Chile - Uruguay Free Trade Agreement

The Government of the Republic of Chile and the Oriental Republic of Uruguay, determined to

STRENGTHEN the special bonds of friendship and cooperation among its peoples;

CONTRIBUTE to harmonious development, expansion of world trade and promote greater international cooperation;

CREATE a wider and safer market for goods and services in their respective territories AVOID distortions in their reciprocal trade;

ESTABLISH clear and mutually beneficial rules in their commercial exchange; ASSURE a predictable business framework for planning business activities;

DEVELOP their respective rights and obligations under the Marrakech Agreement Establishing the World Trade Organization, as well as under other multilateral and bilateral cooperation instruments;

TO STRENGTHEN the integration process of Latin America, in order to achieve the objectives set out in the Treaty of Montevideo 1980, through the conclusion of agreements open to the participation of the other member countries of the Latin American Integration Association, which will allow the formation of an expanded economic space

TO PROMOTE gender mainstreaming in international trade, encouraging equal rights, treatment and opportunities between men and women;

ROBUST the competitiveness of their companies in global markets;

STIMULATE creativity and innovation and promote trade in goods and services that are subject to intellectual property rights;

PROTECT and enforce labor rights, improve working conditions and living standards, strengthen cooperation and capacity of the Parties in labor matters;

IMPLEMENT this Agreement in a manner consistent with the protection and conservation of the environment

PROMOTE sustainable development;

CONSERVE, protect and improve the environment, including through the management of natural resources in their respective territories and through multilateral environmental agreements to which they are both party;

PRESERVE your flexibility to safeguard the public welfare,

HAVE AGREED on the following:

Chapter 1. INITIAL PROVISIONS AND GENERAL DEFINITIONS

Article 1.1. Initial Provisions

1. The Parties, pursuant to Article XXIV of the GATT 1994, Article V of the GATS and the Treaty of Montevideo 1980, establish a free trade area in accordance with the provisions of this Agreement.

2. Recognizing the intention of the Parties to this Agreement to coexist with their existing international agreements:

(a) Each Party confirms its rights and obligations with respect to the other Party under existing international agreements to which both Parties are party, including the WTO Agreement.

(b) If a Party considers that a provision of this Agreement is incompatible with a provision of another agreement to which

both Parties are party, the Parties shall, upon request, consult with a view to reaching a mutually satisfactory solution. This paragraph is without prejudice to the rights and obligations of the Parties under Chapter 18 (Dispute Settlement).

(c) For purposes of this Agreement, the Parties agree that the fact that an agreement provides for more favorable treatment of goods, services, investments or persons than that provided for under this Agreement does not mean that an inconsistency within the meaning of paragraph 2(b) exists.

Article 1.2. General Definitions for Purposes of this Agreement, Unless Otherwise Specified In this Agreement:

ACE N° 35 means Economic Complementation Agreement Mercosur - Chile N° 35

Agreement means the Free Trade Agreement between the Republic of Chile and the Oriental Republic of Uruguay;

TRIPS Agreement means the Agreement on Trade-Related Aspects of Intellectual Property Rights contained in Annex 1 C of the WTO Agreement;

Antidumping Agreement means the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 contained in Annex 1A of the WTO Agreement;

Customs Valuation Agreement means the Agreement on the Application of the Article VI of the General Agreement on Tariffs and Trade 1994 contained in Annex 1A of the WTO Agreement;

SPS Agreement means the Agreement on the Application of Sanitary and Phytosanitary Measures contained in Annex 1A of the WTO Agreement

TBT Agreement means the Agreement on Technical Barriers to Trade; contained in Annex 1A of the WTO Agreement

SCM Agreement means the Agreement on Subsidies and Countervailing Measures contained in Annex 1A of the WTO Agreement;

WTO Agreement means the Marrakech Agreement Establishing the World Trade Organization, done at Marrakech on April 15, 1994;

Agreement on Safeguards means the Agreement on Safeguards contained in Annex 1A of the WTO Agreement;

GATS means the General Agreement on Trade in Services contained in Annex 1B of the WTO Agreement;

ALADI means Latin American Integration Association, established by the Treaty of Montevideo of 1980;

goods means a commodity, product or merchandise;

Commission means the Free Trade Commission established pursuant to Article 17.1 (Free Trade Commission);

days means calendar days, including weekends and holidays; 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 contained in Annex 1A of the WTO Agreement;

measure includes any law, regulation, procedure, requirement or practice;

National means a natural person who has the nationality of a Party:

(a) In the case of Chile, a Chilean as defined in Article 10 of the Political Constitution of the Republic of Chile, and

(b) In the case of Uruguay, a natural person who holds Uruguayan citizenship in accordance with Articles 73, 74 and 75 of the Constitution of the Oriental Republic of Uruguay;

or a permanent resident of a Party;

OIE stands for International Organization of Epizootics;

WIPO stands for World Intellectual Property Organization;

WTO means the World Trade Organization;

person means an individual or a company;

person of a Party means a national or an enterprise of a Party;

SMEs means small and medium enterprises, including micro enterprises;

Harmonized System (HS) means the Harmonized Commodity Description and Coding System, including its General Rules of Interpretation, Section Notes, and Chapter Notes, as adopted and implemented by the Parties in their respective legislation

territory means:

(a) For Chile, the land, sea and air space under its sovereignty, and the exclusive economic zone and the continental platform over which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic legislation;

(b) For Uruguay, the land space, internal waters, territorial sea, air space under its sovereignty, the exclusive economic zone and the continental shelf, over which it exercises sovereign and jurisdictional rights, in accordance with international law, and

Montevideo Treaty 1980 means the Montevideo Treaty creating the Latin American Integration Association.

Chapter 2. TRADE IN GOODS

Section A. Trade In Goods

Article 2.1. National Treatment

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

Article 2.2. Trade Liberalization Program

Each Party shall provide the tariff preferences contained in Article 2 of Title II (Trade Liberalization Program) of ACE No. 35, which is incorporated into and forms part of this Agreement, mutatis mutandis.

Article 2.3. Export Taxes

Except as provided in Annex 2.3, neither Party shall apply new export taxes to each other's trade or increase the incidence of existing taxes in a discriminatory manner from the entry into force of this Agreement.

Article 2.4. Import and Export Restrictions

1. Except as otherwise provided in this Agreement, neither Party may adopt or maintain prohibitions or restrictions on imports of any goods of the other Party or on exports or sales for export of any goods destined for the territory of the other Party, except as provided in Article XI of the GATT 1994, including its interpretative notes. To this end, Article XI of the GATT 1994 and its interpretative notes are incorporated into and made part of this Agreement, mutatis mutandis.

2. The Parties understand that the rights and obligations of the GATT 1994 incorporated in paragraph 1 prohibit, under any circumstances where another form of restriction is prohibited, a Party from adopting or maintaining it:

(a) Export and import price requirements, except as permitted in compliance with antidumping and countervailing duty orders and obligations

(b) Licensing of imports on the condition of meeting a performance tequirement, or

(c) Voluntary export restrictions not consistent with Article VI of GATT 1994, as applied under Article 18 of the SCM Agreement and Article 8.1 of the ADA.

3. Paragraphs 1 and 2 shall not apply to the measures set out in Annex 2.4.

Article 2.5. Agricultural Export Subsidies

1. The Parties share the objective of the multilateral elimination of subsidies on exports of agricultural goods and will work

together to achieve the effective implementation of WTO commitments to eliminate such subsidies and to prevent their reintroduction in any form.

2. Neither Party shall introduce or maintain trade-distorting export subsidies on any agricultural good destined for the territory of the other Party.

3. For purposes of this Article, export subsidies shall have the same meaning assigned to that term in Article 1(e) of the Agreement on Agriculture, which forms part of the WTO Agreement, including any amendment to that Article.

Article 2.6. Commercial Sample Regime

The Parties will make every effort to expedite and simplify the procedures related to the entry of samples with no commercial value. This activity will be carried out within the framework of the Committee on Trade in Goods.

Article 2.7. Committee on Trade In Goods

1. The Parties hereby establish a Committee on Trade in Goods (hereinafter referred to as the "Committee"), composed of representatives of each Party.

2. The Committee shall meet at the request of either Party or the Commission to consider any matter under this Chapter.

3. The functions of the Committee shall include:

(a) To promote trade in goods between the Parties and other matters as appropriate; and

(b) Consider barriers to trade in goods between the Parties, in particular those related to the application of non-tariff measures, and if necessary submit these matters to the Commission for consideration.

Section B. Regime of Origin

Article 2.8. Regime of Origin

1. Each Party shall apply the origin regime provided for in Article 13, paragraph 1 of Title III, and contained in Annex 13 and Appendices to ECA No. 35, as well as its amendments, which are incorporated into and form part of this Agreement, mutatis mutandis (1) .

2. In order for goods originating in Chile and Uruguay to benefit from the provisions of this Agreement, the Certificate of Origin contained in Annex 2.8 must be presented.

3. The Parties may modify or update the Rules of Origin. Such modifications or updates shall be adopted by a decision of the Commission, as set forth in Article 17.2.2 (a) (i) (Functions of the Commission).

(1) For greater certainty, the Parties understand that the provisions of Title II of ECA No. 35 and its Annexes, when they mention the Administrative Commission, refer to the Free Trade Commission provided for in Chapter 17 (Administration of the Agreement) of this Agreement, and that, in cases of disputes generated by the result of investigations of origin, the procedure provided for in Chapter 18 (Dispute Settlement) of this Agreement shall govern.

Chapter 3. TRADE FACILITATION

Article 3.1. Customs Procedures and Trade Facilitation

Each Party shall ensure that its customs procedures are applied in a predictable, uniform, and transparent manner, and shall apply information technology to make its controls more efficient and facilitate legitimate trade.

Article 3.2. Publication

1. Each Party shall publish, including on the Internet, its customs legislation, regulations, and procedures; as well as information on customs import, export, and transit procedures; and required forms and documents.

2. Each Party shall designate or maintain one or more contact points for customs consultations, and shall make available on

the Internet readily accessible information on the mechanism for formulating such consultations.

Article 3.3. Opportunity to Make Observations Before the Entry Into Force of Customs Resolutions of General Application

Each Party shall provide, to the extent practicable, opportunities and adequate time for interested persons involved in foreign trade to make comments and ask questions on proposals to introduce or amend customs rulings of general application relating to customs procedures, prior to their entry into force, which shall in no case be binding on the customs administration.

Article 3.4. Advance Rulings

1. Each Party shall issue, prior to the importation of goods into its territory, an advance ruling upon written request by an importer in its territory or an exporter or producer in the territory of the other Party. (1)

2. In the case of an exporter or producer in the territory of the other Party, the request must be made through a representative established in the territory of the Party to whom the request is addressed.

3. Advance Rulings will be issued with respect to

(a) The tariff classification of goods;

(b) The application of customs valuation criteria for a particular case, in accordance with the provisions contained in the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1995

(c) The application of refunds, deferrals or other exemptions from the payment of customs duties;

(d) The originating status of a good, in accordance with Section B of Chapter 2 (Rules of Origin), and

(e) Such other matters as the Parties may agree.

4. Each Party shall issue an advance ruling within 150 days of the request, provided that the requestor has submitted all the information the Party requires, including, if the Party requests, a sample of the property, for which the requestor is requesting an advance ruling.

5. The advance ruling shall be valid as of the date of its issuance or any later date specified therein, and shall remain in effect as long as the facts or circumstances on which it is based have not changed.

6 The Party issuing the advance ruling may modify or revoke it, ex officio or upon request, as appropriate, in the following cases

(a) When the anticipated resolution has been based on an error;

(b) When the circumstances or facts on which it is based change, or

(c) To comply with an administrative or judicial decision, or to comply with a change in the law of the Party that issued the decision.

7. No Party shall retroactively apply a revocation or amendment to the detriment of the applicant, unless the decision was based on incomplete, inaccurate, or false information provided by the applicant.

8. Subject to the confidentiality requirements of its laws, each Party shall make publicly available, including on the Internet, the advance rulings it issues.

9, The Party issuing the advance ruling may apply appropriate sanctions or measures, including civil, criminal, and administrative actions, if the applicant provided false information or omitted relevant facts or circumstances related to the advance ruling or failed to act in accordance with the terms and conditions of the advance ruling.

(1) In the case of Uruguay, advance rulings are assimilated to the institute of the Consultation provided for in Articles 194 and following of the Uruguayan Customs Code (hereinafter referred to as CAROU).

Article 3.5. Review and Appeal

Each Party shall ensure in respect of its administrative acts in customs matters that any person subject to such acts in its territory has access to

(a) An administrative review before an independent administrative authority or superior to the official or office that issued such an administrative act, and

(b) A judicial review of administrative acts.

Article 3.6. Dispatch of Goods

1. Each Party shall adopt or maintain simplified customs procedures for the efficient release of goods to facilitate legitimate trade between the Parties.

2, Pursuant to paragraph 1, each Party shall adopt or maintain procedures that

(a) Provide for clearance within a period no greater than that required to ensure compliance with customs legislation and, to the extent possible, to clear the goods within 48 hours of arrival; and

(b) Allow, to the extent permitted by your legislation and provided that all regulatory requirements have been met, the goods to be dispatched at the point of arrival, without temporary transfer to warehouses or other premises.

3. Each Party shall ensure, to the extent possible, that its competent authorities in the control of the import and export operations of goods coordinate, inter alia, information and document requirements, establishing a single point in time for physical verification, without prejudice to the controls that may be applicable in the case of post- dispatch audits.

4. The Parties undertake, to the extent possible, to calculate and publish the average time required for the release of goods, periodically and in a uniform manner, using tools such as the "Guide to the Measurement of Time Required for the Release of Goods" adopted by the Permanent Technical Committee of the World Customs Organization (hereinafter referred to as the "WCO").

Article 3.7. Automation

1. Each Party shall endeavor to use information technologies that expedite procedures for the release of goods.

2. To that effect the Parties:

(a) They shall endeavour to use international standards and to make electronic systems accessible to users in the customs administration, where appropriate;

(b) They will provide for the electronic transmission and processing of information and data prior to the arrival of the shipment, in order to allow for the dispatch of the goods upon their arrival;

(c) They are committed to advance in the implementation of the Standard related to the Computerization of the International Cargo Manifest / Customs Transit Declaration and the Monitoring of the Operation between the States Parties of Mercosur under the International Land Transport Agreement;

(d) They will provide for the processing of customs import and export operations through electronic documents and the possibility of digitizing the documents supporting customs declarations, as well as the use of validation mechanisms, previously agreed upon by the customs administration of both parties, for the electronic exchange of information in a secure manner;

(e) They will adopt procedures that allow the option of electronic payment of duties, taxes, fees and charges collected by the customs administration that are due at the time of import and export;

(f) They will preferably use electronic or automated systems for risk analysis and management;

(g) They shall work on the interoperability of the electronic systems of the Parties' customs administrations in order to facilitate the exchange of international trade data, ensuring the same levels of confidentiality and data protection as those provided for in each Party's legislation; and

(h) They will work to develop a set of common data elements and processes in accordance with the WCO Data Model and its recommendations and guidelines in the development of their import, export and transit formalities and procedures.

3. In order to comply with the provisions of subparagraphs (d), (f) and (g), the Parties, through their customs

administrations, will advance in the exchange of previously agreed data that are in their computer systems in the format of the Information Exchange System of the Customs Registries of MERCOSUR (INDIRA).

Article 3.8. Acceptance of Copies

1. Each Party shall endeavor, where appropriate, to accept hard copies or electronic copies of supporting documents required for import, export, or transit formalities.

2. Where an original of such a document is already in the possession of a government agency of a Party, any other agency of that Party shall, where appropriate, accept in lieu of the original a paper or electronic copy provided by the agency in whose possession the original is held.

Article 3.9. One-Stop Foreign Trade Shops

The Parties shall implement and strengthen their Single Points of Contact for Foreign Trade (hereinafter referred to as "SCOPs") for trade facilitation and facilitation, and shall strive to achieve interoperability between them in order to exchange information to facilitate bilateral trade.

