FOB basis; and VNM means the value, as defined in the Customs Valuation Agreement, of the non-originating materials, adjusted on a CIF basis, except as provided in paragraph 4.
2. The percentage of regional value content shall not be less than 40%, except for the goods listed in Annex 3, which shall comply with the Product Specific Rules as provided under Article 18.
3. The value of the non-originating materials used by the producer in the production of a good shall not include, for purposes of calculating the regional value content of the good, pursuant to paragraph 1, the value of non-originating materials used to produce originating materials that are subsequently used in the production of the good.
4. When the producer of the good acquires a non-originating material within the Party's territory where it is located, the value of such material shall not include freight, insurance, packing costs, and any other costs incurred in transporting the material from the supplier's warehouse to the producer's location.

Article 18. Product Specific Rules

For the purpose of determining the origin of the goods, the goods listed in Annex 3 shall comply with the corresponding origin criteria specified therein.

Article 19. Operations That Do Not Confer Origin

1. The following operations shall be considered as insufficient working or processing to confer the status of originating products:
(a) preserving operations to ensure that the products remain in good condition during transport and storage;
(b) breaking-up and assembly of packages;
(c) washing, cleaning, removal of dust, oxide, oil, paint or other coverings;
(d) ironing or pressing of textiles;
(e) simple painting and polishing operations;
(f) husking, partial or total bleaching, polishing, and glazing of cereals and rice;
(g) operations to color sugar or form sugar lumps;
(h) peeling, stoning and shelling, of fruits, nuts and vegetables;
(i) sharpening, simple grinding or simple cutting;
(j) sifting, screening, sorting, classifying, grading, matching; (including the making-up of sets of articles);
(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;
(n) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;
(o) operations whose sole purpose is to ease port handling;
(p) a combination of two or more operations specified in subparagraphs (a) to (o); and
(q) slaughter of animals.
2. For purposes of this Article:
(a) simple, generally describes activities which need neither special skills nor special machines, apparatus or equipment specially produced or installed for carrying out the activity; and
(b) simple mixing, generally describes activities which need neither special skills nor machines, apparatus or equipment especially produced or installed for carrying out the activity. However, simple mixing does not include chemical reaction.

Article 20. Accumulation

Where originating goods or materials of a Party are incorporated into a good in the other Party's territory, the goods or materials so incorporated shall be regarded to be originating in the latter's territory.

Article 21. De Minimis

A good that does not conform to the tariff classification change, pursuant to the provisions of Annex 3, shall be considered to be originating even if the value of all non-originating materials used in its production not meeting the tariff classification change requirement does not exceed 8% of the value of the given good, determined pursuant to Article 17.

Article 22. Sets

Sets, as defined in General Rule 3 of the Harmonized System, shall be regarded as originating when all the components of the sets are originating. Nevertheless, when a set is composed of originating and non-originating products, the set as a whole shall be regarded as originating, provided that the value of the non-originating products does not exceed 15% of the total value of the set, determined pursuant to Article 17.

Article 23. Accessories, Spare Parts, and Tools

Accessories, spare parts, or tools presented as part of the good upon importation shall be disregarded when determining the origin of the good, provided that:
(a) the accessories, spare parts, or tools are classified with and not invoiced separately from the good; and
(b) the quantities and the value of said accessories, spare parts, or tools are the normal ones for the good.

Article 24. Packaging Materials and Containers for Retail Sale

If the goods are subject to a change in tariff classification criteria set out in Annex 3, the origin of the packaging materials and containers in which goods are packaged for retail sale shall be disregarded in determining the origin of the goods, provided that the packaging materials and containers are classified with the goods. However, if the goods are subject to a regional value content requirement, the value of the packaging materials and containers used for retail sale shall be taken into account when determining the origin of the goods.

Article 25. Packing Materials and Containers for Shipment

The packing materials and containers used to protect a good during its transportation, shall not be taken into account when determining the origin of the good.

Article 26. Neutral Elements

1. In order to determine whether a product originates, the origin of the neutral elements defined in paragraph 2 shall not be taken into account.
2. Neutral element mean articles used in the production of a good which are, not physically incorporated into it, neither form part of it, including:
(a) fuel, energy, catalysts and solvents;
(b) equipment, devices, and supplies used for testing or inspecting the goods;
(c) gloves, glasses, footwear, clothing, safety equipment and supplies;
(d) tools, dies and molds;
(e) spare parts and materials used in the maintenance of equipment and buildings;
(f) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings; and
(g) any other goods that are not incorporated into the good but whose use in the production of the good can reasonably be demonstrated to be a part of that production.

Article 27. Direct Transport

1. Preferential tariff treatment provided for in this Agreement shall be applied to goods which satisfy the requirements of this Chapter and are directly transported between the Parties.
2. Notwithstanding paragraph 1, where the transit of goods takes place through non-Parties for storage, with or without transshipment, a maximum length of time not exceeding three months shall be imposed on the duration of stay of the

goods since its entry into non-Parties.
3. To be eligible for preferential tariff treatment, goods shall not undergo any processing or production process in a non-Party except for loading, unloading, reloading, packing, packaging, repackaging or any other operation necessary for preservation in good condition or transportation.
4. Compliance with the provisions set out in paragraph 2 and 3 shall be authenticated by presenting to the customs authorities of the importing Party either with customs documents of the non-Parties or with any other documents so provided to the satisfaction of the customs authorities of the importing Party.

Article 28. Exhibitions

1. Preferential tariff treatment as provided for under this Agreement shall be granted to originating products, sent for exhibition in a non-Party and sold after the exhibition for importation in China or Chile when the following conditions are met to the satisfaction of the customs authorities of the importing Party:
(a) an exporter has consigned these products from China or Chile to the non-Party where the exhibition has actually taken place;
(b) the products have been sold or otherwise disposed of by that exporter to a person in China or Chile;
(c) the products have been consigned during the exhibition or immediately thereafter in the state in which they were sent for exhibition;
(d) the products have not been used for any purpose other than demonstration at the exhibition since they were consigned for exhibition; and
(e) the products have remained during the exhibition under customs authorities control.
2. For the purpose of application of paragraph 1, a certificate of origin shall be issued in accordance with the provisions of Chapter V and submitted to the customs authorities of the importing Party, with the name and address of the exhibition being attached thereon. Where necessary, additional documentary evidence related to the exhibition may be required.
3. Paragraph 1 shall apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display which is not organized for private purposes in shops or business premises with a view to the sale of foreign products.

Article 29. Definitions

For the purposes of this Chapter: CIF means the value of the good imported, inclusive of the cost of freight and insurance up to the port or place of entry into the country of importation; Customs Valuation Agreement means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994, which is part of the WTO Agreement; FOB means the value of the good free on board, independent of the means of transportation, at the port or site of final shipment abroad; material means a good that is used in the production or transformation of another good, including a part or an ingredient; production means growing, raising, mining, harvesting, fishing, trapping, hunting, manufacturing, processing, or assembling a good; and producer means a person who grows, raises, mines, harvests, fishes, hunts, manufactures, processes or assembles a good.

Chapter V. Procedures Related to Rules of Origin

Article 30. Certificate of Origin

1. To qualify originating goods for preferential tariff treatment, Certificate of Origin as set out in Annex 4 shall be submitted on importation.
2. A Certificate of Origin shall be issued by the competent governmental authorities, for China by the General Administration of Quality Supervision, Inspection and Quarantine, and for Chile as defined in the Annex 5, on the written application presented by the exporter. The Certificate of Origin must be completed in English and duly signed, covering one or more goods under one consignment. The original Certificate of Origin must be submitted to the customs authorities of the importing Party.
3. The exporter applying for a Certificate of Origin shall provide all necessary documents to prove the originating status of the products concerned as required by the competent governmental authorities, and undertake to fulfill the other requirements as laid down under this Chapter.
4. The issuing competent governmental authorities shall have the rights, by taking any appropriate measures prior to the exportation, to examine the originating status of the products and the fulfillment of the other requirements of this Chapter. For this purpose, they shall have the rights to request any supportive evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate.
5. A Certificate of Origin as referred to in paragraph 1 shall be valid for one year from the date of issue in the exporting Party. The original Certificate of Origin must be submitted within the said period to the customs authorities of the importing Party. In the case of China, the original Certificate of Origin without the stamp of "ORIGINAL" shall be presented to the

customs authorities of Chile. In the case of Chile, there shall be only one copy of the Certificate of Origin bearing the stamp of "ORIGINAL" to be presented to the customs authorities of China.
6. The Parties shall implement a Certification and Verification Networking System on the Certificate of Origin (CVNSCO) in two years after the signature of this Agreement as laid down under the Annex 6.

Article 31. Refund of Import Customs Duties or Deposit

Each Party shall provide that, where a good would had been qualified as an originating good when it was imported into the territory of that Party but without Certificate of Origin under this Agreement at that time, the importing customs authorities may impose general import customs duty or deposit on that good, where applicable. In this case, the importer may apply for a refund of any excess import customs duties paid or deposit imposed, where applicable, as the result of the good not having been accorded with preferential tariff treatment, within one year for the duty paid or three months for the deposit imposed, where applicable, after the date on which the good was imported, on presentation of:
(a) a written declaration at the time of importation that the good presented is qualified as an originating good;
(b) the original Certificate of Origin which was issued prior to or within 30 days after the exportation; and
(c) other documentation relating to the importation of the good as the customs authorities of the importing Party may require.