Article 3.10. Administration or Risk Management Systems

1. Each Party shall adopt or maintain risk management or administration systems, preferably using computerized procedures for the automated processing of information, that allow its customs administration to concentrate its control activities on high-risk goods and that simplify the clearance and movement of low-risk goods, while respecting the confidentiality of information obtained through such activities.

2. The customs administrations of each Party shall apply selective control for the clearance of goods, based on risk analysis criteria, using, among others, non-intrusive means of inspection and tools incorporating modern technologies, in order to reduce physical inspection of goods entering their territory.

Article 3.11. Authorized Economic Operator

1. The Parties' customs administrations shall promote the implementation and strengthening of Authorized Economic Operator (hereinafter referred to as "AEO") Programs in accordance with the WCO Framework of Standards to Secure and Facilitate Global Trade.

2. To this end, the Parties undertake to exchange information on the current status of their respective programmes, with the aim of making them compatible as far as possible, and to sign, within 12 months of the entry into force of this Agreement, an Action Plan with a view to reaching a mutual recognition agreement.

Article 3.12. Cooperation and Mutual Assistance In Customs Matters

1. Cooperation and mutual assistance between the Parties in customs matters shall be governed by the Agreement on Cooperation, Information Exchange, Data Consultation and Mutual Assistance between the Customs Administrations of the States Parties of MERCOSUR and the Republic of Chile, without prejudice to the specific regulations set forth in the following articles.

2. The Parties, through their customs administrations, will provide cooperation and mutual assistance to ensure compliance with customs legislation, the facilitation of customs procedures and the prevention, investigation and repression of customs offences.

3. The customs administrations of the Parties shall endeavour to provide each other with advice and technical assistance with the aim of

(a) Organize joint training programs on trade facilitation issues;

(b) Improve the application of customs valuation rules;

(c) Develop and implement best practices and techniques to strengthen their risk management systems;

(d) Promote supply chain security and facilitation;

(e) Simplify and improve procedures for customs clearance of goods;

(f) Contribute to the harmonization of documentation used in trade and data standardization;

(g) Improve their customs control processes, including the use of security devices with the use of technologies that guarantee the integrity and security of the cargoes;

(h) Preventing customs offences;

(i) Improve the use of technologies for compliance with laws and regulations governing imports and exports, and

(j) The development of initiatives in mutually agreed areas of interest

Article 3.13. Confidentiality

The Parties undertake to treat as confidential the information provided to eachother, guaranteeing each other the same level of confidentiality and data protection as provided for in the legislation of the Party providing the information.

Chapter 4. SMALL AND MEDIUM ENTERPRISES

Article 4.1. Exchange of Information

1, Each Party shall establish or maintain its own publicly accessible website containing information regarding this Agreement, including:

(a) The text of this Agreement, including all annexes, such as product- specific rules of origin

(b) A summary of this Agreement, and

(c) Information for SMEs, containing

(i) a description of the provisions of this Agreement that the Party considers to be relevant to SMEs; and

(ii) any additional information that the Party considers useful for SMEs interested in benefiting from the opportunities granted by this Agreement.

2. Each Party shall include, on the website referred to in paragraph 1, links to

(a) The equivalent websites of the other Party, and

(b) The websites of its government agencies and other appropriate entities that provide information that the Party considers useful to any person interested in trading, investing or doing business in the territory of that Party.

3. Subject to the legal system of each Party, the information described in paragraph 2(b) may include:

(a) Customs regulations and procedures;

(b) Regulations and procedures on intellectual property rights

(c) Technical regulations, standards, and sanitary and phytosanitary measures related to import and export;

(d) Regulations on foreign investment;

(e) Procedures for business registration;

(f) Labor regulations, and

(g) Tax information.

4. Each Party shall regularly review the information and links on the website referred to in paragraphs 1 and 2 to ensure that such information and links are up-to- date and correct.

Article 4.2. SME Committee

1. The Parties hereby establish an SME Committee (hereinafter referred to as the "Committee"), composed of government representatives of the Parties responsible for SME matters. The Committee shall be composed:

(a) In the case of Chile, by representatives of the General Directorate of International Economic Relations, or its successor,

and

(b) In the case of Uruguay, by representatives of the General Directorate for International Economic Affairs of the Ministry of Foreign Affairs, or its successor.

2. The Committee shall:

(a) Identify ways to assist the Parties' SMEs to take advantage of business opportunities under this Agreement;

(b) Exchange and discuss the experiences and best practices of each Party in supporting and assisting exporting SMEs with respect to, inter alia, training programs, trade education, trade finance, identifying trading partners in the other Party and establishing good business references;

(c) Develop and promote seminars, workshops or other activities to inform SMEs about the benefits available to them under this Agreement;

(d) Explore capacity building opportunities to assist the Parties in developing and improving export advisory, assistance and training programs for SMEs;

(e) Recommend additional information that a Party may include on the website referred to in Article 4.1;

(f) To review and coordinate the Committee's work program with those of other committees and working groups established under this Agreement, as well as those of relevant international bodies, in order not to duplicate those work programs and to identify appropriate opportunities for cooperation to enhance the capacity of SMEs to engage in trade and investment opportunities provided by this Agreement;

(g) Facilitate the development of programs to assist SMEs to participate and integrate effectively in the global supply chain;

(h) Exchange information to assist in monitoring the implementation of this Agreement as it relates to SMEs;

(i) Submit a periodic report of its activities and make appropriate recommendations to the Commission; and

(j) Consider any other matter relating to SMEs that the Committee may decide, including any issues raised by SMEs regarding their ability to benefit from this Agreement.

3. The Committee shall meet within one year of the date of entry into force of this Agreement, and thereafter as deemed necessary.

4. The Committee may seek the collaboration of experts and funding from international organizations to carry out its programs and activities. Article 4.3: Non-application of dispute settlement

No Party may have recourse to the dispute settlement mechanism under Chapter 18 (Dispute Settlement) with respect to any matter arising under this Chapter.

Chapter 5. SANITARY AND PHYTOSANITARY MEASURES

Article 5.1. Definitions

For the purposes of this Chapter, the definitions to be used shall be those set forth in Annex A of the SPS Agreement.

Article 5.2. Objectives

The objectives of this Chapter are:

(a) Protect the health and life of people, animals and plants in the territory of each Party while facilitating trade;

(b) Ensure that the Parties' sanitary and phytosanitary measures do not create unjustified barriers to trade,

(c) Deepen the implementation of the SPS Agreement

Article 5.3. Scope

This Chapter applies to all sanitary and phytosanitary measures of a Party that may, directly or indirectly, affect trade between the Parties.

Article 5.4. General Provisions

The Parties affirm their rights and obligations under the SPS Agreement.

Article 5.5. Transparency and Information Exchange

In addition to the provisions of Article 7 and Annex B of the SPS Agreement, in the notification procedures provided for therein, the Parties shall inform

(a) Changes that occur in the field of animal health and food safety, such as the appearance of exotic diseases, those diseases on the OIE list, and health alerts on food products within 24 hours of the diagnostic detection of the problem;

(b) Changes in the phytosanitary field, such as the appearance of quarantine pests or the spread of pests under official control, as soon as possible after verification, and

(c) Events related to food safety that may cause damage to the consumer, with the possibility of causing repercussions in commercial exchange.

Article 5.6. Committee on Sanitary and Phytosanitary Measures

1. The Parties shall establish a Committee on Sanitary and Phytosanitary Measures (hereinafter referred to as the "Committee"). It shall be composed of government representatives responsible for sanitary and phytosanitary matters.

2. The Committee shall establish its rules of procedure and operation at the first meeting.

3. The Committee shall meet at least once a year, unless the Parties agree otherwise, in person, by teleconference, videoconference, or by other means that ensure an adequate level of operation, and on an extraordinary basis when the Parties consider it necessary.

4. When meetings are face-to-face, they shall be held alternately in the territory of each Party and the host Party shall be responsible for organizing the meeting.

5. The functions of the Committee shall be:

(a) To serve as a forum to discuss problems related to the development or application of sanitary or phytosanitary measures that affect or may affect trade between the Parties, to establish mutually acceptable solutions, and to evaluate progress in the implementation of such solutions;

(b) Improve the effective implementation of this Chapter;

(c) Consider sanitary and phytosanitary issues of mutual interest;

(d) Facilitate communication between the Parties, and

(e) Identify and develop projects for technical assistance and cooperation in sanitary and phytosanitary measures between the Parties

Article 5.7. Competent Authorities and Points of Contact

1. The competent authorities responsible for implementing the measures referred to in this Chapter are listed in Annex 5.7.1.

2. The contact points responsible for communication between the Parties under this Chapter are listed in Annex 5.7.2.

3. The Parties shall report any significant changes in the structure, organization and distribution of responsibilities of their competent authorities or points of contact.

Chapter 6. TECHNICAL BARRIERS TO TRADE

Article 6.1. Objectives

The objectives of this Chapter are:

(a) Recognize and reaffirm the commitments made by both Parties under the TBT Agreement, improving the implementation of the Agreement;

(b) Deepen integration and existing agreements between the Parties on technical barriers to trade issues;

(c) Ensure that standards, technical regulations and conformity assessment procedures do not create unnecessary technical barriers to trade, and

(d) Facilitate, increase and promote cooperation between the Parties.

Article 6.2. Scope

1. The provisions of this Chapter apply to the preparation, adoption and application of all standards, technical regulations and conformity assessment procedures of the Parties, including those at the central level of government and local public institutions, that may directly or indirectly affect trade in goods between the Parties.

2. The provisions of this Chapter do not apply to sanitary and phytosanitary measures, which shall be governed by Chapter 5 (Sanitary and Phytosanitary Measures) of this Agreement.

3. Public procurement specifications prepared by government agencies for the production or consumption needs of such agencies are not subject to the provisions of this Chapter, which shall be governed by the Agreement on Government Procurement between the Republic of Chile and the Eastern Republic of Uruguay, of January 22, 2009.

4. The application of Article 50 of the Treaty of Montevideo 1980, with regard to technical barriers to trade, shall be governed by the provisions of this Chapter.

Article 6.3. Incorporation of the TBT Agreement

The TBT Agreement is incorporated into this Chapter, excluding Articles 10, 11, 12, 13, 14.1, 14.4, and 15, and forms an integral part thereof, mutatis mutandis.

Article 6.4. International Standards

In determining whether an international standard, guidance or recommendation within the meaning of Articles 2 and 5 of the TBT Agreement and Annex 3 thereof exists, each Party shall consider the principles set out in the Decisions and Recommendations adopted by the WTO Committee on Technical Barriers to Trade since January 1, 1995, G/TBT/1/Rev.12 of 21 January 2015, or its successor document, issued by the WTO Committee on Technical Barriers to Trade.

Article 6.5. Cooperation and Trade Facilitation

1. The Parties shall seek to identify, develop, and promote trade facilitation initiatives, as appropriate for particular issues or sectors, related to technical regulations and conformity assessment procedures, taking into account the respective experience of the Parties in other appropriate bilateral, regional, or multilateral arrangements. The Parties shall also seek to identify, develop, and promote joint work between their standards bodies with the aim of facilitating trade. Such initiatives may include, but are not limited to

(a) Intensify joint cooperation to increase knowledge and understanding of their respective systems in order to facilitate market access;

(b) Promote compatibility or equivalence of technical regulations and conformity assessment procedures;

(c) To promote convergence or harmonization with international standards, and

(d) Recognize and accept the results of the conformity assessment procedures.

2. The Parties recognize the existence of a wide range of mechanisms to support greater regulatory coherence and to eliminate unnecessary technical barriers to trade in the region, including:

(a) Encourage regulatory dialogue and cooperation in order to

(i) exchange information on regulatory practices and approaches;

(ii) promote the use of good regulatory practices to improve the efficiency and effectiveness of standards, technical

regulations and conformity assessment procedures;

(iii) provide advice and technical assistance, in terms and mutually agreed conditions, to improve practices related to the development, implementation and review of technical regulations, standards and conformity assessment procedures;

(iv) provide technical assistance to the other Party on mutually agreed terms and conditions, for the improvement of practices related to the elaboration, implementation and review of standards, technical regulations, conformity assessment procedures;

(b) Promote, disseminate and exchange experiences and information regarding the possibility of accepting as equivalent the technical regulations of the other Party;

(c) Increase, as far as possible, the harmonization of national standards with international standards, and

(d) Encourage greater use of international standards, guidelines and recommendations as a basis for technical regulations and conformity assessment procedures.

3. With respect to paragraphs 1 and 2, the Parties recognize that the choice of appropriate mechanisms in a given regulatory context will depend on a variety of factors, such as: the product and sector involved, the volume and direction of trade, the relationship between the Parties' respective regulators, the legitimate objectives pursued, and the risks of failing to achieve those objectives.

4. The Parties will intensify the exchange and collaboration of mechanisms to facilitate the acceptance of conformity assessment results, to support greater regulatory consistency and to remove unnecessary technical barriers to trade.

5. The Parties shall encourage cooperation between their respective organizations responsible for technical regulation, standardization, conformity assessment, accreditation and metrology, whether governmental or non-governmental, with a view to addressing various issues covered by this Chapter.

6. The Parties shall seek, to the extent possible, to bring into international standardization forums common positions based on mutual interests.

Article 6.6. Technical Regulations

1. A Party shall, on request of the other Party, explain the reasons why it has not accepted a technical regulation of that Party as equivalent, without prejudice to Article 2.7 of the TBT Agreement.

2. A Party may introduce modifications in a regulation considered not equivalent by the other Party, taking into account the reasons explained according to the previous paragraph. In that case, the other Party shall consider the modified regulation as equivalent, unless it considers that the modifications do not adequately address the reasons stated. In the latter case, the Party shall explain the grounds for its new refusal of equivalence in the terms of the previous paragraph.

3. Where a Party detains at the port of entry a good from the territory of the other Party due to a breach of a technical regulation, it shall notify the importer or the respective customs agent as soon as possible of the reasons for the detention.

Article 6.7. Conformity Assessment

1. Recognizing the existence of differences in conformity assessment procedures in their respective territories, the Parties shall, to the greatest extent possible, make conformity assessment procedures consistent with international standards and with the provisions of this Chapter.

2. The Parties recognize that there is a wide range of mechanisms that facilitate the acceptance of the results of conformity assessment conducted in the other Party's territory, including

(a) Voluntary agreements between conformity assessment bodies located on the territory of both parties;

(b) Agreements on acceptance of the results of conformity assessment procedures with respect to specific technical regulations, carried out by specific bodies located in the territory of the other Party;

(c) The accreditation procedures for qualifying conformity assessment bodies;

(d) Governmental approval or designation of conformity assessment bodies;

(e) Recognition of the results of conformity assessments carried out in the territory of the other Party, and

(f) The acceptance by the importing party of the supplier's declaration of conformity.

3. The Parties will intensify their exchange of information in relation to these and similar mechanisms, in order to facilitate the acceptance of the results of conformity assessment.

4. Where a Party does not accept the results of conformity assessment procedures conducted in the territory of another Party, it shall, at the request of the latter, explain the reasons for its decision so that corrective action may be taken if necessary.

5. One Party shall consider favorably, at the request of the other, the recognition of the results of conformity assessment procedures carried out by bodies located in the territory of the other Party. If either Party refuses to enter into such negotiations, or if it concludes that it will not recognize the results as required, it shall, at the request of the other Party, explain the reasons for its decision. The other Party, after taking appropriate corrective action to address the reasons for non-recognition, may reiterate its request, which shall be given appropriate consideration.

6. In order to enhance mutual confidence in the results of conformity assessment, either Party may request information on aspects such as the technical competence of the conformity assessment bodies involved.

Article 6.8. Transparency

1. The Parties shall notify each other electronically, through the contact point established by each Party, and in accordance with Article 10 of the TBT Agreement, regarding draft and amended technical regulations and conformity assessment procedures, as well as those adopted to address urgent problems as set out in the TBT Agreement, at the same time as they send the notification to the WTO Central Notification Register. Such notification shall include an electronic link to the notified document, or a copy thereof.