Article 32. Exceptions from Certificate of Origin

1. Each Party shall provide that a Certificate of Origin shall not be required for:
(a) a commercial importation of a good whose value does not exceed US$ 600 or its equivalent amount in the Party's currency, except that it may require that the invoice accompanying the importation include a statement certifying that the good is qualified as an originating good;
(b) a non-commercial importation of a good whose value does not exceed US$ 600 or its equivalent amount in the Party's currency; or
(c) an importation of a good for which the Party into whose territory the good is imported has waived the requirement for a Certificate of Origin. If a Party decides to apply this provision it shall notify the exporting Party.

2. Exceptions established in subparagraphs (a), (b), and (c), shall be applicable provided that the importation does not form part of one or more importations that may reasonably be considered to have been undertaken or arranged for the purpose of avoiding the certification requirements of Article 30.

Article 33. Supporting Documents

The documents referred to in paragraph 3 of Article 30 used for the purpose of proving that products covered by a Certificate of Origin can be considered as products originating and fulfill the other requirements of this Chapter may include but not limited to the following:
(a) direct evidence of the processes carried out by the exporter or supplier to obtain the goods concerned, contained for example in his accounts or internal book-keeping;
(b) documents proving the originating status of materials used, where these documents are used in accordance with the domestic legislation;
(c) documents proving the working or processing of materials, where these documents are used in accordance with the domestic legislation; or (d) certificates of origin proving the originating status of materials used.

Article 34. Obligations Regarding Importations

1. Each Party's customs authorities shall require that an importer claiming preferential tariff treatment for a good to:
(a) make a written declaration, in the importation document established in its legislation, based on a valid Certificate of Origin, that the good is qualified as an originating good;
(b) have a Certificate of Origin in its possession at the time the import declaration referred to in subparagraph (a);
(c) provide, upon request of the customs authorities, the original Certificate of Origin; and (d) promptly make a corrected declaration and pay any duties owed, where the importer has reason to believe that a Certificate of Origin on which a declaration was based contains information that is not correct.
2. Each Party shall provide that, when an importer in its territory does not comply with any requirement established in Chapter III, Chapter IV and this Chapter, the claimed preferential tariff treatment shall be denied for the imported goods from the territory of the other Party.

Article 35. Invoicing by a Non-party Operator

When a good to be traded is invoiced by a non-Party operator, the exporter of the originating Party shall indicate, in the field title "Remarks" of the respective Certificate of Origin, the following data of the producer in the originating Party: name, address and country. The consignee written in the Certificate of Origin must be from China or Chile.

Article 36. Preservation of Certificate of Origin and Supporting Documents

1. The exporter applying for the issue of a Certificate of Origin shall keep for at least three years the documents referred to in paragraph 3 of Article 30 and Article 34.
2. The competent governmental authorities of the exporting Party issuing a Certificate of Origin shall keep a copy of the Certificate of Origin for at least three years.

Article 37. Cooperation and Mutual Assistance

1. The competent governmental authority of the exporting Party shall provide to the customs authorities of the importing Party with specimen impression of stamps used for the issuing of Certificate of Origin, and the specimen of the stamp of "ORIGINAL" from Chile, and with the address of the competent governmental authorities.
2. In order to ensure the proper application of this Chapter, the Parties shall assist each other, in checking the authenticity of Certificate of Origin and the correctness of the information given in this certificate and supporting documents as established in paragraph 3 of Article 30 and may use electronic means in this process.
3. The customs authorities of the Parties shall negotiate a Mutual Administrative Assistance Agreement that will cover relevant customs issues.

Article 38. Verification of Origin

1. Verification of origin shall be carried out whenever the customs authorities of the importing Party have doubts as to the authenticity of Certificate of Origin, the originating status of the products concerned or the fulfillment of the other requirements of this Chapter.
2. For the purposes of implementing the provisions of paragraph 1, the customs authorities of the importing Party shall return a photo-copy of Certificate of Origin, to the competent governmental authorities of the exporting Party, indicating the reasons for the enquiry. Any documents and information obtained establishing that the information given on the Certificate of Origin is incorrect shall be forwarded in support of the request for verification. 3. The verification shall be carried out by the competent governmental authorities of the exporting Party. For this purpose, they shall have the rights to call for any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate.
4. The customs authorities requesting the verification shall be informed of the results of this verification as soon as possible. These results must indicate clearly whether the documents are authentic, whether the products concerned can be considered as products originating and fulfill the other requirements of this Chapter, including the findings of facts and the legal basis for the determination.
5. If no reply within six months of the date of the verification request was received or if the reply does not contain sufficient information to determine the authenticity of the document in question or the real origin of the products, the requesting customs authorities shall deny preferential tariff treatment.
6. Where the customs authorities of the importing Party determines that it has been certified more than once falsely or without substantiation that a good qualifies as originating, the customs authorities of the importing Party may suspend preferential tariff treatment to identical goods imported by the same importer, until it demonstrates that it has complied with the provisions under this Agreement.
7. All the information requested, supporting documents, and all other related information exchange between the customs authorities of the importing Party and the competent governmental authorities regarding this Article may be communicated electronically.

Article 39. Penalties

Penalties shall be imposed in accordance with domestic legislation of each Party for infringement on the provisions of this Chapter.

Article 40. Confidentiality

1. The Parties shall maintain the confidentiality of confidential business information acquired pursuant to this Chapter. Any violation of the confidentiality shall be treated in accordance with the domestic legislation of each Party.

2. This information may only be disclosed to those customs and revenue authorities, or in the context of judicial proceedings.

Article 41. Advance Rulings

1. Customs authorities of each Party, shall issue written advance rulings prior to the importation of a good into its territory upon written request of an importer in its territory, or an exporter in the territory of the other Party 3 , on the basis of the facts and circumstances provided by the requester, including a detailed description of the information required to process a request for an advance ruling, concerning:
(a) tariff classification; or
(b) whether a good qualifies as an originating good under the provision established in this Agreement.
2. The customs authorities shall issue advance rulings after receiving a written request, provided that the requester has submitted all necessary information. The issuance of advance ruling on determination of origin of a good shall be made within 150 days.
3. Each Party shall provide that advance rulings shall be in force from their date of issuance, or such other date specified by the ruling, for at least one year, provided that the facts or circumstances on which the ruling is based remain unchanged.
4. The customs authorities issuing the advance ruling may modify or revoke an advance ruling where facts or circumstances prove that the information on which the advance ruling is based is false or inaccurate.
5. Where an importer claims that the treatment accorded to an imported good should be governed by an advance ruling, the customs authorities may evaluate whether the facts and circumstances of the importation are consistent with the facts and circumstances upon which the advance ruling was based.
6. Each Party shall make its advance rulings publicly available, subject to confidentiality requirements in its domestic law, for purposes of promoting the consistent application of advance rulings to other goods.
7. If a requester provides false information or omits relevant circumstances or facts in its request for an advance ruling, or does not act in accordance with the ruling's terms and conditions, the importing Party may apply appropriate measures, including civil, criminal, and administrative actions, penalties, or other sanctions in accordance with its domestic laws.

Article 42. Other Customs Issues Related to Rules of Origin

Each Party:
(a) subject to its domestic law, shall publish its customs laws, regulations, and customs procedures of general application which are related to Rules of Origin, on the websites and designate one or more inquiry points to address inquiries from interested persons concerning origin matters, consulting by Internet or other means;
(b) shall exchange the statistics regarding the imports under this Agreement from the other Party as early as possible, and at least before the end of February; and
(c) shall designate focal points between the two customs authorities to ensure the effective and efficient implementation of Rules of Origin under this Agreement.

Article 43. Transitional Provision for Goods In Transit or Storage

The provisions of this Agreement may be applied to goods which comply with the provisions of this Chapter and which on the date of entry into force of this Agreement are either in transit from China or Chile, or in temporary storage in customs warehouses or in free zones. The importer shall submit to the customs authorities of the importing Party, within four months of the said date, a Certificate of Origin, and shall be prepared to submit all documents supporting that good is originating. In this case, the competent governmental authorities may issue retroactively Certificates of Origin within this transitional period.

Chapter VI. Trade Remedies

Article 44. Imposition of a Bilateral Safeguard Measure

L. If, as a result of the reduction or elimination of a duty provided for in this Agreement, a product benefiting from preferential tariff treatment under this Agreement is being imported into the territory of a Party in such increased quantities, in absolute terms or relative to the domestic production and under such conditions as to constitute a substantial cause of serious injury or threat thereof to a domestic industry producing a like or directly competitive product, the importing Party may impose a safeguard measure described in paragraph 2, during the transition period only.
2. If the conditions in paragraph 1 are met, a Party may, to the extent as may be necessary to prevent or remedy serious injury, or threat thereof, and to facilitate adjustment:
(a) suspend the further reduction of any rate of duty on the product provided for under this Agreement; or

(b) increase the rate of duty on the product to a level not to exceed the lesser of
i) the MFN applied rate of duty in effect at the time the action is taken; or
ii) the MFN applied rate of duty in effect on the date of entry into force of this Agreement.