2. The Parties should notify even those draft technical regulations and conformity assessment procedures that are consistent with the technical content of relevant international standards.

3. Each Party shall provide a formal response to the comments received from the other Party, during the consultation period stipulated in the notification, and no later than the date on which the adopted technical regulation or conformity assessment procedure is published. In turn, each Party shall publish, make available to the public or to the other Party, either in print or electronically, its responses to significant comments received from the other Party, no later than the date the adopted technical regulation or conformity assessment procedure is published.

4. The Parties shall ensure that information regarding draft and amended technical regulations and conformity assessment procedures, as well as those adopted, are made available to the public on a centralized website or on a website at the central level of government.

5. Each Party shall allow, in accordance with its legal system, interested persons of the other Party to participate in the development of its standards, technical regulations, and conformity assessment procedures, on terms no less favorable than those accorded to its nationals.

6. Each Party shall allow a period of at least 60 days from the date of such notification

5. Each Party shall allow, in accordance with its legal system, interested persons of the other Party to participate in the development of its standards, technical regulations, and conformity assessment procedures, on terms no less favorable than those accorded to its nationals.

6. Each Party shall allow a period of at least 60 days from the date of such notification in paragraph 1 of this article, for the other Party to provide written comments on drafts and amendments to technical regulations and conformity assessment procedures, except where they threaten or present urgent problems. Each Party shall give positive consideration to reasonable requests from the other Party for an extension of the comment period.

7. Subject to the conditions specified in Article 2.12 of the TBT Agreement on the reasonable interval between the publication of technical regulations and their entry into force, the Parties shall understand the term "reasonable interval" to mean normally a period of not less than six months, except where it is impracticable to fulfil the legitimate objectives pursued.

Article 6.9. Committee on Technical Barriers to Trade

1. The Parties hereby establish a Committee on Technical Barriers to Trade (hereinafter referred to as the "Committee"), which shall be composed of

(a) In the case of Chile, by representatives of the General Directorate of International Economic Relations, or its successor, and

(b) In the case of Uruguay, by representatives of the Interministerial Commission for Technical Barriers to Trade Issues, or its successor.

2. The functions of the Committee shall include:

(a) Monitor the implementation and administration of this Chapter;

(b) Promptly address matters that a Party proposes to address with respect to the development, adoption, application, or enforcement of standards, technical regulations, or conformity assessment procedures

(c) Increase cooperation in the development and improvement of standards, technical regulations or conformity assessment procedures;

(d) As appropriate, facilitate sectoral cooperation between governmental and non-governmental entities on standards, technical regulations, and conformity assessment procedures in the territories of the Parties, as well as facilitate the process of adopting recognition agreements and the equivalence of technical regulations;

(e) Exchange information about the work being done in non-governmental, regional, multilateral forums and cooperation programs involved in activities related to standards, technical regulations and conformity assessment procedures;

(f) To review the present Chapter in the light of the developments within the Committee from Technical Obstacles to Trade of the WTO and to develop recommendations to amend this Chapter if necessary;

(g) Report to the Commission on the implementation of this Chapter;

(h) Establish, if necessary for particular issues or sectors, working groups for the treatment of specific matters related to this Chapter and the TBT Agreement;

(i) To respond, at the request of a Party, to technical consultations on any matter arising under this Chapter;

(j) Establish working groups to address issues of interest in regulatory cooperation, and

(k) Take any other action that the Parties believe will assist them in implementing this Chapter and the TBT Agreement, and in facilitating trade in goods between the Parties

3. Upon request, the Committee shall give favorable consideration to any sector-specific proposal that a Party makes for deepening cooperation under this Chapter.

4. The Committee shall meet at the locations, times and as many times as necessary at the request of the Parties. The meetings will be held in person, via teleconference, videoconference or by any other means, agreed by the Parties.

Article 6.10. Exchange of Information

Any information or explanation requested by a Party under the provisions of this Chapter shall be provided by the other Party in printed or electronic form within 60 days of the request. The Party shall endeavor to respond to each request within 30 days of its submission.

Article 6.11. Implementation Annexes

The Parties may negotiate annexes to deepen the disciplines of this Chapter, which shall be an integral part of it. These annexes shall be approved by the Commission.

Article 6.12. Technical Consultations

1. Each Party shall promptly and positively consider any request by the other Party for consultations on specific trade concerns related to the implementation of this Chapter.

2. Each Party shall ensure the participation, as appropriate, of representatives of its competent government regulatory authorities, within the scope of this Chapter.

3. Where both Parties have resorted to consultations pursuant to paragraph 1, such consultations may, by mutual

agreement, constitute the consultations referred to in Article 18.4 (Consultations).

Chapter 7. CROSS-BORDER TRADE IN SERVICES

Article 7.1. Definitions

For the purposes of this Chapter:

Investment Agreement means the Investment Agreement between the Republic of Chile and the Oriental Republic of Uruguay, of March 25, 2010;

cross-border trade in services or **cross-border supply of services** means the provision of a service:

(a) From the territory of one Party to the territory of the other Party;

(b) In the territory of a Party, by a person of that Party, to a person of the other Party, or

(c) By a national of one Party in the territory of the other Party;

but does not include the supply of a service in the territory of a Party for a covered investment as defined in Article 1 of the Investment Agreement;

enterprise of a Party means any entity constituted or organized under the laws and regulations of that Party, owned or controlled by a person of that Party, whether for profit or not, whether privately or governmentally owned, including any corporation, trust, partnership, sole proprietorship, joint venture, association, organization or company, and a branch office located in the territory of that Party and doing business in that territory;

measures adopted or maintained by a Party means measures adopted or maintained by

(a) Governments or authorities at the central or local level of a Party, or

(b) Non-governmental bodies in the exercise of powers delegated by governments or authorities at the central or local level of a Party

natural person of a Party means a national of a Party under its law, and who resides in the territory of that Party

service provider of a Party means a person of a Party who intends to provide or is providing a service;

specialized air services means any air service other than freight or passenger transportation, such as aerial fire fighting, flight training, scenic flights, spraying, surveying, mapping, photography, parachuting, glider towing, helicopter services for logging or construction, and other air services related to agriculture, industry and inspection;

ground handling services means the provision of services at an airport, on a commission basis or contract, for the following services: representation, administration and supervision of airlines; passenger assistance; baggage handling; ramp services; catering, with the exception of food preparation; cargo and mail handling; aircraft refueling; aircraft cleaning and servicing; surface transportation; and flight operations, crew administration and flight planning. Ground handling services do not include: self- handling; security; line maintenance; aircraft repair and maintenance; or the management or operation of essential centralized airport infrastructure such as de-icing facilities, fuel distribution systems, baggage handling systems, and fixed intra-airport transportation systems;

Airport operation services means the provision of air terminal, runway or other airport infrastructure operation services, whether on a commission or contract basis. Airport operation services do not include air navigation services;

Computerized reservation system services means services provided by computerized systems containing information about air carriers' schedules, available seats, fares and pricing rules, through which reservations may be made or tickets issued;

services provided in the exercise of governmental authority means any service that is not provided on a commercial basis or in competition with one or more service providers, and

Sale and marketing of air transport services means the opportunities for the air carrier interested in freely selling and marketing its air transport services, including all aspects of marketing, such as market research, advertising and distribution. These activities do not include pricing of air transport services or applicable conditions.

Article 7.2. Scope

1. This Chapter shall apply to measures adopted or maintained by a Party affecting cross-border trade in services supplied by service suppliers of the other Party. Such measures include measures affecting

(a) The production, distribution, marketing, sale or supply of a service;

(b) The purchase or use of, or payment for, a service;

(c) The access to and use of services that are offered to the general public by a Party's prescription in connection with the provision of a service;

(d) The presence in the Party's territory of a service provider of the other Party, and

(e) The provision of a bond or other form of financial security, as a condition for the provision of a service.

2. In addition to paragraph 1, Articles 7.5 and 7.8 shall also apply to measures adopted or maintained by a Party affecting the supply of a service in its territory by a service supplier of the other Party through commercial presence.

3. This Chapter shall not apply to:

(a) Financial services, as defined in Article XII of the 53rd Additional Protocol to the ACE No. 35

(b) Public procurement, which will be governed by the Agreement on Public Procurement between the Republic of Chile and the Eastern Republic of Uruguay, of January 22, 2009 (1) ;

(c) Services provided in the exercise of government authority;

(d) Subsidies or grants made by a Party or a state enterprise, including government-supported loans, guarantees, and insurance

(e) Telecommunications services.

4. This Chapter shall not apply to air services, including domestic and international air transport services, whether scheduled or non-scheduled, and related services in support of air services, except as follows:

(a) Aircraft repair and maintenance services while the aircraft is out of service, excluding so-called line maintenance;

(b) Sale and marketing of air transport services;

(c) Computerized reservation system services;

(d) Specialized air services;

(e) Airport operation services, and

(f) Ground handling services.

5. The Parties recognize the importance of air services in facilitating the expansion of trade, strengthening economic growth, and benefiting consumers. Accordingly, and without prejudice to paragraph 4, the Parties shall work, in appropriate fora, such as the International Civil Aviation Organization, towards a liberal multilateral air services agreement.

6. In the event of any inconsistency between this Chapter and a bilateral, plurilateral or multilateral air services agreement to which both Parties are party, the air services agreement shall prevail in determining the rights and obligations of the Parties.

7. If the GATS Annex on Air Transport Services is amended, the Parties shall jointly review any of the new definitions, with a view to aligning the definitions in this Agreement with those definitions, where appropriate.

8. This Chapter does not impose any obligation on a Party with respect to a national of the other Party seeking to enter its labor market or who is permanently employed in its territory, nor does it confer any right on that national with respect to such access or employment.

9. For greater certainty, nothing in this Chapter is subject to investor-state dispute resolution under the Investment Agreement.

(1) For Uruguay, as provided by Law No. 18,909, and for Chile, as provided by Law No. 19,886.

Article 7.3. National Treatment

1. Each Party shall accord to the services and service suppliers of the other Party treatment no less favorable than that it accords, in like circumstances, to its own services and service suppliers.

2. For greater certainty, whether treatment is granted in "like circumstances" under paragraph 1 depends on the totality of the circumstances, including whether the relevant treatment distinguishes between services and service providers on the basis of legitimate public welfare objectives.

Article 7.4. Most-Favored- Nation Treatment

1. Each Party shall accord to services and service suppliers of the other Party treatment no less favorable than that it accords, in like circumstances, to services and service suppliers of any non-Party.

2. For greater certainty, whether treatment is granted in "like circumstances" under paragraph 1 depends on the totality of the circumstances, including whether the relevant treatment distinguishes between services and service providers on the basis of legitimate public welfare objectives.

Article 7.5. Market Access

No Party shall adopt or maintain, either on the basis of a regional subdivision or on the basis of its entire territory, measures that

(a) Impose limitations on the:

(i) number of service providers, either in the form of numerical quotas, monopolies, exclusive service providers or by requiring an economic needs test;

(ii) total value of transactions of services or assets in the form of numerical quotas or by requiring an economic needs test

(iii) total number of service operations or the total quantity of service output, expressed in terms of numerical units designated in the form of quotas or by the requirement of an economic needs test, (2) or

(iv) the total number of natural persons who may be employed in a particular service sector or who may be employed by a service supplier and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or the requirement of an economic needs test, or

(b) Restrict or prescribe the specific types of legal entity or joint venture through which a service provider may provide a service.

(2) Subparagraph (a)(iii) does not apply to a Party's measures that limit inputs for the supply of services.

Article 7.6. Local Presence

Neither Party shall require a service supplier of the other Party to establish or maintain a representative office or any form of enterprise, or to be resident in its territory, as a condition for the cross-border supply of a service.

Article 7.7. Non-conforming Measures

1. Articles 7.3, 7.4, 7.5 and 7.6 shall not apply to:

(a) Any existing non-conforming measure that is maintained by a Party:

(i) at the central level of government, as set out by that Party in its Schedule to Annex J, or

(ii) at the local level of government;

(b) The continuation or prompt renewal of any nonconforming action referred to in subparagraph (a), or

(c) The modification of any non-conforming measure referred to in subparagraph (a), to the extent that such modification does not decrease the conformity of the measure, as it was in effect immediately before the modification, with Articles 7.3,

7.4, 7.5 or 7.6.

2. Articles 7.3, 7.4, 7.5, and 7.6 shall not apply to any measure that a Party adopts or maintains with respect to sectors, subsectors, or activities, as set out by that Party in its Schedule to Annex II.

Article 7.8. National Regulations

1. Each Party shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective, and impartial manner.

2. With a view to ensuring that measures relating to qualification requirements and procedures, technical standards, and licensing requirements do not constitute unnecessary barriers to trade in services, and recognizing the right to regulate and introduce new regulations on the supply of services to satisfy its policy objectives, each Party shall ensure that any such measures it adopts or maintains:

(a) Are based on objective and transparent criteria, such as competence and ability to provide the service;

(b) Are not more burdensome than necessary to ensure the quality of services, and

(c) In the case of licensing procedures, they do not in themselves constitute a restriction on the provision of the service.

3. Where a Party maintains measures relating to qualification requirements and procedures, technical standards, and licensing requirements:

(a) You must ensure that it is made available to the public:

(i) information about requirements and procedures for obtaining, renewing, or retaining a license or professional title, and

(ii) information on technical standards;

(b) It will seek, when some type of authorization is required to provide the service:

(i) within a reasonable period of time after the submission of an application that is deemed complete in accordance with national laws and regulations, a decision is made whether or not to grant the relevant authorization;

(ii) the applicant is informed, without undue delay, of the decision as to whether or not the relevant authorization was granted;

(iii) at the request of such applicant, information concerning the status of the application is provided without undue delay, and

(iv) Whenever possible, upon written request by the applicant for an unapproved application, the reasons for not granting the relevant authorization are provided in writing.

(c) It shall endeavour to establish appropriate procedures to verify the competence of the other Party's professionals;

(d) It will seek, in professional services and in other service sectors that are relevant, to consider and, where feasible, take the necessary measures to implement temporary registration or licensing regimes for specific projects, based on the licenses or recognitions for foreign suppliers established by national professional bodies (without the need for additional oral or written examinations), in order to facilitate temporary access to service suppliers to provide the service in relation to specific projects or for limited periods, in circumstances where specific technical knowledge is required. This temporary or limited licensing regime should not operate to prevent foreign suppliers from subsequently obtaining local licenses by meeting the necessary local licensing requirements;

(e) It shall seek, in each sector in which passing an examination is required as a prerequisite to providing a service in the territory of the Party:

(i) in the event that the testing process is administered by government authorities, take reasonable steps to schedule testing at reasonable intervals, or

(ii) in the event that the testing process is administered only by non- governmental bodies or professional associations, make every effort to encourage such bodies or associations to schedule testing at reasonable intervals, and

in each case, the Party shall ensure that such examinations are open to applicants from the other Party, and to the extent possible, use electronic means to conduct such examinations or conduct the examinations orally and provide the

opportunity to take such examinations in the territory of the other Party.

4. Paragraphs 2 and 3 shall not apply to non-conforming aspects of the measures that are not subject to the obligations under Article 7.3 or Article 7.5 by reason of an entry in a Party's Schedule in Annex I, or measures that are not subject to obligations under Article 7.3 or Article 7.5 by reason of an entry in a Party's Schedule in Annex II.

1 For purposes of compliance, in whole or in part, with its standards or criteria for the authorization, licensing, or certification of a Party's service suppliers, and subject to the requirements of paragraph 4, a Party may recognize education or experience obtained, requirements met, or licenses or certifications granted in the territory of the other Party or a non-Party. Such recognition, which may be effected through harmonization or otherwise, may be based on an agreement or arrangement with the Party or non-Party in question or may be granted autonomously.