Article 45. Standards for a Definitive Bilateral Safeguard

1. A Party may apply a definitive safeguard measure for an initial period of one year, with an extension not exceeding one year. Regardless of its duration, such measure shall terminate at the end of the transition period.
2. Neither Party may impose a safeguard measure more than once on the same product.
3. Notwithstanding paragraph 2, in the case of a product for which the transition period is over five years, a Party may impose a safeguard measure for a second time on the same product, provided that a period equal to that of the previously imposed measure has elapsed.
4. Neither Party may impose a safeguard measure on a product that is subject to a measure that the Party has imposed pursuant to Article XIX of GATT 1994 and the Safeguards Agreement, and neither Party may continue maintaining a safeguard measure on a product that becomes subject to a measure that the Party imposes pursuant to Article XIX of GATT l994 and the Safeguards Agreement.
5. On the termination of a safeguard measure, the rate of duty shall be the duty set out in the Party's schedu1e to Annex 1 of this Agreement as if the measure had never been applied.

Article 46. Investigation Procedures and Transparency Requirements

1. The importing Party may take a safeguard measure under this Section only following an investigation by its competent authorities and in accordance with Article 3 of the Safeguards Agreement; and to this end Article 3 of the Safeguards Agreement is incorporated into and made a part of this Agreement, mutatis mutandis.
2. In determining whether increased imports of an originating product of the other Party have caused serious injury or are threatening to cause serious injury to a domestic industry, the competent authority of the importing Party shall, based on objective evidence, evaluate the effect of the increased imports on the domestic industry by considering the following economic factors: the rate and amount of the increase in imports of the originating product, the share of the domestic market taken by the increased imports, changes in the level of sales, production, productivity, capacity utilization, profits and losses, and employment. The list is not exhaustive, nor can one or several of these factors necessarily give decisive guidance.
3. When factors other than increased imports of an originating product of the other Party resulting from the reduction or elimination of an import custom duty pursuant to this Agreement are simultaneously causing injury to the domestic industry, the injury caused by other factors shall not be attributed to the increased imports of the product from the other Party.

Article 47. Provisional Measures

In critical circumstances where delay would cause damage which it would be difficult to repair, a Party may take a provisional safeguard measure pursuant to a preliminary determination that there is clear evidence that increased imports have caused or are threatening to cause serious injury. The duration of the provisional measure shall not exceed 200 days. Such a measure should take the form of tariff increase to be promptly refunded if the subsequent investigation does not determine that increased imports have caused or threatened to cause serious injury to a domestic industry. The duration of any such provisional measure shall be counted as a part of the initial period and any extension of a definitive measure.

Article 48. Notification

1. A Party shall promptly notify the other Party, in writing, on:
(a) initiating an investigation;
(b) taking a provisional safeguard measure;
(c) making a finding of serious injury or threat thereof caused by increased imports;
(d) taking a decision to impose or extend a definitive measure; and
(e) taking a decision to modify a measure previously undertaken.
2. In making the notifications referred to in subparagraphs (d) and (e) of paragraph 1, the Party applying the measure shall provide the other Party all pertinent information, such as a precise description of the product involved, the proposed measure, the grounds for introducing such a measure, the proposed date of introduction and its expected duration. The notifying Party shall provide a courtesy non-official English translation of the notification.
3. A Party applying a provisional or definitive measure or extending a safeguard measure shall provide adequate opportunity for exchange of information and views on the measure with the other Party.

Article 49. Compensation

Upon the request of the Party whose product is subject to a safeguard measure, the Party taking a safeguard measure shall hold consultations in order to provide to the other Party mutually agreed trade liberalizing compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the measure.
2. If the Parties are unable to reach agreement on compensation within 45 days after the request under paragraph 1, the exporting Party shall be free to suspend the application of substantially equivalent concessions to the trade of the Party applying the safeguard measure. The right of suspension referred to in this paragraph shall not be exercised for the first year that a safeguard measure is in effect, provided that the safeguard measure has been taken as a result of an absolute increase in imports and that such a measure conforms to the provisions of this Chapter.
3. A Party shall notify the other Party in writing at least 30 days before suspending concessions under paragraph 2.
4. The obligation to provide compensation under paragraph l and the right to suspend substantially equivalent concessions under paragraph 2 shall terminate on the date of the termination of the safeguard measure.

Article 50. Definitions

For purposes of this Section: competent authority means:
(a) in the case of China, Ministry of Commerce, or its successor; and
(b) in the case of Chile, the National Commission in Charge of the Investigation of the Existence of Price Distortions in Imported Products (Comisión Nacional Encargada de Investigar la Existencia de Distorsiones en el Precio de las Mercaderías Importadas), or its successor;
domestic industry means, with respect to an imported product, the producers as a whole of the like or directly competitive product or those producers whose collective production of the like or directly competitive product constitutes a major proportion of the total domestic production of such product;
Safeguards Agreement means the Agreement on Safeguards, which is part of the WTO Agreement; safeguard measure means a safeguard measure described in paragraph 2 of Article 44;
serious injury means a significant overall impairment in the position of a domestic industry; threat of serious injury means serious injury that, on the basis of facts and not merely on allegation, conjecture or remote possibility, is clearly imminent; and
transition period means the three year period beginning on the date of entry into force of this Agreement, except in the case of a product where the liberalization process lasts five or more years, the transition period shall be equal to the period in which such a product reaches zero tariff according to the Schedule to Annex 1 of this Agreement. Global Safeguards, Antidumping and Countervailing

Article 51. Global Safeguard Measures

1. The Parties maintain their rights and obligations under Article XIX of GATT l994 and the Safeguards Agreement as defined in Article 50.
2. Actions taken pursuant to Article XIX of GATT 1994 and the Safeguards Agreement as defined in Article 50 shall not be subject to Chapter X of this Agreement.

Article 52. Anti-dumping and Countervailing Duty Matters

L. The Parties maintain their rights and obligations under the Agreement on Implementation of Article VI of the GATT 1994 and the Agreement on Subsidies and Countervailing Measures, which are parts of the WTO Agreement.
2. Antidumping actions taken pursuant to Article VI of GATT l994 and the Agreement on Implementation of Article VI of the GATT 1994 or countervailing actions taken pursuant to Article VI of GATT l994 and the Agreement on Subsidies and Countervailing Measures shall not be subject to Chapter X of this Agreement.

Chapter VII. Sanitary and Phytosanitary Measures

Article 53. Objectives

The objectives of this Chapter are to:
(a) promote and facilitate the trade of animals, products of animal origin, plants and products of vegetal origin between the Parties, protecting at the same time public health, animal and vegetable health;
(b) improve between the Parties the implementation of the SPS Agreement;

(c) provide a forum to approach bilateral sanitary and phytosanitary measures, to solve the problems of trade that from them derives, and to expand trade opportunities; and
(d) provide mechanisms of communication and cooperation to resolve sanitary and phytosanitary issues in a prompt and efficient manner.

Article 54. Scope and Coverage

1. This Chapter applies to all sanitary and phytosanitary measures of a Party which may, directly or indirectly, affect trade between the Parties.
2. The Parties shall ensure that the memoranda and protocols which will be amended or agreed in the future by competent authorities shall be in accordance with the principles and disciplines stipulated in this Chapter.

Article 55. Competent Authorities

1. The competent authorities of the Parties are the authorities competent for the application of the measures of this Chapter, as provided in paragraph 10 of Article 58.
2. The Parties will communicate any significant change in the structure, organization and division of the competent authorities.
3. For the suitable implementation of the Chapter, bilateral contact between the homologous sanitary and phytosanitary agencies will be promoted and strengthened.

Article 56. General Provisions

1. The Parties reaffirm their rights and obligations with respect to each other under the SPS Agreement, which is considered as an integral part of this text, specially that relates to:
(a) each Party will ensure that its sanitary and phytosanitary measures do not arbitrarily or unjustifiably discriminate between its own and that of the other Party;
(b) the Parties will tend to harmonize in the highest possible degree their sanitary and phytosanitary measures;
(c) these measures must have a scientific base, either through the adoption of an international norm, or by means of risk assessment;
(d) these measures will adapt to regional conditions; and
(e) these measures should be established in a transparent form, notified opportunely and reasonable period of time should be granted for their coming into effect except otherwise prescribed by the SPS Agreement.
2. In accordance with the provisions of the SPS Agreement, the Parties have the right to establish or maintain their sanitary and phytosanitary measures as their domestic legislation, for the protection of human, animal and plant life or health.
3. For the purpose of trade facilitation, access shall be given, upon request, to the importing Party for inspection, testing and other relevant procedures that may include:
(a) inspection and quarantine of the shipments of plants and animals and their respective products;
(b) verification on the procedures of certification and control, and production processes of the other Party; and
(c) the results of these verifications will be informed in writing to the other Party, in a reasonable period of time, giving sufficient time for the implementation of the corrective measures.

Article 57. Transparency

1. The Parties agree the full implementation of Article 7 of the SPS Agreement in accordance with the provisions of Annex B of the SPS Agreement.
2. The Parties shall work towards increasing the information exchange, including the rule-making procedures for the establishment of the sanitary and phytosanitary measures that needs to be undertaken as well as information regarding noncompliance with sanitary and phytosanitary requirements of importing Party without undue delay.
3. The Parties will opportunely exchange information related to the sanitary and phytosanitary condition in their territories and will provide the necessary information to develop risk assessment and equivalence processes.
4. The sanitary and phytosanitary enquiry points of the Parties established under the SPS Agreement, shall set up a bilateral mechanism for further communication and transparency. The Parties shall provide upon request a copy of the full text of the proposed regulation notified and allow at least 60 days for comments.