2, If a Party recognizes, autonomously or through an agreement or arrangement, education or experience obtained, requirements met, or licenses or certifications granted in the territory of a non-Party, nothing in Article 7.4 shall be construed to require the Party to give such recognition to education or experience obtained, requirements met, or licenses or certifications granted in the territory of the other Party.

3. A Party that is a party to an agreement or arrangement of the type referred to in paragraph 1, whether existing or future, shall provide adequate opportunity to the other Party, upon request, to negotiate its accession to such agreement or arrangement or to negotiate a comparable agreement or arrangement. If a Party grants recognition autonomously, it shall provide the other Party adequate opportunity to demonstrate that the education, experience, licenses or certifications obtained or requirements met in the territory of that other Party should be recognized.

4 A Party shall not provide recognition in a manner that would constitute a means of discrimination between countries in the application of its standards or criteria for the authorization, licensing, or certification of service suppliers, or a disguised restriction on trade in services.

Article 7.10. Denial of Benefits

Subject to notice and consultation, a Party may deny the benefits of this Chapter to a service provider of the other Party, if the service provider is an enterprise:

(a) Owned or controlled by persons from a non-Party or denying Party, and

(b) It does not have substantial business operations in the territory of the other Party.

Article 7.11. Transparency

1. Each Party shall publish, as soon as possible and no later than the date of its entry into force, all relevant measures of general application that relate to or affect the operation of this Chapter. Each Party shall also publish the international agreements it enters into with any country that relate to or affect trade in services.

2. Each Party shall, to the extent practicable, promptly inform the Commission of the adoption of new, or changes to existing, laws, regulations, or administrative guidelines that it considers will significantly affect trade in services covered by commitments under this Chapter.

3. Each Party shall respond, as soon as possible, to all requests for specific information from the other Party concerning any of its measures of general application referred to in paragraph 1. In addition, and in accordance with its domestic law, each Party shall, through its competent authorities, provide, to the extent possible, information on matters subject to notification under paragraph 2 to service providers of the other Party that request it.

4. Paragraph 3 shall not be construed to require a Party to disclose confidential information, the disclosure of which would impede law enforcement or otherwise be contrary to the public interest or would prejudice privacy or legitimate business interests.

5. Nothing in Section B: Transparency of Chapter 16 (Transparency and Anti- Corruption) applies to this Chapter.

Article 7.12. Payments and Transfers (3) (4)

1. Each Party shall permit all transfers and payments related to the cross-border supply of services to be made freely and without delay to and from its territory.

2. Each Party shall permit all transfers and payments related to the cross-border supply of services to be made in a freely

circulating currency at the market rate of exchange prevailing on the date of transfer.

3. Notwithstanding paragraphs 1 and 2, a Party may prevent or delay the making of a transfer or payment, through the equitable, non-discriminatory, and good faith application of its laws, with respect to

(a) Bankruptcy, insolvency or protection of creditorsâ rights;

(b) Issuance, trading or operation of securities, futures, options or derivatives

(c) Financial reporting or record keeping of transfers when necessary to assist law enforcement or financial regulatory authorities;

(d) Criminal violations, or

(e) Guarantee of compliance with court orders or judgments or administrative procedures.

(3) The Parties agree that this Article shall apply only if, after the entry into force of this Agreement, Chile grants treatment equivalent to that described in this Article, through an international trade agreement.

(4) For greater certainty, Article 7.12 is subject to Annex 7.12.

Annex 7.12. PAYMENTS AND TRANSFERS

CHILE

1. Chile reserves the right of the Central Bank of Chile to maintain or adopt measures in accordance with its Constitutional Organic Law (Law 18,840) or other legal norms to ensure the stability of the currency and the normal functioning of internal and external payments, granting it as a power for these purposes, the regulation of the amount of money and credit in circulation, the execution of credit and international exchange operations, as well as to dictate norms on monetary, financial and international exchange matters. These measures include, among others, the establishment of requirements that restrict or limit current payments and transfers from or to Chile, as well as the operations related to them, such as establishing that deposits, investments or credits coming from or destined to foreign countries are subject to the obligation of maintaining a legal reserve.

2. Notwithstanding paragraph 1, the requirement to maintain an encumbrance under Section 49 No. 2 of Law 18.840 may not exceed thirty percent (30%) of the amount transferred and may not be imposed for a period exceeding two years.

3. In applying the measures under this Annex, Chile, as provided for in its legislation, may not discriminate between Uruguay and any third country with respect to operations of the same nature.

Chapter 8. ELECTRONIC COMMERCE

Article 8.1. Definitions

For the purposes of this Chapter:

Electronic authentication means the process or action of verifying the identity of a party to an electronic communication or transaction;

Unsolicited commercial electronic communication means a communication that is transmitted by electronic means for commercial or advertising purposes without the consent of the recipient or in spite of the explicit refusal of the recipient;

trade administration documents means the forms that a Party issues or controls which must be completed by or for an importer or exporter in connection with the import or export of goods;

Electronic signature means data in electronic form attached to an electronic document that allows the signatory or signatory to be identified;

Personal information means any information, including data, about an identified or identifiable natural person;

Computer facilities means computer servers and storage devices for processing or storing information for commercial use;

digital product means a computer program, text, video, image, sound recording or other product that is digitally encoded, produced for sale or commercial distribution and that can be transmitted electronically; (1) (2) and

Electronic or electronically transmitted transmission means a transmission made using any electromagnetic means, including transmission by optical means.

(1) For greater certainty, a digital product does not include any financial instrument in any form.

(2) The definition of digital product should not be understood to reflect a Party's view on whether trade in electronically transmitted digital products should be classified as trade in services or trade in goods.

Article 8.2. Scope and General Provisions

1. This Chapter shall apply to measures adopted or maintained by a Party that affect trade by electronic means.

2. This Chapter shall not apply to:

(a) Public procurement;

(b) Information possessed or processed by or on behalf of a Party, or measures relating to such information, including measures relating to its compilation; or

(c) Financial services, as defined in Article XII of the 53rd Additional Protocol to the ACE No. 35

3. For greater certainty, this Chapter is subject to the provisions, exceptions, or non-conforming measures set forth in other chapters or annexes to this or other relevant treaties between the Parties.

4. The Parties recognize the economic potential and opportunities provided by electronic commerce.

5. Considering the potential of electronic commerce as a tool for social and economic development, the Parties recognize the importance of

(a) The clarity, transparency and predictability of their national regulatory frameworks to facilitate, to the extent possible, the development of electronic commerce;

(b) Encourage self-regulation in the private sector to promote confidence in e-commerce, taking into account the interests of users, through initiatives such as industry guidelines, model contracts, codes of conduct and trust seals;

(c) Interoperability and innovation to facilitate e-commerce

(d) Ensure that international and national e-commerce policies take into account the interests of all users, including businesses, consumers, non- governmental organizations and relevant public institutions;

(e) Facilitate access to e-commerce tools by SMEs, and

(f) To guarantee the security of e-commerce users, as well as their right to personal data protection (3).

6. Each Party shall endeavor to take measures to facilitate trade conducted by electronic means.

7. The Parties recognize the importance of avoiding unnecessary barriers to trade conducted by electronic means, including trade in digital products. Taking into account its domestic policy objectives, each Party shall seek to avoid measures that

(a) Hinder trade conducted by electronic means, or

(b) Have the effect of treating trade conducted through electronic means more restrictively than trade conducted by other means.

(3) The Parties will understand for greater certainty that the collection, processing and storage of personal data will be carried out following the general principles of prior consent, legitimacy, purpose, proportionality, quality, security, responsibility and information.

Article 8.3. Customs Duties

1. Neither Party shall impose customs duties on electronic transmissions, including electronically transmitted content, between a person of one Party and a person of another Party.

2. Paragraph 1 shall not prevent a Party from imposing internal taxes, fees or other charges on content transmitted electronically, provided that such taxes, fees or charges are imposed in a manner consistent with this Agreement.

Article 8.4. Legal Framework for Electronic Transactions

Each Party shall endeavor to

(a) Avoid unnecessary regulatory burdens in electronic transactions, and

(b) To facilitate the opinions of people interested in the development of its legal framework for electronic transactions.

Article 8.5. Electronic Authentication and Electronic Signatures

1. A Party shall not deny the legal validity of an electronic signature solely on the grounds that it is made by electronic means, unless otherwise expressly provided for in its respective legal system.

2. No Party shall adopt or maintain measures on electronic authentication that

(a) Prohibit parties to an electronic transaction from mutually determining the appropriate authentication methods for that transaction, or

(b) Prevent parties to an electronic transaction from having the opportunity to prove to judicial or administrative authorities that their transaction complies with any legal requirement regarding authentication.

3. Notwithstanding paragraph 2, a Party may require that, for a particular category of transactions, the method of authentication meets certain performance standards or is certified by an authority accredited under its legal system.

4. The Parties shall encourage the use of interoperable electronic signatures.

Article 8.6. Online Consumer Protection

1. The Parties recognize the importance of adopting and maintaining transparent and effective measures to protect consumers from fraudulent and deceptive business practices when engaged in electronic commerce.

2. Each Party shall adopt or maintain consumer protection laws to prohibit fraudulent and deceptive business practices that cause harm or potential harm to consumers engaged in online commerce.

3. Each Party shall endeavor to adopt non-discriminatory practices in protecting users of electronic commerce from violations of the protection of personal information occurring within its jurisdiction.

4. The Parties recognize the importance of cooperation between their respective consumer protection agencies or other competent bodies, in activities related to cross- border electronic commerce, in order to improve consumer welfare.

Article 8.7. Protection of Personal Information

1. The Parties recognize the benefits of protecting the personal information of users of electronic commerce and the contribution this makes to enhancing consumer confidence in electronic commerce.

2. The Parties shall adopt or maintain laws, regulations or administrative measures for the protection of personal information of users engaged in electronic commerce. The Parties shall take into consideration existing international standards in this area, as provided for in Article 8.2.5 (f).

3. Each Party should publish information about the protection of personal information it provides to users of electronic commerce, including how:

(a) Individuals can exercise resources, and

(b) Companies can comply with any legal requirement.

4. The Parties should exchange information and experiences regarding their personal information protection legislation.

5. The Parties shall encourage the use of mechanisms for encrypting users' personal information, and their dissociation, in cases where such data are provided to third parties, in accordance with applicable legislation.

Article 8.8. Administration of Paperless Trade

Each Party shall endeavor to

(a) Make trade administration documents available to the public in electronic form, and

(b) Accept electronically submitted business management documents as the legal equivalent of the paper version of those documents.

Article 8.9. Principles on Access to and Use of the Internet for Electronic Commerce

Subject to applicable policies, laws and regulations, the Parties recognize the benefits of consumers in their territories having the ability to

(a) Access and use consumer choice services and applications available on the Internet, subject to reasonable network administration;

(b) Connect the consumer's choice of end-user devices to the Internet, provided that such devices do not harm the network; and

(c) To have clear information on practices that affect the data traffic of users by data transport providers, so that these users can make the consumer decision that best suits them.

Article 8.10. Cross-border Transfer of Information by Electronic Means

1. Each Party shall permit the cross-border transfer of information by electronic means, including personal information, where this activity is for the conduct of the business of a person of a Party.

2. Nothing in this Article shall prevent a Party from adopting or maintaining measures inconsistent with paragraph 1 to achieve a legitimate public policy objective, provided that the measure is not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination, or a disguised restriction on trade. The Parties recognize that each Party may have in its regulatory framework its own regulatory requirements for the transfer of information by electronic means.

Article 8.11. Location of Computer Facilities

1. The Parties recognize that each Party may have its own regulatory requirements regarding the use of computer facilities, including requirements that seek to ensure the security and confidentiality of communications.

2. A Party may not require a person of the other Party to use or locate computer facilities in the territory of that Party as a condition for doing business in that territory.

3. Nothing in this Article shall prevent a Party from adopting or maintaining measures inconsistent with paragraph 2 to achieve a legitimate public policy objective, provided that the measure is not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on trade.

Article 8.12. Unsolicited Commercial Electronic Communications

The Parties shall adopt or maintain measures in their domestic legislation to protect users from unsolicited commercial electronic communications.

Article 8.13. Cooperation

Recognizing the global nature of electronic commerce, the Parties will seek to

(a) Working together to facilitate access to e-commerce tools by SMEs;

(b) Share information and experiences about laws, regulations, and programs in the field of electronic commerce, including those related to personal information protection, consumer protection, electronic communications security, authentication, intellectual property rights, and electronic government;

(c) Exchange information and share views on consumer access to products and services offered online between the Parties;

(d) Actively participate in regional and multilateral forums to promote the development of electronic commerce, and

(e) Encourage the development by the private sector of self-regulatory methods that promote e-commerce, including codes of conduct, model contracts, guidelines and compliance mechanisms.

Article 8.14. Cooperation on Cybersecurity Issues

The Parties recognize the importance of

(a) Develop the capacities of their national entities responsible for cybersecurity and the response to information security incidents, and

(b) Use existing collaborative mechanisms to cooperate in identifying and mitigating malicious practices or the dissemination of malicious code affecting the Parties' electronic networks, users' personal information, or protection against unauthorized access to private information or communications

Chapter 9. COMPETITION POLICY

Article 9.1. Objectives

The Objectives of this Chapter are:

(a) To promote cooperation in the adoption and implementation of regulations on the promotion and defence of competition in the free trade area.

(b) Adopt or maintain competition laws that prohibit anti-competitive business practices, in order to avoid that the benefits of the process of liberalization of trade in goods, services and investments may be reduced or nullified by anti-competitive business practices.

(c) Maintain an authority or authorities responsible for enforcing their national competition laws. The enforcement policy of the national competition authority or authorities shall not discriminate on the basis of the nationality of the persons to whom it is addressed.

Article 9.2. Cooperation and Coordination

1. The Parties recognize the importance of cooperation and coordination between their respective national competition authorities to promote effective enforcement of competition laws in the free trade area.

2. The Parties agree to cooperate in a manner consistent with their respective laws, regulations and interests, including through notifications, consultations and exchange of information, taking into account the availability of resources.

3. The Parties' national competition authorities may consider entering into cooperation agreements on competition that set out mutually agreed terms.

Article 9.3. Consultations

At the request of either Party, the Parties shall initiate consultations on particular anti-competitive practices that adversely affect bilateral trade or investment, consistent with the objectives of this Chapter.

Article 9.4. Non-application of Dispute Settlement

No Party may have recourse to the dispute settlement mechanism under Chapter 18 (Dispute Settlement) with respect to any matter arising under this Chapter.

Chapter 10. INTELLECTUAL PROPERTY

Article 10.1. Definitions

For the purposes of this Chapter:

Intellectual property refers to all categories of intellectual property that are the subject of Sections 1 to 7 of Part I of the TRIPS Agreement, namely: copyright and related rights; trademarks; geographical indications; industrial designs, patents, layout-designs (topographies) of integrated circuits, and protection of undisclosed information.

Article 10.2. General Provisions

1. The Parties confirm their existing rights and obligations under the TRIPS Agreement and other multilateral agreements related to intellectual property to which both Parties are party. Nothing in this Chapter shall derogate from the Parties' existing rights and obligations under the TRIPS Agreement or other multilateral intellectual property-related agreements to which both Parties are party.

2. Each Party shall apply the provisions of this Chapter. A Party may, but shall not be obliged to, provide for more extensive protection or enforcement in its legal system than is required by this Chapter, provided that such protection or enforcement does not contravene the provisions of this Chapter. Each Party shall be free to determine the appropriate method of implementing the provisions of this Chapter within the framework of its legal system and practice.

Article 10.3. National Treatment

1. With respect to all intellectual property rights covered by this Chapter, each Party shall accord to persons of the other Party treatment no less favorable than that it accords to its own persons with respect to the protection (1) and enjoyment of such intellectual property rights and the benefits accruing therefrom, subject to the exceptions set forth in multilateral intellectual property treaties to which either Party is, or becomes, a contracting party.