Article 58. Committee on Sanitary and Phytosanitary Matters

1. The Parties hereby agree to establish a Committee on Sanitary and Phytosanitary Matters composed of each Party's

representatives who have responsibility for sanitary and phytosanitary matters.
2. The Parties shall establish the Committee in a period not longer than one year after the date of entry into force of this Agreement through an exchange of letters identifying the primary representatives of each Party to the Committee.
3. The objectives of the Committee shall be to ensure the achievement of the objectives stated in this Chapter.
4. The Committee shall seek to enhance any present or future relationship between the Parties' agencies with responsibility for sanitary and phytosanitary matters.
5. The Committee shall provide a forum for:
(a) enhancing mutual understanding of each Party's sanitary and phytosanitary measures and the regulatory processes related to those measures;
(b) consulting on matters related to the development or application of sanitary and phytosanitary measures that affect, or may affect, trade between the Parties;
(c) consulting on issues, positions, and agendas for meetings of the WTO SPS Committee, the various Codex committees (including the Codex Alimentarius Commission), the International Plant Protection Convention, the World Organization for Animal Health, and other international and regional fora on food safety and human, animal, and plant health; (d) coordinating technical cooperation programs on sanitary and phytosanitary matters;
(e) improving bilateral understanding related to specific implementation issues concerning the SPS Agreement;
(f) reviewing progress on addressing sanitary and phytosanitary matters that may arise between the Parties' agencies with responsibility for such matters; and
(g) holding consultations on the disputes concerning sanitary and phytosanitary matters, which will constitute consultations under Article 82 of this Agreement.
6. The Committee shall meet at least once a year unless the Parties otherwise agree.
7. The Committee shall perform its work in accordance with the terms of reference established at its first meeting. The Committee may revise the terms of reference and may develop procedures to guide its operation.
8. Each Party shall ensure that appropriate representatives with responsibility for the development, implementation, and enforcement of sanitary and phytosanitary measures from its relevant trade and regulatory agencies or ministries participate in meetings of the Committee. The official agencies and ministries of each Party responsible for such measures shall be set out in the Committee's terms of reference.
9. The Committee may agree to establish ad hoc technical working groups in accordance with the Committee's terms of reference.
10. The Committee shall be coordinated by:
(a) in the case of China, the Director General of Inspection & Quarantine Clearance Department of General Administration of Quality Supervision Inspection and Quarantine (AQSIQ), or its representative; and
(b) in the case of Chile, the General Director of the General Directorate for International Economics Affairs (Dirección General de Relaciones Económicas Internacionales) of the Ministry of Foreign Affairs, or its representative.

Article 59. Definitions

1. For purposes of this Chapter, SPS Agreement means the Agreement on the Application of Sanitary and Phytosanitary Measures, which is part of the WTO Agreement.
2. The definitions in Annex A of the SPS Agreement will be applied in the implementation of this Chapter.

Chapter VIII. Technical Barriers to Trade

Article 60. Objectives

The objectives of this Chapter are to increase and facilitate trade, and to fulfill the objectives of this Agreement, through the improvement of the implementation of the TBT Agreement, the elimination of unnecessary technical barriers to trade, and the enhancement of bilateral cooperation.

Article 61. Scope and Coverage

1. This Chapter applies to all technical regulations, and conformity assessment procedures that may, directly or indirectly, affect trade in goods except as provided in paragraph 2.
2. This Chapter does not apply to sanitary and phytosanitary measures which are covered by Chapter VII of this Agreement.

Article 62. Affirmation of Agreement on Technical Barriers to Trade

The Parties affirm their existing rights and obligations with respect to each other under the TBT Agreement.

Article 63. International Standards

1. The Parties shall use international standards, or the relevant parts of international standards, as a basis for their technical regulations and related conformity assessment procedures where relevant international standards exist or their completion is imminent, except when such international standards or their relevant parts are ineffective or inappropriate to fulfill legitimate objectives.
2. In this respect, the Parties shall apply the principles set out in the "Decision of the Committee on Principles for the Development of International Standards, Guides and Recommendations with relation to Articles 2,5 and Annex 3 of the Agreement", adopted by the WTO Committee on Technical Barriers to Trade since 1 January 1995, G/TBT/1/Rev.7, 28 November 2000, Section IX.

Article 64. Trade Facilitation

1. The Parties shall intensify their joint work in the field of technical regulations, and conformity assessment procedures with a view to facilitating access to each other's markets. In particular, the Parties shall seek to identify bilateral initiatives that are appropriate for particular issues or sectors.
2. The Parties shall ensure that, in cases where a positive assurance of compulsory conformity assessment is required, one Party applies the following provisions to products originating in the territories of the other Party:
(a) the Parties agreed to start a mutual recognition agreement (MRA) feasibility study within six months following the date of entry into force of this Agreement, referring to APEC framework whenever possible;
(b) the standard processing period of each compulsory conformity assessment procedure is published or the anticipated processing period is communicated to the applicant upon request;
(c) notify the other Party of the list of products which are subject to compulsory conformity assessment procedures within six months following the date of entry into force of this Agreement. This notification shall be made in English with its HS code, in eight or more digits;
(d) any fees imposed for compulsory conformity assessment procedures, by governmental bodies of products originating in the territories of other Party, are no more than any fees chargeable for compulsory conformity assessment procedures by governmental bodies of like products originating in any non-Party and are limited in amount to the approximate cost of services rendered; and
(e) the Parties shall timely exchange information regarding products which are subject to an authorization process prior to their entry into the other Party's territory, especially when they have been rejected.

Article 65. Equivalency of Technical Regulations

1. Each Party shall give positive consideration to accepting as equivalent technical regulations of the other Party, even if these regulations differ from their own, provided that they are satisfied that these regulations adequately fulfill the objectives of their own regulations.
2. A Party shall, upon request of the other Party, explain the reasons why it has not accepted a technical regulation of that Party as equivalent.

Article 66. Conformity Assessment

1. The Parties recognize that a broad range of mechanisms exists to facilitate the acceptance of conformity assessment procedures and results thereby, including:
(a) voluntary arrangements between conformity assessment bodies from each Party's territory;
(b) agreements on mutual acceptance of the results of conformity assessment procedures with respect to specified regulations conducted by bodies located in the other Party's territory;
(c) recognition by one Party of the results of conformity assessments performed in the other Party's territory;
(d) accreditation procedures for qualifying conformity assessment bodies and promotion of the recognition of accreditation and certification bodies under international mutual recognition arrangements; and
(e) government designation of conformity assessment bodies.
2. The Parties shall intensify their exchange of information on the range of mechanisms to facilitate the acceptance of conformity assessment results.
3. Before accepting the results of a conformity assessment procedure, and to enhance confidence in the continued reliability of each other's conformity assessment results, the Parties may consult on such matters as the technical confidence of the conformity assessment bodies involved, as appropriate.
4. A Party shall, on the request of the other Party, explain its reasons for not accepting the results of a conformity assessment procedure performed in the other Party's territory.

5. Where a Party declines a request from the other Party to engage in or conclude negotiations to reach agreement on facilitating recognition in its territory of the results of conformity assessment procedures conducted by bodies located in the other Party's territory, it shall, on request, explain its reasons.

Article 67. Transparency

1. In order to enhance the opportunity for persons to provide meaningful comments, a Party publishing a notice under Article 2.9 or 5.6 of the TBT Agreement shall:
(a) include in the notice a statement describing the objective of the proposal and the rationale for the approach the Party is proposing; and
(b) transmit electronically the proposal to the other Party through the inquiry point established under Article 10 of the TBT Agreement at the same time as it notifies WTO Members of the proposal pursuant to the TBT Agreement. Each Party should allow at least 60 days from the transmission under subparagraph (b) for persons and the other Party to make comments in writing on the proposal.
2. Where a Party makes a notification under Article 2.10 or 5.7 of the TBT Agreement, it shall at the same time transmit the notification to the other Party, electronically, through the inquiry point referenced in subparagraph (b) of paragraph 1.
3. The Parties agree to publish, in print or electronically, or otherwise make available to the public, responses to significant comments at the same time as the publication of the final technical regulation or conformity assessment procedure.
4. Each Party shall, on request of the other Party, provide information regarding the objective of, and rationale for, a technical regulation, or conformity assessment procedure that the Party has adopted or is proposing to adopt.
5. The Parties shall promote that their national standardizing bodies provide each other the respective Agenda of Creation and Modification on National Standard, which are notified to ISO information centre.
6. Each Party shall provide and keep updated information about the competent authorities and will communicate any significant change in their structure, organization and division.
7. The obligations contained in this article shall be implemented as soon as practicable and under no event later than eighteen months following the date of entry into force of this Agreement.

Article 68. Technical Cooperation

1. Each Party shall, on request of the other Party:
(a) provide to that Party technical advice, information and assistance on mutually agreed terms and conditions to enhance that Party's standards, technical regulation and conformity assessment procedures, and related activities, processes and systems; and
(b) provide to that Party information on its technical cooperation programs regarding standards, technical regulation and conformity assessment procedures, relating to specific areas of interest.
2. The Parties will study the possibility of strengthening the relationship and links between compulsory and voluntary certification and strengthen the bilateral communication in this regard, as a mean to facilitate market access especially considering international standards such as the ISO 9000 and 14000 series, associated to risk analyses considerations.
3. The Parties shall work towards increasing the information exchange, particularly regarding bilateral non-compliance with technical regulations and conformity assessment procedures.