2. Each Party may derogate from paragraph 1 with respect to its judicial and administrative procedures, including a requirement for a person of the other Party to designate an address for service or the appointment of an agent within its territory, subject to such derogation:

(a) Is necessary to achieve compliance with laws and regulations that are not inconsistent with this Chapter, and

(b) Do not apply in a manner that constitutes a disguised restriction on trade.

3. Paragraph 1 shall not apply to procedures for the acquisition or maintenance of intellectual property rights under multilateral treaties concluded under the auspices of WIPO.

(1) For the purposes of this Article, protection shall include aspects relating to the existence, acquisition, scope, maintenance, and enforcement of intellectual property rights, as well as aspects relating to the exercise of the intellectual property rights specifically covered in this Chapter.

Article 10.4. Objectives

The protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare and to a balance of rights and obligations.

Article 10.5. Principles

1. The Parties, in formulating or amending their laws and regulations, may take the necessary measures to protect public health and nutrition or to promote the public interest in sectors of vital importance to their socioeconomic and technological development, provided that such measures are consistent with the provisions of this Chapter.

2. Appropriate measures, provided that they are consistent with the provisions of this Agreement, may be required to prevent the abuse of intellectual property rights by right holders or the resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology.

Article 10.5 bis. Commitments of the Parties on Certain Public Health Measures

1. The Parties affirm their commitment to the Declaration on the TRIPS Agreement and Public Health (WT/MIN(01)/DEC/2), adopted on 14 November 2001. In particular, the Parties have reached the following agreements in relation to this Chapter;

(a) The Decision of the General Council, regarding the Implementation of Paragraph Six of the Doha Declaration on the TRIPS Agreement and Public Health (WT/L/540), of 30 August 2003 and the Report of the Chairman of the WTO General Council accompanying the Decision (JOB(03)/177, WT/GC/M/82), and

(b) The Decision of the WTO General Council on the Amendment to the TRIPS Agreement, (WT/L/641), of 6 December 2005 and the Report by the Chairman of the WTO General Council accompanying the Decision (JOB(05)319 and Corr. 1,WT/GC/M/100)

2. Each Party must notify the WTO, if it has not already done so, of its acceptance of the Protocol amending the TRIPS Agreement, adopted in Geneva on 6 December 2005.

Article 10.6. International Agreements

1. Each Party shall ratify or accede to each of the following International Agreements, ifit has not already done so, by the date of entry into force of this Agreement

(a) The Paris Convention for the Protection of Industrial Property, revised at Stockholm on July 14, 1967, and amended on September 28, 1979, and

(b) The Berne Convention for the Protection of Literary and Artistic Works, revised in Paris on 24 July 1971 and amended on 28 September 1979.

1. Each Party shall ratify or accede to each of the following International Agreements, ifit has not already done so, by the date of entry into force of this Agreement

(a) The Paris Convention for the Protection of Industrial Property, revised at Stockholm on July 14, 1967, and amended on September 28, 1979, and

(b) The Berne Convention for the Protection of Literary and Artistic Works, revised in Paris on 24 July 1971 and amended on 28 September 1979.

2. Each Party shall make its best efforts to ratify or accede to the Patent Cooperation Treaty, as amended on September 28, 1979, on the date of entry into force of this Agreement.

Article 10.7. Exhaustion of Intellectual Property Rights

The parties are encouraged to provide for international exhaustion of intellectual property rights.

Article 10.8. Public Domain

1. The Parties shall make their best efforts to publish information regarding the public domain, including appropriate tools to identify the extension of the term of protection of intellectual property rights.

2. The Parties recognize the importance of a rich and accessible public domain to society, as well as the need for material in the public domain to be freely usable by all.

3. For the purposes referred to in paragraph 2, each Party shall make its best efforts to

(a) Identify the content or protectable subject matter that is in the public domain in their respective territory

(b) Promote access to the public domain, and

(c) Preserve the public domain.

4. Actions to achieve the purposes referred to in paragraph 2 may include the development of publicly accessible databases of registered rights, guidelines and other tools to enhance access to content that is in the public domain.

5. Each Party shall make its best efforts to promote cooperation between the Parties to identify and facilitate access to content that is in the public domain and to share updated information regarding owners and terms of protection.

Article 10.9. Application of the Agreement to Existing Matters

1. Except where otherwise provided, this Chapter creates obligations in respect of all subject matter existing on the date of

entry into force of this Agreement that is protected on that date in the territory of the Party where protection is claimed, or that meets the criteria for protection set out in this Chapter then or later.

2. Except as otherwise provided in this Chapter, a Party shall not be required to restore protection to subject matter that, on the date of entry into force of this Agreement, has fallen into the public domain in the territory of the Party where protection is claimed.

Article 10.10. Cooperation

1. The Parties shall seek to cooperate on matters covered in this Chapter, such as through appropriate coordination, training, and information exchange between the Parties' respective intellectual property offices or other institutions, as determined by each Party.

Cooperation may cover such areas as:

(a) Developments in national and international intellectual property policy;

(b) Systems of administration and registration of intellectual property;

(c) Intellectual property education and awareness;

(d) Intellectual property issues concerning

(i) small and medium enterprises;

(ii) science, technology and innovation activities, and

(iii) the generation, transfer and diffusion of technology;

(e) Policies that involve the use of intellectual property for research, innovation and economic growth

(f) Implementation of multilateral intellectual property agreements, such as those concluded or administered under the auspices of WIPO, and

(g) Technical assistance to developing countries and bilaterally.

2. The Parties shall seek to cooperate in the implementation of actions adopted within the framework of the WIPO Development Agenda and with the achievement of the United Nations Sustainable Development Goals.

Article 10.11. Geographical Indications and Appellations of Origin

1. Each Party shall ensure in its legal system adequate and effective means to protect geographical indications and appellations of origin in respect of any product, ina manner consistent with the TRIPS Agreement.

2. Each Party shall provide the means for any person, including natural persons and legal entities, or governmental entities of the other Party, to seek protection for geographical indications or appellations of origin. Each Party shall accept applications without requiring the intercession of the other Party on behalf of its persons.

3. Where a geographical indication or designation of origin protected under this Agreement is homonymous with the geographical name of a geographical area outside the territory of the Parties, each Party may permit its use to describe and present a spirit drink or aromatised drink from the geographical area to which the latter refers, provided that it has been used traditionally and consistently, its use for that purpose is regulated by the country of origin and the spirit drink or aromatised drink is not presented to consumers in a misleading manner as originating in the Party concerned.

4. Uruguay and Chile shall protect the geographical indications and appellations of origin listed in Annex 10.11 from the date of entry into force of this Agreement, and the geographical indications and appellations of origin listed in Annex 10.11.4 from the time each case is agreed upon by the Commission, for use on goods originating in accordance with the legal system of the Parties.

5. For the purposes of the implementation and operation of this Chapter, the Parties shall establish a Committee on Geographical Indications and Names of Origin (hereinafter referred to as the "Committee"). The Committee shall be composed of government representatives competent in intellectual property matters (2).

6 For the purposes referred to in paragraph 5, the contact points of the Committee shall be as follows:

(a) In the case of Chile, the Directorate General of International Economic Relations of the Ministry of Foreign Affairs, or its successor, and

(b) In the case of Uruguay, the National Directorate of Industrial Property of the Ministry of Industry, Energy and Mining, or its successor.

7. The objectives of the Committee shall be:

(a) Improve the effective implementation of this Chapter;

(b) Consider the Geographical Indications and Appellations of Origin listed by Uruguay and Chile in Annex 10.11.7, as well as those to be submitted in the future, which will be analyzed and recommended for approval by the Commission in accordance with Article 17.2.2 (a) (i) (Functions of the Free Trade Commission) for incorporation into Annex 10.11.4, which, from the date the Parties agree, shall be part of the scope of protection of this Agreement. (3)

(c) Facilitate communication between the Parties, and

(d) Identify and develop projects of assistance and technical cooperation in intellectual property between the Parties

8. The Committee will establish its terms of reference at its first meeting and may revise them whenever necessary.

(2) In the case of Uruguay they will be: Ministry of Foreign Affairs, Ministry of Industry, Mining and Energy, Ministry of Livestock, Agriculture and Fisheries, and the agricultural institutions involved. For wines and spirits: INAVI - Instituto Nacional de Vitivinicultura.

(3) Consistent with Article 24.9 of the TRIPS Agreement, the Parties understand that nothing in this subparagraph requires a Party to protect geographical indications or appellations of origin that are not or cease to be protected in their country of origin, or that have fallen into disuse in that country.

Article 10.12. Understanding on Recognition or Protection of Geographical Indications and Appellations of Origin In International Agreements

1. If a Party protects or recognizes a geographical indication or appellation of origin pursuant to an international agreement, subsequent to the entry into force of this Agreement, that involves the other Party or a non-Party, and that geographical indication or appellation of origin is not protected through an administrative procedure for its protection or recognition that includes instances of opposition by interested third parties, that Party shall apply at least procedures to apply for the opposition of such geographical indications and designations of origin, as well as

(a) Make available sufficient information to enable the general public to obtain guidance on procedures for the protection or recognition of the geographical indication or appellation of origin and enable interested persons to check the status of applications for protection or recognition;

(b) Make available to the public, on the Internet, details regarding terms that the Party is considering protecting or recognizing through an international agreement involving the other Party or a non-Party, including specifying whether protection or recognition is being considered for any translation or transliteration of such terms, and with respect to multicomponent terms, specifying, if appropriate, the components with respect to which protection or recognition is being considered, or the components that have been denied;

(c) With respect to opposition procedures, provide a reasonable period of time for interested persons to oppose the protection or recognition of the terms referred to in subparagraph (b). Such period shall provide a meaningful opportunity for interested persons to participate in an objection procedure, and

(d) Inform the other party of the opportunity to object, before the beginning of the opposition period.

2. For purposes of this Article, the Parties shall not prevent the possibility that the protection or recognition of a geographical indication or appellation of origin may be terminated.

3. A Party shall not be obliged to apply this Article with respect to geographical indications or designations of origin for wines and spirits or to applications for such geographical indications or designations of origin.

4. The protection or recognition granted under paragraph 1 shall not begin before the date the agreement enters into force or, if that Party grants such protection or recognition at a date later than the entry into force of the agreement, at that later

date.

Chapter 11. LABOR

Article 11.1. Definitions

For the purposes of this Chapter:

ILO Declaration means the 1998 International Labour Organization (hereinafter referred to as "ILO") Declaration on Fundamental Principles and Rights at Work and its Follow-up;

labor law means the laws and regulations (1) of a Party, or provisions of the laws and regulations of a Party, that are directly related to the following internationally recognized labor rights:

(a) Freedom of association and the effective recognition of the right to collective bargaining;

(b) The elimination of all forms of forced or compulsory labour;

(c) The effective abolition of child labor, the prohibition of the worst forms of child labor, and other labor protections for children and minors

(d) The elimination of discrimination in respect of employment and occupation, and

(e) Acceptable working conditions regarding minimum wages, working hours, safety and health at work.

(1) In the case of Uruguay, law and regulation means a law, a decree of the Executive Power, an award of the Wages Council or a collective agreement.

Article 11.2. Objectives

The objectives of the Parties under this Chapter are

(a) Strengthen the broader relationship between the Parties and facilitate the improvement of their capacities to address labor issues through dialogue and cooperation;

(b) Progressively strengthen the welfare of their respective workforces, through the promotion of sound labor policies and practices based on decent work and a better understanding of each Party's labor system;

(c) Provide a forum to discuss and exchange views on labor issues of interest or concern to the Parties;

(d) Promote the observance, dissemination and effective implementation of the national legislation of the Parties;

(e) Develop information exchange and labor cooperation activities in terms of mutual benefit, and

(f) Promote the participation of social actors in the development of public agendas through social dialogue.

Article 11.3. Shared Commitments

1. The Parties reaffirm their obligations as Members of the ILO and their commitments under the ILO Declaration, with respect to labour rights within their territory.

2. Recognizing the right of each Party to establish its own labor laws and regulations and, consequently, to adopt or modify its labor laws, each Party shall endeavor to ensure that its labor laws and regulations are consistent with internationally recognized labor rights.

3. The Parties recognize that it is inappropriate to establish or use their laws, regulations, policies and labor practices for protectionist trade purposes.

Article 11.4. Labor Rights

1. Each Party shall respect the sovereign right of the other Party to set its own national policies and priorities and to establish, administer, and enforce its labor laws and regulations.

2. Each Party shall adopt and maintain laws and regulations, and practices deriving therefrom, governing the following rights as set forth in the ILO Declaration (2):

(a) Freedom of association and the effective recognition of the right to collective bargaining;

(b) The elimination of all forms of forced or compulsory labour;

(c) The effective abolition of child labour and, for the purposes of this Agreement, the prohibition of the worst forms of child labour; and

(d) The elimination of discrimination in respect of employment and occupation

3. Each Party shall adopt and maintain laws and regulations, and practices deriving therefrom, governing acceptable conditions of work with respect to minimum wages, working hours, and occupational safety and health.

(2) To establish a breach of an obligation under Article 11.4, a Party must demonstrate that the other Party has failed to adopt or maintain a law, regulation, or practice in a manner that affects trade or investment between the Parties.

Article 11.5. Non-Derogation

1. The Parties recognize that it is inappropriate to promote trade or investment by weakening or reducing the protection afforded by each Party's labor laws or by refraining from monitoring its labor laws.

2. Accordingly, no Party shall waive or repeal, or offer to waive or repeal, any labor law or regulation implementing Article 11.4 if the waiver or repeal of such law or regulation would be inconsistent with, or would weaken or reduce the regulation of, any of the rights set forth in Article 11.4.2 or any of the labor conditions referred to in Article 11.4.3 in a manner that affects trade or investment between the Parties.

Article 11.6. Enforcement of Labor Law

1. No Party shall fail to effectively enforce its labor laws, through a sustained or recurring course of action or inaction, in a manner that affects trade or investment between the Parties after the date of entry into force of this Agreement.

2. If a Party fails to comply with an obligation under this Chapter, it may not be excused on grounds relating to the allocation of resources for the enforcement of its labor laws. Each Party retains the right to exercise reasonable discretion in enforcement and to make good faith decisions on the allocation of resources for labor enforcement activities relating to the core labor rights and acceptable conditions of work listed in Article 11.4, provided that the exercise of such discretion and decisions is not inconsistent with its obligations under this Chapter.

3. Nothing in this Chapter shall be construed to empower the authorities of a Party to conduct labor law enforcement activities in the territory of the other Party.

Article 11.7. Forced or Compulsory Labor

1. Each Party recognizes the objective of eliminating all forms of forced or compulsory labour, including forced or compulsory child labour.

2. Accordingly, the Parties agree to identify opportunities for cooperation to exchange information, experiences and good practices in this area.

Article 11.8. Corporate Social Responsibility

Each Party shall encourage companies operating in its territory to voluntarily adopt corporate social responsibility initiatives on labor issues that have been approved or are supported by that Party.

Article 11.9. Cooperation

1. The Parties recognize the importance of cooperation as a mechanism to effectively implement this Chapter, increase opportunities to improve labor laws and regulations, and further advance common commitments on labor issues and decent work, including the welfare and quality of life of workers and the principles and rights set forth in the ILO

Declaration.

2. In carrying out cooperative activities, the Parties shall be guided by the following principles:

(a) Consideration of each Party's priorities and available resources;

(b) Wide participation of the Parties, and for their mutual benefit;

(c) Relevance of capacity and skills development activities, including technical assistance between the Parties to address labor protection issues and activities to promote innovative workplace practices;

(d) Generation of measurable, positive and significant labor results;

(e) Resource efficiency, including through the use of technology, as appropriate, to optimize resources used in cooperative activities;

(f) Complementarity with existing regional and multilateral initiatives to address labor issues; and

(g) Transparency and public participation.

3. Each Party shall solicit the views and, as appropriate, the participation of persons or organizations of that Party, including workers' and employers' representatives, in the identification of potential areas for cooperation and the conduct of cooperative activities. Subject to the agreement of the Parties, cooperative activities may involve relevant regional or international organizations, such as the ILO, as well as non-Parties.

4. The financing of cooperation activities carried out under this Chapter shall be decided by the Parties on a case-by-case basis.

5. In addition to the cooperative activities identified in this Article, the Parties shall, as appropriate, join and use their respective memberships in regional and multilateral forums to promote their common interests in addressing labor issues.

6. Areas of cooperation may include, but are not limited to, the following: labor policies; good practices of labor systems; the development and administration of human capital for better employability; business excellence; greater productivity for the benefit of workers and employers; the promotion of awareness of, and respect for, the principles and rights established in the ILO Declaration and the concept of Decent Work as defined by the ILO; United Nations Guiding Principles on Human Rights and Business; occupational safety and health; the promotion of equal rights, treatment and opportunities on the basis of gender; the elimination of discrimination and the protection of vulnerable workers, including migrant workers, low-wage workers, casual and temporary workers; social dialogue, including consultation and tripartite collaboration; and such other areas as the Parties may decide.

7. The Parties may carry out activities in the areas of cooperation established in paragraph 6, through

(a) Workshops, seminars, dialogues and other forums to exchange knowledge, experiences and best practices, including online forums and other knowledge-sharing platforms

(b) Study tours, visits and research studies to document and study policy and practice;

(c) Collaborative research and development related to best practices in matters of mutual interest;

(d) Specific exchanges of technical expertise and technical assistance, where appropriate, and

(e) Other forms that the Parties may decide.

Article 11.10. Public Awareness and Procedural Safeguards

1. Each Party shall promote public awareness of its labor laws, including by ensuring that information related to those laws and the procedures for their implementation and enforcement are publicly available.

2. Each Party shall ensure, as provided in its legal system, that persons with a recognized interest in a particular matter have appropriate access to impartial and independent tribunals for the enforcement of that Party's labor law.

3. Each Party shall ensure that court procedures for the enforcement of its labor laws are fair, equitable, and transparent; comply with due process of law; and do not entail unreasonable costs or delays, in accordance with each Party's legal system. Any hearing in these proceedings shall be open to the public, except where the administration of justice requires otherwise, in accordance with each Party's legal system.

4. Each Party shall provide that parties to these proceedings have the right to seek recourse and to request review or appeal, as appropriate under its legal system.

5. Each Party shall provide procedures to effectively enforce the final decisions of its courts in these proceedings, in accordance with its legal system.

6. For greater certainty, in the event that a court decision is inconsistent with a Party's obligations under this Chapter, nothing in this Chapter shall be construed to require a Party's court to reopen a decision that has been made on a particular matter.

Article 11.11. Public Communications

1. Each Party, through its designated contact point under Article 11.3, shall provide that written communications from a person or organization of that Party on matters relating to this Chapter shall be received and considered in accordance with its legal system. Accordingly, each Party shall make the relevant procedures readily accessible and publicly available, including deadlines for the receipt and consideration of written communications

2. A Party may provide in its procedures that, in order to be admitted for consideration of a communication, it shall, at a minimum, do so:

(a) Raise an issue directly relevant to this Chapter;

(b) Clearly identify the person or organization presenting the communication, and

(c) Explain, to the greatest extent possible, how and to what extent the issue raised affects trade or investment between the Parties.

3. Each Party shall: (a) Consider the issues raised in the communication and provide a timely response to the person or organization of the Party that submitted the communication, including in writing, as appropriate

(b) Make the communication known to the other party, and

(c) Make the results of the consideration of the communication available to the other party and the public, according to the legal system of each party.

4. A Party may request, from the person or organization that submitted the communication, such additional information as may be necessary to examine the content of the communication.

Article 11.12. Public Participation

1. In carrying out its activities, including meetings, the Labor Committee, established in Article 11.13.4, may provide the means for the reception and consideration of the views of representatives of their labor and business organizations; as well as persons with a legitimate interest in matters related to this Chapter.

2. Each Party shall establish or maintain, and consult with, a national labor advisory or consultative body, or similar mechanism, for persons or organizations of that Party, including representatives of their labor and business organizations, to provide views on matters relating to this Chapter.

Article 11.13. Institutional Provisions

1. In order to facilitate communication between the Parties for purposes of this Chapter, each Party shall designate a contact point within its Ministry of Labor or equivalent entity within 6 months of the date of entry into force of this Agreement. Each Party shall notify the other as soon as possible of any changes in the contact point.

2. The Parties may exchange information by any means of communication, including the Internet and videoconferencing.

3. The points of contact should:

(a) Facilitate frequent communication and coordination between the Parties;

(b) Attend the Labor Committee established in paragraph 4;

(c) To inform the Commission regarding the implementation of this Chapter, if necessary;

(d) Act as a channel of communication with the public in their respective territories, and

(e) Work together, including with other appropriate agencies of their governments, to develop and implement cooperative activities.

4. The Parties hereby establish the Labor Committee (hereinafter referred to as the "Committee"), which may meet to discuss matters of mutual interest, including potential areas of cooperation, review the implementation of this Chapter, and to address any issues that may arise between them. The Committee shall be composed of high-level government representatives, or their designees, responsible for labor and trade issues.

Article 11.14. Labor Consultations

1. The Parties shall at all times seek to agree on the interpretation and application of the provisions of this Chapter, and shall make every effort through dialogue, consultation, exchange of information, and, where appropriate, cooperation, based on the principle of mutual respect to resolve any matter arising under this Chapter.

2. A Party may, at any time, request labor consultations with the other Party regarding any matter arising under this Chapter by delivering a written request to the other Party's point of contact. The requesting Party shall include specific and sufficient information to enable the other Party to respond, including identification of the issue in question and an indication of the legal basis under this Chapter.

3. The requested Party shall acknowledge receipt of the request, in writing, within seven days of the date of receipt, unless otherwise agreed with the requesting Party.

4. The Parties shall initiate labor consultations, in good faith, within 60 days from the date of receipt of the request by the requested Party.

5. Labor consultations may be held in person or by any other technological means available to the Parties. If labor consultations are held in person, they shall be held in the capital of the requested Party, unless the Parties agree otherwise.

6. The Parties shall make every effort to reach a mutually satisfactory resolution of the matter through labor consultations under this Article, taking into account opportunities for cooperation related to the matter as possible. The Parties may seek the advice of an independent expert or experts, chosen by the Parties to assist them. The Parties may have recourse to procedures such as good offices, conciliation, or mediation.

7. In labor consultations under this Article, a Party may request the other Party to involve personnel from its government agencies or other regulatory bodies with specialized knowledge of the subject matter of the labor consultations.

8. If the Parties are unable to resolve the matter within 90 days after the start of the consultations, either Party may request that the Committee meet to consider the matter by delivering a written request to the other Party through their point of contact. The Party making such a request shall inform the other Party through its point of contact. The Committee shall meet within 30 days of the date of receipt of the request, unless the Parties agree otherwise, and shall seek to resolve the matter, including, if appropriate, through consultation with independent experts and through such procedures as good offices, conciliation, and mediation.

9. If, upon convening the Committee, the Parties have not been able to resolve the matter within 90 days after the expiration of the period referred to in paragraph 8, the requesting Party may refer the matter to the competent Ministers of the requesting Party, who shall seek to resolve the matter.

10. The Parties shall, upon resolution of the matter, document the result obtained; including, if appropriate, the specific steps and deadlines agreed upon. The Parties shall make the outcome publicly available, unless they agree otherwise.

11. The labor consultations will be confidential and will produce a report agreed upon by the Parties, which will implement the conclusions and recommendations of the report as soon as practicable.

Article 11.15. Non-application of Dispute Resolution

No Party may have recourse to the dispute settlement mechanism under Chapter 18 (Dispute Settlement) of this Agreement with respect to any matter arising under this Chapter.

Chapter 12. ENVIRONMENT

Article 12.1. Definitions

For the purposes of this Chapter:

1. **Environmental legislation** is understood as any law or regulation of one of the Parties, or provisions thereof, whose main purpose is the protection of the environment or the prevention of any danger to human life or health, through

(a) The prevention, reduction or control of a leak, discharge or emission of environmental pollutants;

(b) The control of chemical substances or products, other substances, materials or wastes that are toxic or dangerous to the environment, and the dissemination of information relating thereto; or

(c) The protection or conservation of wild flora and fauna, including endangered species, their habitat and natural areas under special protection, in the territory of the Party

2. Environmental legislation as defined in paragraph 1 does not include laws or regulations or provisions thereof, which are directly related to occupational health or safety.

3. For greater certainty, the definition of environmental legislation also does not include laws or regulations, or provisions thereof, whose primary purpose is the management of the commercial collection or exploitation of natural resources, or the collection or extraction of natural resources for subsistence purposes or that is carried out by indigenous peoples.

4. For the purposes of the definition of environmental legislation, the main purpose of a given legal or regulatory provision shall be determined by reference to its main purpose and not by reference to the law or regulation of which it is a part.

5. It is understood by law or regulation:

(a) In the case of Chile, it means an act of the National Congress or a decree of the President of the Republic, promulgated as indicated by the Political Constitution of the Republic of Chile, and

(b) In the case of Uruguay, it means a national law of the General Assembly of the Legislative Power or a Decree of the Executive Power.

Article 12.2. Objectives

The objectives of this Chapter are:

(a) Promote mutually supportive trade and environmental policies

(b) Promote high levels of environmental protection compatible with the objective of sustainable and equitable development;

(c) Effective enforcement of environmental legislation;

(d) Building the capacity of Parties to address trade-related environmental issues, including through cooperation; and

(e) To promote the establishment of non-discriminatory measures and the elimination of distortions to or disguised restrictions on trade or investment between the Parties.

Article 12.3. General Commitments

1. The Parties recognize the sovereign right of each Party to establish its own levels of domestic environmental protection and its own environmental priorities, and to establish, adopt, or modify its environmental laws and policies accordingly.

2. Each Party shall seek to ensure that its environmental laws and policies provide for and encourage high levels of environmental protection and continue to improve their respective levels of environmental protection.

3. No Party shall fail to effectively enforce its environmental laws through a sustained or recurring course of action or inaction in a manner that affects trade or investment between the Parties after the date of entry into force of this Agreement.

4. The Parties recognize that each retains the right to exercise discretion with respect to investigative, court, regulatory, and enforcement matters, and to make decisions regarding the allocation of resources for oversight of other environmental matters that have been assigned a higher priority. Accordingly, the Parties understand that a Party is in compliance with paragraph 3 where a course of action or inaction reflects a reasonable exercise of such discretion or results from a good faith decision to allocate resources in accordance with its environmental enforcement priorities.

5. The Parties recognize that it is inappropriate to promote trade or investment by weakening or reducing the protection afforded by their environmental laws. Accordingly, neither Party shall waive, repeal, or offer to waive or abrogate its environmental law ina manner that weakens or reduces the protection afforded by that law for the purpose of encouraging trade or investment between the Parties.

6. The Parties shall ensure that their environmental laws and policies are not established or applied for protectionist trade purposes.

7. Nothing in this Chapter shall be construed to empower the authorities of a Party to conduct environmental enforcement activities in the territory of the other Party.

Article 12.4. Multilateral Environmental Agreements

The Parties recognize that the multilateral environmental agreements to which they are party play an important role, at the global and national levels, in protecting the environment and that their respective implementation is critical to achieving the environmental objectives of those agreements. Accordingly, each Party affirms its commitment to implement the multilateral environmental agreements to which it is a party.

Article 12.5. Procedural Issues

1. Each Party shall promote public awareness of environmental laws and policies, including enforcement and compliance procedures, by ensuring that relevant information is available to the public.

2. Each Party shall ensure that an interested person residing or established in its territory may request that the Party's competent authorities investigate alleged violations of its environmental law, and that the competent authorities give due consideration to such requests, in accordance with the Party's legal system.

3. Each Party shall ensure that judicial or administrative proceedings for the enforcement of its environmental laws are available in accordance with its legal system and that such proceedings are fair, equitable, transparent, and comply with due process. Any hearing in such proceedings shall be open to the public, except where the administration of justice requires otherwise in accordance with its legal system.

4. Each Party shall ensure that persons with a recognized interest in a particular matter under its legal system have appropriate access to the procedures referred to in paragraph 3.

5. Each Party shall provide appropriate sanctions and remedies for violations of its environmental laws. Such sanctions or remedies may include the right to bring an action directly against the violator to seek redress for damages or injunctive relief, or the right to seek government action.

6. Each Party shall ensure that due consideration is given to relevant factors in establishing the sanctions or remedies referred to in paragraph 5. These factors may include the nature and severity of the violation, the damage to environment and any economic benefit that the violator derived from the violation.

Article 12.6. Corporate Social Responsibility

Each Party shall encourage companies, operating within its territory or jurisdiction, to voluntarily incorporate into their internal policies sound principles of corporate social responsibility that are related to the environment, consistent with internationally recognized guidelines and directives that have been endorsed or are supported by that Party.

Article 12.7. Opportunities for Public Participation

1. Each Party shall seek to address requests for information regarding the implementation of this Chapter.

2. Each Party shall make its best efforts to respond favorably to requests for consultations made by persons or organizations in its territory in connection with the implementation of this Chapter.

3. Each Party shall make use of existing consultative mechanisms or establish new mechanisms, such as national advisory committees, to seek views on matters relating to the implementation of this Chapter. These mechanisms may include persons with relevant expertise, as appropriate, including expertise in business, conservation and natural resource management, or other environmental matters.

Article 12.8. Public Communications

1. Each Party shall receive and consider written communications from interested persons of that Party regarding the implementation of this Chapter. Each Party shall respond to such communications in a timely manner in writing and in accordance with its domestic procedures, and shall make available to the public the results of the consideration of the communication, in accordance with its legal system.

2. Each Party shall make publicly available, in an accessible manner, its procedures for the receipt and consideration of written communications, for example, through publication on an appropriate public website.

3. The Parties may provide in such procedures, as a condition of admissibility, that the communication

(a) Clearly identify the person presenting it;

(b) Provide enough information to allow for a review of it, including any documentary evidence on which it may be based;

(c) Explain how, and to what extent, the issue raised affects trade or investment between the Parties, and

(d) Indicate whether the matter has been previously communicated in writing to the Party's relevant authorities and the Party's response, if any.

4. Each Party shall notify the other Party of the contact point responsible for receiving and responding to communications, within 180 days of the date of entry into force of this Agreement.

5. If a communication claims that a Party is not effectively implementing its environmental law, following the written response to that Party's communication, either Party may request that the Environment Committee established under Article 12.10.4 discuss that communication and the written response, with a view to better understanding the issue raised in the communication and, as appropriate, consider whether the issue could benefit from cooperative activities.

6. If a communication raises questions that are the subject of judicial or administrative proceedings at the time of its receipt, the Party shall respond by referring exclusively to the judicial or administrative proceeding in progress, providing the information identifying the proceeding.

Article 12.9. Voluntary Mechanisms for Improving Environmental Performance

1. The Parties recognize that flexible and voluntary mechanisms, such as voluntary audits and reporting, market-based incentives, voluntary exchange of information and expertise, and public-private partnerships, can contribute to the achievement and maintenance of high levels of environmental protection and complement domestic regulatory measures. The Parties also recognize that such mechanisms should be designed to maximize environmental benefits and avoid creating unnecessary barriers to trade.

2. Under paragraph 1, if private sector entities or non-governmental organizations develop voluntary mechanisms for the promotion of products based on environmental qualities, each Party should encourage those entities and organizations to develop voluntary mechanisms that, inter alia

(a) Be truthful, do not mislead the consumer and take into account scientific and technical information;

(b) If applicable and available, they are based on relevant international standards, guidelines or recommendations, and best practices;

(c) Promote competition and innovation, and

(d) Do not treat a product less favourably on the basis of its origin.