Article 69. Committee on Technical Barriers to Trade

1. The Parties hereby establish the Committee on Technical Barriers to Trade, comprising representatives of each Party.
2. For purposes of this Article, the Committee shall be coordinated by:
(a) in the case of China, the Director General of Inspection & Quarantine clearance Department of AQSIQ, or its successor; and
(b) in the case of Chile, the Ministry of Economy (Ministerio de Economia) through the Head of Foreign Trade Department (Departamento de Comercio Exterior, or its successor.
3. In order to facilitate the communication and ensure the proper functioning of the Committee, the Parties will designate a contact person no later than two months following the date of entry into force of this Agreement.
4. The Committee's functions shall include:
(a) monitoring the implementation and administration of this Chapter;
(b) promptly addressing any issue that a Party raises related to the development, adoption, application, or enforcement of technical regulations and conformity assessment procedures;
(c) enhancing cooperation in the development and improvement of technical regulations and conformity assessment procedures;
(d) where appropriate, facilitating sectorial cooperation among governmental and non-governmental conformity assessment bodies in the Parties' territories;

(e) exchanging information on developments in non-governmental, regional, and multilateral fora engaged in activities related to standardization, technical regulations, and conformity assessment procedures;
(f) taking any other steps which the Parties consider to assist them in implementing the TBT Agreement and in facilitating trade in goods between them;
(g) consulting on any matter arising under this Chapter, upon a Party's request;
(h) reviewing this Chapter in light of any developments under the TBT Agreement, and developing recommendations for amendments to this Chapter in light of those developments;
(i) reporting to the Commission on the implementation of this Chapter, as it considers appropriate; and
(j) exchanging information on charge parameters or services fees of compulsory conformity assessment procedures performed by governmental bodies.
5. Where the Parties have had recourse to consultations under subparagraph (g) of paragraph 4, such consultations shall, upon agreement by the Parties, constitute consultations under Article 82.
6. A Party shall, upon request, give favorable consideration to any sector-specific proposal the other Party makes for further cooperation under this Chapter.
7. The Committee shall meet at least once a year unless the Parties otherwise agree. These meetings may be held via teleconference, videoconference, or through any other means, as mutually determined by the Parties. By mutual agreement, ad hoc working groups may be established if necessary.

Article 70. Information Exchange

Any information or explanation provided upon request of a Party pursuant to the provisions of this Chapter, shall be provided in print or electronically within a reasonable period of time agreed between the Parties.

Article 71. Definitions

For purposes of this Chapter:
(a) TBT Agreement means the Agreement on Technical Barriers to Trade, which is part of the WTO Agreement; and
(b) the definitions of Annex I of the TBT Agreement shall apply.

Chapter IX. Transparency

Article 72. Contact Points

1. Each Party shall designate a contact point to facilitate communications between the Parties on any matter covered by this Agreement.
2. Upon request of the other Party, the contact point shall identify the office or official responsible for the matter and assist, as necessary, in facilitating communication with the requesting Party.

Article 73. Publication

1. Each Party shall ensure that its measures respecting any matter covered by this Agreement are promptly published or otherwise made available in such a manner as to enable interested persons of the other Party and the other Party to become acquainted with them.
2. To the extent possible, each Party shall provide a reasonable period for the other Party and interested persons of the other Party to comment to the appropriate authorities before the aforementioned laws, regulations, procedures and administrative rulings of general application are implemented.

Article 74. Notification and Provision of Information

1. To the extent possible, each Party shall notify the other Party of any actual measure or proposed measure that the Party considers might materially affect the operation of this Agreement or otherwise substantially affect the other Party's legitimate interests under this Agreement.
2. Upon request of the other Party, to the extent possible, a Party shall promptly provide information and respond to questions pertaining to any actual or proposed measure, that the other Party considers might materially affect the operation of this Agreement or otherwise substantially affect its legitimate interests under this Agreement, whether or not the other Party has been previously notified of that measure.
3. Any notification or information provided under this Article shall be without prejudice as to whether the measure is consistent with this Agreement.

4. The information referred to under this Article shall be considered to have been provided when it has been made available by appropriate notification to the WTO or when it has been made available on the official, public and fee-free accessible website of the Party concerned.

Article 75. Administrative Proceedings

With a view to administering in a consistent, impartial, and reasonable manner all measures of general application affecting matters covered by this Agreement, each Party shall ensure that in its administrative proceedings applying measures referred to in Article 73 to particular persons or goods of the other Party in specific cases that:
(a) wherever possible, persons of the other Party that are directly affected by a proceeding are provided reasonable notice, in accordance with domestic procedures, when a proceeding is initiated, including a description of the nature of the proceeding, a statement of the legal authority under which the proceeding is initiated, and a general description of any issues in controversy;
(b) such persons are afforded a reasonable opportunity to present facts and arguments in support of their positions prior to any final administrative action, when time, the nature of the proceeding, and the public interest permit; and
(c) its procedures are in accordance with domestic law.

Article 76. Review and Appeal

1. Each Party shall establish or maintain tribunals or procedures for the purpose of the prompt review and, where warranted, correction of final administrative actions relating to the implementation of laws, regulations, procedures, and administrative rulings of general application respecting any matters covered by this Agreement. Such tribunals shall be impartial and independent of the office or authority entrusted with administrative enforcement and shall not have any substantial interest in the outcome of the matter.
2. Each Party shall ensure that, in any such tribunals or procedures, the parties to the proceeding are provided with the right to:
(a) a reasonable opportunity to support or defend their respective positions; and
(b) a decision based on the evidence and submissions of record or, where required by domestic law, the record compiled by the administrative authority.
3. Each Party shall ensure, subject to appeal or further review as provided in its domestic law, that such decisions shall be implemented by, and shall govern the practice of, the office or authority with respect to the administrative action that is the subject of the decision.

Article 77. Relation with other Chapters

1. This Chapter will not apply to Chapter XIII.
2. In the event of any inconsistency between this Chapter and another Chapter in this Agreement, the other Chapter shall prevail to the extent of the inconsistency.

Article 78. Definitions

For purposes of this Chapter: administrative ruling of general application means an administrative ruling or interpretation that applies to all persons and fact situations that fall generally within its ambit and that establishes a norm of conduct but does not include:
(a) a determination or ruling made in an administrative or quasi-judicial proceeding ,where applicable, that applies to a particular person, good, or service of the other Party in a specific case; or
(b) a ruling that adjudicates with respect to a particular act or practice; and measures means laws, regulations, procedures, and administrative rulings of general application.

Chapter X. Dispute Settlement

Article 79. Cooperation

The Parties shall at all times endeavor to agree on the interpretation and application of this Agreement, and shall make every attempt through cooperation and consultations to arrive at a mutually satisfactory resolution of any matter that might affect its operation.

Article 80. Scope of Application

Except as otherwise provided in this Agreement, the dispute settlement provisions of this Chapter shall apply:
(a) with respect to the avoidance or settlement of all disputes between the Parties regarding the interpretation or application of this Agreement; and
(b) wherever a Party considers that a measure of the other Party is inconsistent with the obligations of this Agreement or that the other Party has failed to carry out its obligations under this Agreement.

Article 81. Choice of Forum

1. Where a dispute regarding any matter arises under this Agreement and under another free trade agreement to which both Parties are parties or the WTO Agreement, the complaining Party may select the forum in which to settle the dispute.
2. Once the complaining Party has requested a panel under an agreement referred to in paragraph 1, the forum selected shall be used to the exclusion of the others.

Article 82. Consultations

1. Either Party may request in writing consultations with the other Party with respect to any measure that it considers might affect the operation of this Agreement.
2. The requesting Party shall set out the reasons for the request, including identification of the measure at issue and an indication of the legal basis for the complaint, and shall deliver the request to the other Party.
3. The Parties shall make every attempt to arrive at a mutually satisfactory resolution of any matter through consultations under this Article or other consultative provisions of this Agreement. To this end, the Parties shall:
(a) provide sufficient information to enable a full examination of how the measure might affect the operation and application of this Agreement; and
(b) treat any confidential information exchanged in the course of consultations on the same basis as the Party providing the information.
4. In consultations under this Article, a Party may request the other Party to make available personnel of its government agencies or other regulatory bodies who have expertise in the matter subject to consultations.
5. The consultations shall be confidential and are without prejudice to the rights of any Party in any further proceedings.

Article 83. Commission - Good Offices, Conciliation, and Mediation

1. A Party may request in writing a meeting of the Commission if the Parties fail to resolve a matter pursuant to Article 82 within:
(a) 60 days of receipt of a request for consultations;
(b) 15 days of receipt of a request for consultations in matters regarding perishable goods; or
(c) such other period as they may agree.
2. A Party may also request in writing a meeting of the Commission where consultations have been held pursuant to Article 58 or 69.
3. The requesting Party shall state in the request the measure complained of and the provisions of this Agreement considered relevant and deliver the request to the other Party. 4. Unless it decides otherwise, the Commission shall convene within 10 days of receipt of the request and shall endeavor to resolve the dispute promptly. The Commission may:
(a) call on such technical advisers or create such working groups or expert groups as it deems necessary;
(b) have recourse to good offices, conciliation, mediation; or
(c) make recommendations, as may assist the Parties to reach a mutually satisfactory resolution of the dispute.
5. The proceedings under this Article and the positions taken by the Parties during these proceedings shall be confidential and are without prejudice to the rights of any Party in any further proceedings.

Article 84. Request for an Arbitral Panel

1. If the Parties fail to resolve a matter within:
(a) 30 days of the Commission convening pursuant to Article 83;
(b) 75 days after receipt of the request for consultations under Article 82, if the Commission has not convened pursuant to Article 83;
(c) 30 days after receipt of the request for consultations under Article 82 in a matter regarding perishable goods, if the Commission has not convened pursuant to Article 83; or (d) such other period as the Parties agree, either Party may request in writing the establishment of an arbitral panel to consider the matter. The requesting Party shall state in the request the measure complained of and indicate the provisions of this Agreement that it considers relevant, and shall deliver the request to the other Party. An arbitral panel shall be established upon receipt of a request.
2. Unless the Parties otherwise agree, the arbitral panel shall be established and perform its functions in a manner

consistent with the provisions of this Chapter.