Article 12.10. Institutional Provisions

1. In order to facilitate communication between the Parties for purposes of this Chapter, each Party shall designate a contact point within 180 days of the date of entry into force of this Agreement. Each Party shall notify the other Party, as soon as possible, of any changes to the contact point.

2. The Parties may exchange information by any means of communication, including the Internet and videoconferencing.

3. The contact points shall report to the Commission on the implementation of this Chapter, if necessary. 4 The Parties hereby establish the Environment Committee, which may meet to discuss matters of mutual interest, including potential areas of cooperation, to propose aspects of the implementation of this Chapter, and to address any issues that may arise

between the Parties. The Environment Committee shall be composed of high-level government representatives, or their designees, responsible for environmental and trade matters.

Article 12.11. Environmental Cooperation

1. The Parties recognize the importance of cooperation as a mechanism to implement this Chapter, enhance its benefits, and strengthen the joint and individual capabilities of the Parties to protect the environment and promote sustainable development, while strengthening their trade and investment relations.

2. Where possible and appropriate, the Parties shall seek to complement and make use of their existing cooperation mechanisms and take into consideration the relevant work of regional and international organizations.

3. Cooperation may take place through various means, such as dialogues, workshops, seminars, conferences, collaborative programs and projects, technical assistance to promote and facilitate cooperation and training, exchange of best practices in policies and procedures, and exchange of experts.

4. Environmental cooperation will be carried out through the design and approval of special programs, which may include areas such as

(a) Sustainable development objectives;

(b) Access to information, participation and justice in environmental matters;

(c) Climate change;

(d) Biodiversity, conservation of natural resources and protected areas

(e) Management of chemical substances and waste;

(f) Air quality;

(g) Water management and quality;

(h) Conservation of marine and coastal edge biodiversity and pollution control

(i) Environmental evaluation and inspection;

(j) Environmental education;

(k) Renewable energy and energy efficiency, and rc) Other areas as agreed by the Parties.

5. Such cooperation will take into account the environmental priorities and needs of each Party, as well as the resources available. The financing of cooperation activities will be decided by the Parties on a case-by-case basis.

6. The Parties shall make available to the public the information regarding the projects and activities they carry out in accordance with this Chapter.

Article 12.12. Environmental Consultations

1. The Parties shall at all times seek to agree on the interpretation and application of the provisions of this Chapter, and shall make every effort through dialogue, consultation, exchange of information, and, where appropriate, cooperation, to address any matter that could affect the operation of this Chapter.

2. A Party may request consultations with the other Party regarding any matter arising under this Chapter by delivering a written request to the other Party's contact point.

3. The Parties shall promptly begin consultations upon delivery of the request referred to in paragraph 2. The requesting Party shall provide specific and sufficient information in its request for the other Party to respond, including identification of the matter at issue and an indication of the legal basis for the request.

4 Unless the Parties agree otherwise, they shall enter into consultations within 90 days of the date of receipt of the request referred to in paragraph 2.

5. The Parties shall make every effort to reach a mutually satisfactory resolution of the matter, which may include appropriate cooperative activities. The Parties may seek advice or assistance from any person or body they deem

appropriate in order to fully examine the matter at hand.

6. If the Parties are unable to resolve the matter through consultation, either Party may request that the Environmental Committee established under Article 12.10.4 be convened to consider the matter, by delivering a written request to the other Party.

7. The Environmental Committee shall be convened promptly and shall seek to resolve the matter through consultation with governmental or external experts of the Parties, as appropriate, and through such procedures as good offices, conciliation or mediation.

8. The Environmental Committee may, where appropriate, provide information to the Commission regarding any consultations held on the matter.

9. If, upon convening the Environmental Committee, the Parties are unable to resolve the matter through direct environmental consultations, the consulting Party may refer the matter to the competent Ministers of the consulting Party, who shall seek to resolve the matter.

10. Consultations under this Article shall be confidential and may be conducted in person or by any available technological means, as agreed by the Parties. If consultations are held in person, they shall take place in the capital of the Party consulted, unless the Parties agree otherwise.

11. The Parties will produce a consensus report reflecting the outcome of the consultations held and commit to implement the conclusions and recommendations of the report as soon as possible.

Article 12.13. Non-application of Dispute Settlement

No Party may have recourse to the dispute settlement mechanism under Chapter 18 (Dispute Settlement) with respect to any matter arising under this Chapter.

Chapter 13. COOPERATION

Article 13.1. Objectives

1. The Parties agree to establish a framework for cooperative activities as a means of expanding and extending the benefits of this Agreement.

2. The Parties, recognizing the historical accumulation of bilateral technical cooperation, establish that this Chapter does not replace the existing technical cooperation mechanisms between them, but rather strengthens the global vision of the bilateral relationship, focusing on the particularities of this Agreement.

3. The Parties, in turn, recognize the important role of the business sector and academia in promoting and fostering mutual economic growth and development.

4. In consideration of the above, the Parties shall establish close cooperation aimed at, among other things

(a) Strengthen and expand existing bilateral cooperation relations;

(b) To encourage the creation of new opportunities for trade and investment, the promotion of competitiveness and innovation, with the participation of the State, the business sector and academia;

(c) To strengthen and expand cooperation, collaboration and mutual exchange in the cultural and educational fields, and

(d) To deepen and increase the level of cooperative activities between the Parties in areas of mutual interest.

Article 13.2. Scope

1. The Parties reaffirm the importance of all forms of cooperation, including, but not limited to, the areas listed in Article 13.3.2.

2. The areas of cooperation and the initiatives that are agreed to be carried out within the framework of this Agreement will be developed by the Parties in writing.

3. Cooperation between the Parties shall contribute to the fulfillment of the objectives of this Agreement, through the

identification and development of innovative cooperation programs aimed at adding value to their relations.

4. The cooperative activities will be agreed between the Parties and may include, among others, those listed in Article 13.4.

5. Cooperation between the Parties in this Chapter shall complement the cooperation and cooperative activities in other Chapters of this Agreement.

Article 13.3. Areas of Cooperation and Capacity Building

1. The Parties may carry out and strengthen areas of cooperation and capacity building to assist in

(a) The implementation of the provisions of this Agreement;

(b) The enhancement of each Party's ability to take advantage of the economic opportunities created by this Agreement; and

(c) The promotion and facilitation of trade and investment of the Parties

2. The areas of cooperation and capacity building under this Chapter shall include, but not be limited to

(a) Economic development;

(b) Innovation and research;

(c) Agriculture, the food industry and forestry

(d) Mining and industry;

(e) The energy;

(f) Small and medium enterprises;

(g) Tourism;

(h) Education and human capital development;

(i) Culture;

(j) Gender issues;

(k) Climate change;

(l) Health care, and

(m) The aspects of development.

Article 13.4. Cooperation Activities

In pursuit of the objectives set forth in Article 13.1, the Parties shall encourage and facilitate, as appropriate, the following cooperative activities, including, but not limited to

(a) The development of those within the framework of bilateral cooperation agreements or conventions;

(b) The facilitation of the exchange of experts, information, documentation and experiences

(c) The promotion of cooperation in regional and multilateral forums;

(d) The orientation of cooperation activities;

(e) The exchange of technical assistance, and

(f) The organization of dialogues, conferences, seminars and training programs.

Article 13.5. Cooperation Committee

1. The Parties hereby establish a Cooperation Committee (hereinafter referred to as "the Committee"), composed of representatives of each Party.

2. For the purposes of this Article, the Committee shall be coordinated:

(a) In the case of Chile, by the Directorate General of International Economic Relations, or its successor, and

(b) In the case of Uruguay, by the Ministry of Foreign Affairs through the General Directorate of International Cooperation, or its successor.

3. In order to facilitate communication and ensure the proper functioning of the Committee, the Parties shall designate a contact point no later than three (3) months after the date of entry into force of this Agreement.

4. The functions of the Committee shall be:

(a) Facilitate the exchange of information between the Parties in areas including, but not limited to, experiences and lessons learned through cooperation and capacity building activities carried out under the terms of this Agreement;

(b) Discuss and consider issues or proposals for future cooperation and capacity building activities;

(c) Initiate and carry out collaboration, as appropriate, to improve donor coordination and explore possible public-private partnerships in cooperation and capacity building activities;

(d) Coordinate with national cooperation agencies the invitation, as appropriate, of international donor institutions, private sector entities, non-governmental organizations, or other relevant institutions, to support the development and implementation of cooperation and capacity building activities;

(e) Establish in conjunction with national cooperation agencies ad hoc working groups, as appropriate, which may include both governmental and non-governmental representatives;

(f) Coordinate with other committees, and in coordination with national cooperation agencies, working groups, and any other subsidiary bodies established under this Agreement, as appropriate, in support of the development and implementation of cooperation and capacity building activities

(g) Review the implementation or operation of this Chapter, and

(h) Participate in other activities that the Parties may agree upon.

4. The Committee shall meet within one year from the date of entry into force of this Agreement, and thereafter as required.

5. The Committee shall take minutes of its meetings, including decisions and next steps, and, as appropriate, report to the Commission.

Article 13.6. Resources

The Parties shall provide, within the limits of their own capabilities and through their own means, adequate resources, subject to availability, for the fulfillment of the objectives of this Chapter.

Article 13.7. Non-application of Dispute Settlement

No Party may have recourse to the dispute settlement mechanism under Chapter 18 (Dispute Settlement) with respect to any matter arising under this Chapter.

Chapter 14. GENDER AND TRADE

Article 14.1. General Provisions

1. The Parties recognize the importance of gender mainstreaming in promoting inclusive economic growth, as well as the instrumental role that gender policies can play in achieving greater sustainable socio-economic development. Inclusive economic growth seeks to benefit the entire population through more equitable participation of men and women in business, industry, and the labor market.

2. The Parties recognize the importance of encouraging gender equality policies and practices, improving the capacities and developing the potential of the Parties in this area, including the non-governmental sector, to advance equal rights, treatment, and opportunities between men and women and the elimination of all forms of discrimination against women, based on sex, ethnicity, race, color, national or social origin, sexual orientation, gender identity, age, creed, political or other

opinion, economic status, or any other social, family, or personal condition.

3. The Parties recognize that international trade is an engine for development and that improving women's access to opportunities within their territories to participate in the national and international economy contributes to sustainable economic development.

4. Each Party reserves the right to establish, modify, and monitor compliance with its gender standards and policies in accordance with its priorities.

5. The Parties also reaffirm their commitment to effectively implement their regulations, policies and good practices related to gender equity and equality.

6. Each Party shall promote internally public awareness of its standards, policies, and practices relating to gender equity and equality.

Article 14.2. International Conventions

The Parties confirm their intention to continue their efforts to implement, from a rights perspective, their respective international commitments on gender. In particular, those priority agreements related to equal pay for men and women, maternity protection, reconciliation of work and family life, decent work for domestic workers, family responsibility, among others.

Article 14.3. Cooperation Activities

1. The Parties recognize the benefit of sharing their diverse experiences in designing, implementing, and strengthening programs to promote the participation of women in the national and international economy.

2. Accordingly, the Parties shall carry out cooperative activities aimed at enhancing the capacity of women, including workers, entrepreneurs and business people, to access and benefit fully from the opportunities created by this Agreement.

3. Cooperation shall be carried out on topics agreed by the Parties, through the interaction of government institutions, and business, labor, educational, research, and other civil society organizations in each Party, as appropriate, to identify potential areas of cooperation and develop activities of mutual interest.

4. Areas of cooperation may include, but are not limited to

(a) Programs aimed at promoting the development of women's skills and competencies in the labor, business and social fields;

(b) Improving women's access to technology, science and innovation

(c) Promoting financial inclusion and education;

(d) Development of women's leadership networks;

(e) Best labor practices for the incorporation and permanence of women in the labor market;

(f) Promoting the participation of women in decision-making positions in the public and private sectors;

(g) Promotion of female entrepreneurship;

(h) Health and safety at work;

(i) Care policies and programs with a gender and social co-responsibility perspective, and

(j) Statistical indicators, methods and procedures with a gender perspective.

5. The Parties may carry out activities in the areas of cooperation established in paragraph 4, through

(a) Workshops, seminars, dialogues and other forums for exchange knowledge, experiences and best practices;

(b) Internships, visits and research studies to document and study policy and practice;

(c) Collaborative research and development related to best practices in matters of mutual interest;

(d) Specific exchanges of technical expertise and technical assistance, where appropriate, and

(e) Other forms as agreed by the Parties.

6. This cooperation will take into account the priorities and needs of each Party, as well as the available resources. The financing of cooperation activities will be decided on a case-by-case basis by the Parties, which will exchange lists with their areas of interest and specialization.

Article 14.4. Gender Committee

1. The Parties hereby establish a Gender Committee (hereinafter referred to as the "Committee"), composed of representatives of their government institutions responsible for relevant gender and trade issues in each Party.

2. The Committee shall:

(a) Facilitate the exchange of information on the experiences of the Parties with respect to the formulation and implementation of national policies aimed at the integration of the gender perspective that will allow for the greatest possible benefits of this Agreement;

(b) Facilitate the exchange of information on the experiences and lessons learned by the Parties through cooperative activities carried out under Article 13.4 (Cooperative Activities)

(c) Discuss any proposals for future joint activities in support of gender and trade-related development policies;

(d) Invite, as appropriate, international donor institutions, private sector entities, non-governmental organizations, or other relevant institutions to assist in the development and implementation of cooperation activities;

(e) Consider issues related to the implementation and operation of this chapter;

(f) To address, at the request of any Party, any matter arising in connection with the interpretation and application of this Chapter; and

(g) Carry out other functions as agreed by the Parties.

3. The Committee shall meet within one year from the date of entry into force of this Agreement, and thereafter as necessary at the request of either Party.

4. The Committee and the Parties may exchange information and coordinate activities through the use of e-mail, video conferences, or other means of communication.

5. In carrying out its functions, the Committee may work with other committees, working groups and any other subsidiary bodies established under this Agreement.

6. Each Party may consult with representatives of its public sector and non-governmental sector on matters relating to the operation of this Agreement by any means that that Party deems appropriate.

7. The Parties may decide to invite relevant experts or organizations to provide information to the meetings of the Committee.

8. Within three years of the entry into force of this Agreement, the Parties shall review the implementation of this Chapter and report to the Commission.

9. Each Party, if appropriate, may develop mechanisms for reporting on activities carried out under this Chapter in accordance with its standards, policies, and practices.

10. In order to facilitate communication between the Parties for the implementation of this Chapter, each Party hereby designates its point of contact. Each Party shall promptly notify the other Party of any changes to its contact point, which is identified below:

(a) In the case of Chile, through the Directorate General of International Economic Relations, or its successor, and

(b) In the case of Uruguay, the Ministry of Foreign Affairs through the General Directorate for International Economic Affairs, or its successor.

Article 14.5. Consultations

The Parties shall make every effort through dialogue, consultation, and cooperation to resolve any issues that may arise

regarding the interpretation and application of this Chapter.

Article 14.6. Non-application of Dispute Resolution

No Party may have recourse to the dispute settlement mechanism under Chapter 18 (Dispute Settlement) with respect to any matter arising under this Chapter.

Chapter 15. REGULATORY COHERENCE

Article 15.1. Definitions

Regulatory coherence refers to the use of good regulatory practices in the process of planning, design, issuance, implementation and review of regulatory measures, in order to facilitate the achievement of national policy objectives and the efforts of governments to improve regulatory cooperation, to promote those objectives, and to promote international trade, investment, economic growth and employment.

Regulatory measure means a measure of general application adopted by regulatory authorities and with which compliance is mandatory.

Covered regulatory measure means the regulatory measure determined by each Party that is subject to this Chapter, in accordance with Article 15.3.

Article 15.2. General Provisions

The Parties confirm the importance of the following:

(a) Maintain and enhance the benefits of this Agreement through regulatory consistency, in terms of facilitating increased trade in goods and services and investment between the Parties;

(b) The sovereign right of each Party to identify its regulatory priorities and to establish and implement regulatory measures to address those priorities, at the levels the Parties deem appropriate;

(c) The role of regulation in achieving public policy objectives;

(d) To offer interested persons the opportunity to make contributions in the development of regulatory measures, taking them into account, as far as possible and according to the legal regime of each of the Parties;

(e) Encourage regulatory cooperation and capacity building between the Parties, and

(f) Develop regulatory cooperation and capacity building between the Parties.