Article 85. Composition of an Arbitral Panel

1. An arbitral panel shall comprise three members.
2. In the written request under Article 84, the Party requesting the establishment of an arbitral panel shall designate one member of that arbitral panel.
3. Within 15 days of the receipt of the request referred to in paragraph 2, the Party to which it was addressed shall designate one member of the arbitral panel.
4. The Parties shall designate by common agreement the appointment of the third panelist within 15 days of the appointment of the second panelist. The panelist thus appointed shall chair the arbitral panel.
5. If any member of the arbitral panel has not been designated or appointed within 30 days from the date of receipt of the request referred to in paragraph 2, at the request of any Party to the dispute the necessary designations shall be made by the Director-General of the WTO within a further 30 days.
6. The Chair of the arbitral panel shall not be a national of any of the Parties, nor have his or her usual place of residence in the territory of any of the Parties, nor be employed by any of the Parties, nor have dealt with the matter in any capacity.
7. All panelists shall:
(a) have expertise or experience in law, international trade, other matters covered by this Agreement, or the resolution of disputes arising under international trade agreements;
(b) be chosen strictly on the basis of objectivity, reliability, and sound judgment;
(c) be independent of, and not be affiliated with or take instructions from, any Party; and (d) comply with a code of conduct in conformity with the rules established in the document WT/DSB/RC/1 of the WTO.
8. Individuals may not serve as panelists for a dispute in which they have participated pursuant to Article 83.
9. If a panelist appointed under this Article resigns or becomes unable to act, a successor panelist shall be appointed within 15 days in accordance with the selection procedure as prescribed for the appointment of the original panelist and the successor shall have all the powers and duties of the original panelist. The work of the arbitral panel shall be suspended during the appointment of the successor panelist.

Article 86. Functions of Arbitral Panel

1. The function of an arbitral panel is to make an objective assessment of the dispute before it, including an examination of the facts of the case and the applicability of and conformity with this Agreement.
2. Where an arbitral panel concludes that a measure is inconsistent with this Agreement, it shall recommend that the responding Party bring the measure into conformity with this Agreement. In addition to its recommendations the arbitral panel may suggest ways in which the responding Party could implement the recommendations.
3. The arbitral panel, in their findings and recommendations, cannot add to or diminish the rights and obligations provided in this Agreement.

Article 87. Rules of Procedure of an Arbitral Panel

1. Unless the Parties agree otherwise, the arbitral panel proceedings shall be conducted in accordance with the rules of procedure set out in Annex 7.
2. The arbitral panel shall, apart from the matters set out in this Article, regulate its own procedures in relation to the rights of the Parties to be heard and its deliberations in consultation with the Parties.
3. The arbitral panel shall take its decisions by consensus; provided that where an arbitral panel is unable to reach consensus it may take its decisions by majority vote.
4. Unless the Parties otherwise agree within 20 days from the date of receipt of the request for the establishment of the arbitral panel, the terms of reference shall be: "To examine, in the light of the relevant provisions of this Agreement, the matter referred to in the request for the establishment of an arbitral panel pursuant to Article 84 and to make findings of law and fact together with the reasons therefore for the resolution of the dispute."
5. Each Party shall bear the cost of its appointed panelist and its own expenses. The cost of the chair of an arbitral panel and other expenses associated with the conduct of the proceedings shall be borne by the Parties in equal shares.

Article 88. Suspension or Termination of Proceedings

1. The Parties may agree that the arbitral panel suspends its work at any time for a period not exceeding 12 months from the date of such agreement. If the work of the arbitral panel has been suspended for more than 12 months, the authority for establishment of the arbitral panel shall lapse unless the Parties agree otherwise.
2. The Parties may agree to terminate the proceedings of an arbitral panel in the event that a mutually satisfactory solution

to the dispute has been found.

Article 89. Experts and Technical Advice

1. On its own initiative unless the Parties disapprove, or upon request of a Party, the arbitral panel may seek information and technical advice on matters raised by a Party in a proceeding, from any person or body that it deems appropriate.
2. Before an arbitral panel seeks information or technical advice, it shall establish appropriate procedures in consultation with the Parties. The arbitral panel shall provide the Parties:
(a) advance notice of, and an opportunity to provide comments to the arbitral panel on, proposed requests for information and technical advice pursuant to paragraph 1; and (b) a copy of any information or technical advice submitted in response to a request pursuant to paragraph 1 and an opportunity to provide comments.
3. Where the arbitral panel takes the information or technical advice into account in the preparation of its report, it shall also take into account any comments by the Parties on the information or technical advice.

Article 90. Initial Report

1. The arbitral panel shall base its report on the relevant provisions of this Agreement and the submissions and arguments of the Parties.
2. Unless the Parties otherwise agree, the arbitral panel shall:
(a) within 120 days after the last panelist is selected; or
(b) in case of urgency including those relating to perishable goods within 60 days after the last panelist is selected, present to the Parties an initial report.
3. The initial report shall contain:
(a) findings of fact;
(b) its conclusions as to whether a Party has not conformed with its obligations under this Agreement or any other determination if requested in the terms of reference; and
(c) the recommendation of the arbitral panel on the dispute and the suggestions if requested by the Parties.
4. In exceptional cases, if the arbitral panel considers it cannot release its initial report within 120 days, or within 60 days in cases of urgency, it shall inform the Parties in writing of the reasons for the delay together with an estimate of the period within which it will release its report. Any delay shall not exceed a further period of 30 days unless the Parties otherwise agree.
5. Panelists may furnish separate opinions on matters not unanimously agreed.
6. A Party may submit written comments to the arbitral panel on its initial report within 14 days of presentation of the report or within such other period as the Parties may agree.
7. After considering any written comments on the initial report, the arbitral panel may reconsider its report and make any further examination it considers appropriate.

Article 91. Final Report

1. The arbitral panel shall present a final report to the Parties, including any separate opinions on matters not unanimously agreed, within 30 days of presentation of the initial report, unless the Parties otherwise agree. The final report shall be available to the public within 15 days thereafter, subject to the protection of confidential information.
2. No arbitral panel may, either in its initial report or its final report, disclose which panelists are associated with majority or minority opinions.

Article 92. Implementation of Final Report

1. On receipt of the final report of an arbitral panel, the Parties shall agree on the resolution of the dispute.
2. If in its final report the arbitral panel concludes that a Party has not conformed with its obligations under this Agreement, the resolution, whenever possible, shall be to eliminate the non-conformity.
3. Unless the Parties decide otherwise, they shall implement the recommendations contained in the final report of the arbitral panel within a reasonable period of time if it is not practicable to comply immediately.
4. The reasonable period of time shall be mutually determined by the Parties, or where the Parties fail to agree on the reasonable period of time within 45 days of the release of the arbitral panel's report, either Party may, to the extent possible, refer the matter to the original arbitral panel, which shall determine the reasonable period of time following consultation with the Parties.
5. Where there is disagreement as to the existence or consistency with this Agreement of measures taken within the reasonable period of time to comply with the recommendations of the arbitral panel, such dispute shall be referred to an arbitral panel proceeding, including wherever possible by resort to the original arbitral panel.

6. The arbitral panel shall provide its report to the Parties within 60 days after the date of the referral of the matter to it. When the arbitral panel considers that it cannot provide its report within this timeframe, it shall inform the Parties in writing of the reasons for the delay together with an estimate of the period within which it will submit its report. Any delay shall not exceed a further period of 30 days unless the Parties otherwise agree.

Article 93. Non-implementation - Suspension of Benefits

1. If the Party concerned fails to bring the measure found to be inconsistent with this Agreement into compliance with the recommendations of the arbitral panel under Article 90 within the reasonable period of time established in accordance with Article 92, that Party shall, if so requested, enter into negotiations with the complaining Party with a view to reaching a mutually satisfactory agreement on any necessary compensatory adjustment.
2. If there is no agreement in accordance with paragraph 1 within 20 days after receipt of the request mentioned in paragraph 1, the complaining Party may suspend the application of benefits of equivalent effect to the responding Party if the arbitral panel decides the responding Party does not implement the recommendations contained in the final report to bring the inconsistent measure into conformity within the reasonable period of time established in accordance with Article 92. The complaining Party shall notify the responding Party 30 days before suspending benefits.
3. Compensation and the suspension of benefits shall be temporary measures. Neither compensation nor the suspension of benefits is preferred to full implementation of the recommendations to bring a measure into conformity with this Agreement. Compensation and suspension of benefits shall only be applied until such time as the measure found to be inconsistent with this Agreement has been removed, or the Party that must implement the arbitral panel's recommendation has done so, or a mutually satisfactory solution is reached. 4. In considering what benefits to suspend pursuant to paragraph 2:
(a) the complaining Party should first seek to suspend benefits in the same sector(s) as that affected by the measure that the arbitral panel has found to be inconsistent with the obligations derived of this Agreement ; and
(b) if the complaining Party considers that it is not practicable or effective to suspend benefits in the same sector(s), it may suspend benefits in other sectors. The communication in which it announces such a decision shall indicate the reasons on which it is based.
5. Upon written request of the Party concerned, the original arbitral panel shall determine whether the level of benefits to be suspended by the complaining Party is excessive pursuant to paragraph 2. If the arbitral panel cannot be established with its original members, the proceeding set out in Article 85 shall be applied.
6. The arbitral panel shall present its determination within 60 days from the request made pursuant to paragraph 5, or if an arbitral panel cannot be established with its original members, from the date on which the last panelist is selected. The ruling of the arbitral panel shall be final and binding. It shall be delivered to the Parties and be made publicly available.

Article 94. Compliance Review

1. Without prejudice to the procedures in Article 93, if the responding Party considers that it has eliminated the non-conformity that the arbitral panel has found, it may provide written notice to the complaining Party with a description of how nonconformity has been removed. If the complaining Party has disagreement, it may refer the matter to the original arbitral panel within 60 days after receipt of such written notice. Otherwise, the complaining Party shall promptly stop the suspension of benefits.
2. The arbitral panel shall release its report within 90 days after the referral of the matter. If the arbitral panel concludes that the responding Party has eliminated the nonconformity, the complaining Party shall promptly stop the suspension of benefits.

Article 95. Private Rights

Neither Party may provide for a right of action under its domestic law against the other Party on the ground that a measure of the other Party is inconsistent with this Agreement.

Chapter XI. Administration

Article 96. Trade and Economic Mixed Commission

1. The Parties hereby incorporate the Trade and Economic Mixed Commission (Mixed Commission) into this Agreement.
2. The Mixed Commission was established according to the Trade Agreement between the Government of the People's Republic of China and the Government of the Republic of Chile, signed in Santiago on April 20 1971.
3. The Mixed Commission is composed of officials as follows:
(a) in the case of China, the high ranking official of Ministry of Commerce; and

(b) in the case of Chile, the Director General of International Economic Affairs, or his/her designee.
4. The Mixed Commission shall:
(a) hear the reports of the Free Trade Commission;
(b) provide guidance to the work of the Free Trade Commission;
(c) consider any other matter that may affect the operation of this Agreement; and
(d) deal with any other issues related to bilateral cooperation in the area of economy, trade and investment.

Article 97. The Free Trade Commission

1. The Parties hereby establish the Free Trade Commission (Commission), comprising representatives of the Parties as follows:
(a) in the case of China, the Ministry of Commerce (MOFCOM); and
(b) in the case of Chile, the General Directorate of International Economic Affairs (DIRECON).
2. The Commission shall:
(a) supervise the implementation of this Agreement;
(b) oversee the further elaboration of this Agreement;
(c) seek to resolve disputes that may arise regarding the interpretation or application of this Agreement;
(d) supervise the work of all committees and working groups established under this Agreement;
(e) establish the amounts of remuneration and expenses that will be paid to panelists; and (f) consider any other matter that may affect the operation of this Agreement.
3. The Commission may:
(a) establish and delegate responsibilities to committees and working groups;
(b) further the implementation of the Agreement's objectives by approving any modifications of:
(i) the Schedules attached to Annex 1, by accelerating tariff elimination,
(ii) the Rules of Origin established in Annex 3, and
(iii) Annex 5, in the case of Chile, these modifications shall be made in accordance with Annex 8;
(c) seek the advice of the public; and
(d) take such other action in the exercise of its functions as the Parties may agree.
4. The Commission shall establish its rules and procedures. All decisions of the Commission shall be taken by mutual agreement.
5. The Commission shall convene at least once a year in regular session. Regular sessions of the Commission shall be chaired alternatively by each Party.

Article 98. Administration of Dispute Settlement Proceedings

1. Each Party shall designate an office that shall provide administrative assistance to arbitral panels established under Chapter X and perform such other functions as the Commission may direct.
2. Each Party shall be responsible for the operation and costs of its designated office, and shall notify the Commission of the location of its office.

Chapter XII. Exceptions

Article 99. General Exceptions

For the purpose of this Agreement, Article XX of GATT 1994 and its interpretative notes are incorporated into and made part of this Agreement, mutatis mutandis.

Article 100. Essential Security

Nothing in this Agreement shall be construed:
(a) to require a Party to furnish or allow access to any information the disclosure of which it determines to be contrary to its essential security interests;
(b) to prevent any Party from taking any action which it considers necessary for the protection of its essential security interests
(i) relating to fissionable materials or the materials from which they are derived,
(ii) relating to traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment,
(iii) taken in time of war or other emergency in international relations; or
(c) to preclude a Party from applying measures that it considers necessary for the fulfillment of its obligations under the

United Nations Charter with respect to the maintenance or restoration of international peace or security, or the protection of its own essential security interests.

Article 101. Taxation

1. For the purposes of this Article: tax convention means a convention for the avoidance of double taxation or other international taxation agreement or arrangement in force between the Parties; and taxation measures do not include an "import customs duty" as defined in Article 5.
2. Except as provided in this Article, nothing in this Agreement shall apply to taxation measures.
3. This Agreement shall only grant rights or impose obligations with respect to taxation measures where corresponding rights or obligations are also granted or imposed under Article III of GATT 1994.
4. Nothing in this Agreement shall affect the rights and obligations of the Parties under any tax convention in force between the Parties. In the event of any inconsistency relating to a taxation measure between this Agreement and such tax convention, the latter shall prevail to the extent of the inconsistency. In the case of a tax convention between the Parties, the competent authorities under that convention shall have sole responsibility for determining whether any inconsistency exists between this Agreement and that convention.

Article 102. Measures to Safeguard the Balance of Payments

Where the Party is in serious balance of payments and external financial difficulties or threat thereof, it may, in accordance with the WTO Agreement and consistent with the Articles of Agreement of the International Monetary Fund, adopt measures deemed necessary.

Article 103. Disclosure of Information

Nothing in this Agreement shall be construed to require a Party to furnish or allow access to confidential information the disclosure of which would impede law enforcement or would be contrary to the public interests, the Party's law protecting personal privacy or the financial affairs and accounts of individual customers of financial institutions or which prejudice legitimate commercial interests of particular enterprises, public or private.

Section CHAPTER XIII. Cooperation

Article 104. General Objectives

1. The Parties shall establish close cooperation aimed inter alia at:
(a) promoting economic and social development;
(b) stimulating productive synergies, creating new opportunities for trade and investment and promoting competitiveness and innovation;
(c) increasing the level of and deepening cooperation actions while taking into account the association relation between the Parties;
(d) reinforce and expand cooperation, collaboration and mutual interchanges in the cultural areas;
(e) encouraging the presence of the Parties and their goods and services in their respective markets of Asia, Pacific and Latin America; and
(f) increasing the level of and deepening collaboration activities among the Parties in areas of mutual interest.
2. The Parties reaffirm the importance of all form of cooperation, with particular attention to economic, trade, financial, technical, educational and cultural cooperation, as means to contribute to implementing the objectives and principles derived from this Agreement.

Article 105. Economic Cooperation

1. The aims of economic cooperation will be:
(a) to build on existing agreements or arrangements already in place for trade and economic cooperation; and
(b) to advance and strengthen trade and economic relations between the Parties.
2. In pursuit of the objectives in Article 104, the Parties will encourage and facilitate, as appropriate, the following activities, including, but not limited to:
(a) policy dialogue and regular exchanges of information and views on ways to promote and expand trade in goods and services between the Parties;
(b) keeping each other informed of important economic and trade issues, and any impediments to furthering their

economic cooperation;
(c) providing assistance and facilities to businesspersons and trade missions that visit each other's country with the knowledge and support of the relevant agencies;
(d) supporting dialogue and exchanges of experience among the respective business communities of the Parties;
(e) establishing and developing mechanisms for providing information and identifying opportunities for business cooperation, trade in goods and services, investment, and government procurement; and
(f) stimulating and facilitating actions of public and /or private sectors in areas of economic interest.

Article 106. Research, Science and Technology

1. The aims of cooperation in research, science and technology, carried out in the mutual interest of the Parties and in compliance with their policies, particularly as regards the rules for use of intellectual property resulting from research, will be:
(a) to build on existing agreements already in place for cooperation on research, science and technology and the follow up done by the existing Joint Commission for Scientific and Technical Cooperation between the Parties;
(b) to encourage, where appropriate, government agencies, research institutions, universities, private companies and other research organisations in each other's country to conclude direct arrangements in support of cooperative activities, programmes or projects within the framework of this Agreement, specially related to trade and commerce; and
(c) to focus cooperative activities towards sectors where mutual and complementary interests exist, with special emphasis on information and communication technologies and software development to facilitate trade and commerce between the Parties.
2. In pursuit of the objectives in Article 104, the Parties will encourage and facilitate, as appropriate, the following activities including, but not limited to:
(a) identifying strategies, in consultation with universities and research centres, to encourage joint postgraduate studies and research visits;
(b) exchange of scientists, researchers and technical experts;
(c) exchange of information and documentation; and
(d) promoting public/private sector partnerships in support of the development of innovative products and services and study joint efforts to enter into new markets.

Article 107. Education

1. The aims of education cooperation will be:
(a) to build on existing agreements or arrangements already in place for cooperation in education; and
(b) to promote networking, mutual understanding and close working relationships in the area of education between the Parties.
2. In pursuit of the objectives in Article 104, the Parties shall encourage and facilitate, as appropriate, exchanges between and among their respective education-related agencies, institutions, organizations, in fields such as:
(a) education quality assurance processes;
(b) on-line and distance education at all levels;
(c) primary and secondary education systems;
(d) higher education;
(e) technical education; and
(f) industry collaboration for technical training.
3. Cooperation in education can focus on:
(a) exchange of information, teaching aids, and demonstration materials;
(b) joint planning and implementation of programs and projects, and joint coordination of targeted activities in agreed fields;
(c) development of collaborative training, joint research and development, across graduate and postgraduate studies;
(d) exchange of teaching staff, administrators, researchers and students in relation to programs that will be of mutual benefit;
(e) gaining understanding of each Parties' education systems and policies including information relevant to the interpretation and evaluation of qualifications, potentially leading to discussions between institutions of higher learning on academic credit transfer and the possibility of mutual recognition of qualifications; and
(f) collaboration on the development of innovative quality assurance resources to support learning and assessment, and the professional development of teachers and trainers in training.

Article 108. Labor, Social Security and Environmental Cooperation

The Parties shall enhance their communication and cooperation on labor, social security and environment through both the

Memorandum of Understanding on Labor and Social Security Cooperation, and the Environmental Cooperation Agreement between the Parties.

Article 109. Small and Medium-sized Enterprises

1. The Parties will promote a favorable environment for the development of small and medium-sized enterprises (SMEs).
2. Cooperation shall be oriented to share knowledge and good practices with SMEs. These practices should promote partnership and productive chain linkage development, downstream and upstream oriented, to improve SMEs productivity, development of capacities to increase SMEs access to markets, integrate technology to labor intensive processes and human resources development to increase their knowledge about Chinese and Chilean markets.
3. Co-operation shall be developed, among other activities, through:
(a) information exchange;
(b) conferences, seminars, experts dialogue and training programs with experts; and
(c) promoting contacts between economic operators, encouraging prospecting for industrial and technical opportunities;
4. Co-operation shall include, among other subjects:
(a) designing and develop mechanisms to encourage partnership and productive chain linkage development;
(b) defining and develop methods and strategies for clusters development;
(c) increasing access to information regarding mandatory procedures and any other relevant information for an SME exporter;
(d) defining technological transference: programs oriented to transfer technological innovation to SMEs and to improve their productivity;
(e) increasing access to information on technological promotion programs for SMEs and financial support and encouragement programs for SMEs;
(f) supporting new exporting SMEs (sponsorship, exporters club); and
(g) identifying specific areas subject to potential improvement.

Article 110. Cultural Cooperation

1. The aims of cultural cooperation shall be:
(a) to build on existing agreements or arrangements already in place for cultural cooperation; and
(b) to promote information and cultural exchanges between the Parties.
2. In pursuit of the objectives in Article 104, the Parties will encourage and facilitate, as appropriate, the following activities, including, but not limited to:
(a) encouraging dialogue on cultural policies and promotion of local culture;
(b) encouraging exchange of cultural events and promote awareness of artistic works;
(c) encouraging exchange of experience in conservation and restoration of national heritage; (d) encouraging exchange of experience on management for the arts;
(e) encouraging cooperation in the audio-visual field, mainly through training programs in the audio-visual sector and means of communication, including co-production, training, development and distribution activities; and
(f) having a consultation mechanism between the two countries' culture authorities.

Article 111. Intellectual Property Rights

1. The aim of cooperation on intellectual property rights will be:
(a) to build on the foundations established in existing international agreements in the field of intellectual property, to which both are parties, including the TRIPS Agreement and, particularly, on the principles set out in the Declaration on the TRIPS Agreement on Public Health, adopted on November 14, 2001, by the WTO at the Fourth WTO Ministerial held in Doha, Qatar, and the Decision on the Implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health, adopted on August 30, 2003;
(b) to promote economic and social development, particularly in the new digital economy, technological innovation as well as the transfer and dissemination of technology to the mutual advantage of technology producers and users, and to encourage the development of social economic well-being, and trade;
(c) to achieve a balance between rights of right holders and the legitimate interests of users and the community with regard to protected subject matters;
(d) to provide certainty for right holders and users of intellectual property over the protection and enforcement of intellectual property rights;
(e) to encourage the rejection of practices or conditions pertaining to intellectual property rights which constitute abuse of rights, restrain competition or may impede transfer and dissemination of new developments; and
(f) to promote the efficient registration of intellectual property rights.

2. The Parties will cooperate, on mutually agreed terms and subject to the availability of appropriated funds, by means of:
(a) educational and dissemination projects on the use of intellectual property as a research and innovation tool;
(b) training and specialization courses for public servants on intellectual property rights and other mechanisms;
(c) exchange of information on:
(i) implementation of intellectual property systems,
(ii) appropriate initiatives to promote awareness of intellectual property rights and systems, and
(iii) developments on intellectual property policy. Such developments may, for example, include, but not be limited to, the implementation of appropriate limitations and exceptions under copyright law, and the implementation of measures concerning the appropriate protection of digital rights management information;
(d) notification of policy dialogue on initiatives on intellectual property in multilateral and regional fora;
(e) notification of contact points for the enforcement of intellectual property rights;
(f) reports regarding on developments, improvements, relevant jurisprudence and bills in Congress;
(g) enhancing knowledge of electronic systems used for the management of intellectual property; and
(h) other activities and initiatives as may be mutual determined between the Parties.

Article 112. Promoting Investment

1. The aim of cooperation shall be to help the Parties to promote, within the bounds of their own competence, an attractive and stable reciprocal investment climate.

2. The Parties will promote the establishment of information exchange channels and facilitate full communication and exchange in the following aspects:

(a) communication on investment policy laws, as well as, economic trade and commercial information;

(b) exploring the possibility of establishing investment promotion mechanisms; and

(c) providing national information for the potential investors and on investment cooperative parties.

Article 113. Mining and Industrial Cooperation

1. The aims of cooperation in mining and industry sectors carried out in the mutual interest of the Parties and in compliance with their policies, will be:
(a) to encourage, where appropriate, government agencies, research institutions, universities, private companies and other research organizations in each other's country to conclude direct arrangements in support of cooperative activities, programs, projects or joint ventures within the framework of this Agreement;
(b) to focus cooperative activities towards sectors where mutual and complementary interests exist; and
(c) to build on existing agreements and arrangements already in place between the Parties such as intergovernmental protocols, or association agreements between copper companies and corporations of the Parties.
2. Mining and Industrial cooperation may include work in, but not be limited to, the following areas:
a) bio-mining (mining using biotechnology procedures);
b) mining techniques, specially underground mining, and conventional metallurgy;
c) productivity in mining;
d) industrial robotics for mining and other sector applications;
e) informatics and telecommunication applications for mining and industrial plant production; and
f) software development for mining and industrial applications.
3. In pursuit of the objectives in Article 104, the Parties will encourage and facilitate, as appropriate, the following activities including, but not limited to:
(a) exchange of information, documentation and institutional contacts in areas of interest; (b) mutual access to academic, industrial and entrepreneurial networks in the area of mining and industry;
(c) identification of strategies, in consultation with universities and research centres, that encourage joint postgraduate studies, research visits and joint research projects;
(d) exchange of scientists, researchers and technical experts;
(e) promotion of public/private sector partnerships and joint ventures in the support of the development of innovative products and services specially related to productivity in the sector activities;
(f) technology transfer in the areas mentioned in paragraph 2; and
(g) designing of innovation technology models based in public/private cooperation and association ventures.

Article 114. Mechanisms for Cooperation

1. The Parties will establish a national contact point to facilitate communication on possible cooperation activities. The national contact point will work with government agencies, private sector representatives and educational and research institutions in the operation of this Chapter.
2. For the purposes of this Chapter, the Commission shall have, the following functions:
(a) to oversee the implementation of the cooperation framework agreed by the Parties;
(b) to encourage the Parties to undertake cooperation activities under the cooperation framework agreed by the Parties;
(c) to make recommendations on the cooperation activities under this Chapter, in accordance with the strategic priorities of the Parties; and
(d) to review through regular reporting from each Party the operation of this Chapter and the application and fulfillment of its objectives between the relevant institutions (including but not limited to the relevant government agencies, research institutes, and universities) of the Parties to help foster closer cooperation in thematic areas.

Article 115. Dispute Settlement

No Party shall have recourse to Chapter X for any issue arising from or relating to this Chapter.

Chapter XIV. Final Provisions

Article 116. Annexes and Footnotes

The annexes and footnotes to this Agreement constitute an integral part of this Agreement.

Article 117. Amendments

1. The Parties may agree on any modification of or addition to this Agreement.
2. When so agreed, and entered into force according to Article 119, a modification or addition shall constitute an integral part of this Agreement.

Article 118. Amendment of the Wto Agreement

If any provision of the WTO Agreement that the Parties have incorporated into this Agreement is amended, the Parties shall consult on whether to amend this Agreement.

Article 119. Entry Into Force and Termination

1. The entry into force of this Agreement is subject to the completion of necessary domestic legal procedures by each Party.
2. This Agreement shall enter into force 60 days after the date on which the Parties exchange written notification that such procedures have been completed, or after such other period as the Parties may agree.
3. Either Party may terminate this Agreement by written notification to the other Party. This Agreement shall expire 180 days after the date of such notification.

Article 120. Future Work Program

Unless otherwise agreed by the Parties, they will negotiate trade in services and investment after the conclusion of the negotiations of this Agreement.

Article 121. Authentic Texts

This Agreement shall be done in Chinese, Spanish and English. The three texts of this Agreement are equally authentic. In the event of divergence, the English text shall prevail.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Pusan, Republic of Korea, in duplicate, this eighteenth day of November two thousand and five.