Article 15.3. Scope of Regulatory Measures Covered

Each Party shall, no later than three years after the date of entry into force of this Agreement, determine and make publicly available the scope of its regulatory measures covered. In determining the scope of covered regulatory measures, each Party should seek to achieve meaningful coverage.

Article 15.4. Coordination and Review Processes or Mechanisms

1. The Parties recognize that regulatory consistency can be facilitated through national mechanisms that enhance inter-agency consultation and coordination associated with the regulatory development and review processes. Accordingly, each Party shall seck to ensure processes or mechanisms to facilitate domestic inter-agency coordination and review of proposed regulatory measures covered. Each Party should consider establishing and maintaining a national or central coordinating body for this purpose.

2. The Parties recognize that while the processes or mechanisms referred to in paragraph 1 may vary depending on the respective legal regimes of the Parties, they should generally have as their primary characteristic the ability to

(a) Review proposals for covered regulatory measures to determine the extent to which the development of these measures adheres to good regulatory practice, which may include, but is not limited to, those set out in Article 15.5, and make recommendations based on that review;

(b) Strengthen consultation and coordination among national authorities to identify possible overlaps, duplications, and prevent the creation of inconsistent requirements among agencies;

(c) Make recommendations for systemic regulatory improvements; and

(d) Report publicly on the revised regulatory measures, any proposed systemic regulatory improvements, and any updates on changes to the processes and mechanisms referred to in paragraph 1.

Article 15.5. Implementation of Major Good Regulatory Practices

1. To assist in the design of a measure that best achieves the Party's objective, each Party generally should encourage competent regulatory authorities, in accordance with its legal system, to conduct regulatory impact assessments when developing proposals for covered regulatory measures that exceed a threshold of economic or other regulatory impact, as the case may be, as established by the Party. The regulatory impact assessments can involve a range of procedures to determine potential impacts.

2. Recognizing the institutional differences between the Parties, both should encourage the conduct of regulatory impact assessments in order to achieve, inter alia, the following objectives:

(a) Assess the need for a regulatory proposal, including a description of the nature and importance of the problem;

(b) Examine viable alternatives, including, to the extent possible and in accordance with their legal system, their costs and benefits, such as the risks involved, as well as the distribution of impacts, recognizing that some of the costs and benefits are difficult to quantify and monetize

(c) If possible, explain the reasons for concluding that the selected alternative meets the policy objectives in an efficient manner, including, as appropriate, reference to costs and benefits, as well as possibilities for managing risks; and

(d) Based on the best available information that can reasonably be obtained, including relevant scientific, technical, economic, or other information, within the limits of the authorities, mandates, and resources of the respective regulatory authorities.

3. When conducting regulatory impact assessments, the Party may consider the potential impact of proposed regulation on SMEs.

4. Each Party should ensure that new regulatory measures covered are written simply and are clear, concise, well organized and easy to understand, recognizing that some measures address technical issues and that relevant expertise may be required to understand and apply them.

5. In accordance with its legal system, each Party should ensure that competent regulatory authorities provide public access to information on new regulatory measures covered, and where possible, make such information available on the Internet.

6. Each Party should review, at intervals it deems appropriate, its covered regulatory measures to determine whether there are specific measures it has implemented that should be modified, simplified, expanded, or repealed, in order to make its regulatory regime more effective in achieving that Party's policy objectives.

7. Each Party should, in a manner it considers appropriate and in accordance with its legal system, provide annual public notice of any regulatory action cover that it reasonably expects its regulatory authorities to issue during the following twelve months.

8. To the extent deemed appropriate and in accordance with its legal system, each Party should encourage its competent regulatory authorities to consider scientific, policy, or regulatory references at the international, regional, and other levels.

Article 15.6. Regulatory Coherence Committee

1. The Parties hereby establish a Committee on Regulatory Coherence (hereinafter referred to as the "Committee"), composed of representatives of the Governments of the Parties.

2. The Committee shall consider issues related to the implementation and operation of this Chapter. The Committee shall also consider identifying future priorities, including potential sectoral initiatives and cooperative activities, involving matters covered by this Chapter and matters related to regulatory consistency covered by other Chapters of this Agreement.

3. In identifying future priorities, the Committee shall take into account the activities of other Committees, working groups and any other subsidiary bodies established under this Agreement and coordinate with them in order to avoid duplication

of activities.

4. The Committee will ensure that its work on regulatory cooperation provides additional value to initiatives underway in other relevant forums and avoids undermining or duplicating such efforts.

5. Each Party shall, at the request of the other Party, designate and notify a point of contact to provide information regarding the implementation of this Chapter.

6. The Committee shall meet from the third year after the date of entry into force of this Agreement, and thereafter as required.

7. At least once every five years after the date of entry into force of this Agreement, the Committee shall consider developments in good regulatory practice and best practice in maintaining the processes or mechanisms referred to in Article 15.4.1, as well as the experiences of the Parties in implementing this Chapter, with a view to assessing the possibility of making recommendations to the Commission to improve the provisions of this Chapter, in order to further promote the benefits of this Agreement.

8. The Committee will establish appropriate mechanisms to provide opportunities for different stakeholders in the Parties, both public and private, to provide input on issues of interest for improving regulatory consistency.

Article 15.7. Cooperation

1. The Parties shall cooperate to facilitate the implementation of this Chapter and to maximize the benefits resulting from it in coordination with the Cooperation Committee established under Chapter 13 (Cooperation). Cooperative activities shall take into consideration the needs of each Party, and may include

(a) Information exchanges, dialogues or meetings;

(b) Inclusion of SMEs or business associations in the activities described in subparagraph (a);

(c) Training programs, seminars and other relevant assistance activities;

(d) Strengthening cooperation and other relevant activities among regulatory authorities, and

(e) Other activities that the Parties may agree upon.

2. The Parties further recognize that regulatory cooperation between them may be enhanced by, inter alia, ensuring that each Party's regulatory measures are available centrally.

Article 15.8. Notification of Implementation

1. With a view to providing greater transparency and serving as a basis for cooperative and capacity building activities under this Chapter, each Party shall submit a notification of implementation to the Committee through the contact points designated pursuant to Article 15.6.5, within three years of the date of entry into force of this Agreement, and at least once every four years thereafter.

2. In its initial notification, each Party shall describe the steps it has taken since the date of entry into force of this Agreement and the steps it intends to take to implement the provisions of this Chapter, including those directed at

(a) Establish processes or mechanisms to facilitate effective inter-agency coordination and review of proposed regulatory measures covered under Article 15.4;

(b) Encourage relevant regulatory authorities to conduct regulatory impact assessments in accordance with Articles 15.5.1 and 15.5.2, and

(c) Ensure that the regulatory measures covered are written and made available to the public in accordance with Article 15.5

3. In subsequent notifications, each Party shall describe the measures, including those set out in paragraph 2, that it has taken since the previous notification, and those that it plans to take to implement this Chapter.

4. In considering matters relating to the implementation and operation of this Chapter, the Committee may review the notifications made by each Party under paragraph 1. In the course of such review, the Parties may ask questions or discuss specific aspects of that Party's notification. The Committee may use its review and discussion of a notification as a basis for identifying opportunities for assistance and cooperative activities to provide support under Article 15.7 and Chapter 13

(Cooperation).

Article 15.9. Relationship to other Chapters

In the event of any conflict between this Chapter and another Chapter of this Agreement, the other Chapter shall prevail to the extent of the conflict.

Article 15.10. No Application of Dispute Settlement

No Party may have recourse to the dispute settlement mechanism under Chapter 18 (Dispute Settlement) with respect to any matter arising under this Chapter.

Chapter 16. TRANSPARENCY AND ANTI- CORRUPTION

Section A. Definitions

Article 16.1. Definitions

For the purposes of this Chapter:

Acting or refraining from acting in relation to the performance of official functions includes any use of the public official's position, whether or not it is within the official's authorized competence;

official of an international public organization means an international public servant or any person authorized by an international public organization to act on its behalf;

public official means:

(a) Any person who holds a legislative, executive, administrative or judicial position in one of the Parties, whether by appointment or election, permanent or temporary, paid or unpaid, regardless of seniority;

(b) Any other person who performs a public function in one of the Parties, including in a public body or company, or provides a public service as defined in accordance with the legal system of the Parties and as applied in the corresponding area of the legal system. legal entity of that Party, or

(c) Any other person defined as a public official under the legal system of one of the Parties.

Foreign public official means any person who holds a legislative, executive, administrative or judicial position in a foreign country, at any level of government, whether by appointment or election, whether permanent or temporary, whether paid or unpaid, regardless of seniority. ; and any person who exercises a public function for a foreign country, at any level of government, including for a public body or company, and

Administrative resolution of general application means an administrative ruling or interpretation that applies to all persons and fact situations that fall generally within the scope of that decision or administrative interpretation and that establishes a norm of conduct but does not include:

(a) A determination or resolution issued in an administrative proceeding that applies to a particular person, good or service of the other Party in a specific case, or

(b) A ruling that decides with respect to a particular act or practice.

Section B. Transparency

Article 16.2. Publication

1. Each Party shall ensure that its rules, procedures and administrative resolutions of general application of the central level of government (1) with respect to any matter covered by this Agreement are promptly published or made available to the public, in a manner that allows the interested persons and the other Party to know its content.

2. According to its legal system, each Party shall:

(a) Publish in advance any measure referred to in paragraph 1 that it proposes to adopt or modify, and

(b) Provide interested persons and the other Party a reasonable opportunity to comment on those proposed measures .

3. With respect to a draft regulation (2) of general application of the central level of government of one of the Parties with respect to any matter covered by this Agreement that is likely to affect trade between the Parties and that is published in accordance with paragraph 2 (a), each Party, to the extent possible, shall endeavor:

(a) Publish the draft regulation on an official website, preferably online and consolidated in a single portal, with enough anticipation for an interested person to evaluate the draft regulation and formulate and submit comments;

(b) To the extent possible, include in the publication pursuant to subparagraph (a) an explanation of the purpose of, and the motivation for, the draft regulation, and

(c) Consider the comments received during the comment period, and are encouraged to explain any significant modifications made to the draft regulation, preferably on a website or in an official online journal.

4. Each Party shall, with respect to a regulation of general application adopted by its government on any matter covered by this Agreement that is published in accordance with paragraph 1, promptly publish the regulation on an official website or in an official newspaper with national circulation.

(1) For greater certainty, for the purposes of this Section, "central level of government" means the Executive Branch, the Legislative Branch, and the Judicial Branch.

(2) A Party may, in a manner compatible with its legal system, comply with the provisions of this Article relating to a draft regulation by publishing a policy proposal, a discussion document, a summary of the regulation, or another document that contains Sufficient detail to adequately inform interested persons and the other Party as to whether, and how, their commercial interests could be affected.

Article 16.3. Administrative Procedures

In order to administer in a uniform, impartial and reasonable manner all measures of general application of the central level of government with respect to any matter covered by this Agreement, each Party shall ensure that, in its administrative procedures in which they are applied the measures referred to in Article 16.2.1 to a particular person, good or service of the other Party, in specific cases:

(a) When possible, a person of the other Party who is directly affected by a procedure receives reasonable notice, in accordance with its legal system, of when a procedure is initiated, which includes a description of the nature of the procedure, a statement of the legal basis under which the procedure is initiated and a general description of any matter in question;

(b) A person of the other Party who is directly affected by a proceeding is afforded a reasonable opportunity to present facts and arguments in support of that Party's position before any final administrative action is taken, when permitted. the time, the nature of the proceeding and the public interest, and

(c) The procedures are in accordance with your legal system.

Article 16.4. Review of Administrative Acts

1. In accordance with its legal system, each Party shall establish or maintain courts or procedures, judicial, jurisdictional, or administrative, for the purpose of reviewing and, if warranted, correcting or nullifying an administrative act with respect to any matter covered by the this Agreement. The courts will be impartial and independent from the office or authority in charge of administrative compliance with the act and will not have any substantial interest in the outcome of the matter .

2. Each Party shall ensure that, with respect to the tribunals or procedures referred to in paragraph 1, the Parties to a proceeding have the right to:

(a) A reasonable opportunity to support or defend their respective positions, and

(b) A decision based on the evidence and presentations in the file or, in the cases that its legal system so requires, in the file compiled by the pertinent authority .

Article 16.5. Provision of Information

1. If one of the Parties considers that any proposed or current measure may materially affect the operation of this Agreement or in a different way substantially affect the interests of the other Party under this Agreement, it shall inform the other Party of such measure, provided as possible and in accordance with your legal system.

2. A Party at the request of the other, and in accordance with its legal system, will answer questions related to any measure in progress or in force that the requesting Party considers could substantially affect the operation of this Agreement, regardless of whether the requesting Party has or has not been previously informed of this measure.

3. A Party may transmit any request or provide information under this Article to the other Party through its contact points.

4. Any information provided pursuant to this Article shall be without prejudice to the fact that the measure in question is compatible with this Agreement.

Section C. Anti-corruption

Article 16.6. Scope of Application

1. The Parties affirm their determination to eliminate bribery and corruption in international trade and recognize the need to develop integrity within the public and private sectors and that each sector has complementary responsibilities in this regard.

2.The scope of this Section is limited to measures to eliminate bribery and corruption with respect to any matter covered by this Agreement.

3. The Parties recognize that the criminalization of conduct carried out in accordance with this Section, and that the legal defenses or legal principles applicable to such conduct, are reserved to the legal system of each Party. Likewise, the Parties recognize that those conducts will be prosecuted and punished as crimes in accordance with the legal system of each Party.

Article 16.7. Measures to Combat Corruption

1. Each Party shall adopt or maintain the legislative measures and other measures that are necessary to classify as crimes in its legal system, in matters that affect international trade, when the following conducts are intentionally committed by any person subject to its jurisdiction :

(a) The promise, offer or grant to a public official, directly or indirectly, an undue advantage for the official or another person or entity, in order for the official to act or refrain from acting in relation to the performance or exercise of their official functions;

(b) The request or acceptance by a public official, directly or indirectly, of an undue advantage for the official or another person or entity, in order for the official to act or refrain from acting in relation to the performance or exercise of their duties. official functions ;

(c) The promise, offer or concession to a foreign public official or an official of an international public organization, directly or indirectly, of an undue advantage for the official or another person or entity, in order for the official to act or refrains from acting in relation to the performance or exercise of their official functions, in order to obtain or maintain a business or other undue advantage in relation to the conduct of international business, and

(d) The help, complicity or instigation to carry out any of the behaviors described in subparagraphs (a) (b) and (c).

2. Each Party shall criminalize the conduct of the conduct described in paragraph 1 with sanctions that consider the gravity of such conduct.

3. Neither Party will allow a person subject to its jurisdiction to deduct from taxes the expenses incurred in connection with the performance of any of the conducts described in paragraph 1.

4. In order to prevent corruption, each Party shall adopt or maintain measures that are necessary, in accordance with its legal system, in relation to the maintenance of books and accounting records, disclosure of financial statements, and accounting and auditing standards. , to prohibit the following acts carried out with the purpose of carrying out any of the behaviors described in paragraph 1:

(a) (a) The establishment of accounts not registered in accounting books ;

(b) (b) Carrying out operations not registered in accounting books or wrongly consigned;

(c) (c) The record of nonexistent expenses ;

(d) (d) The entry of expenses in the accounting books with the incorrect identification of its object;

(e) (e) The use of false documents, and

(f) (f) The deliberate destruction of accounting documents before the term established in the legal system.

5.Each Party shall consider adopting or maintaining measures to protect, against any unjustified treatment, any person who, in good faith and for reasonable reasons, informs the competent authorities of any fact related to the conduct described in paragraph 1.

Article 16.8. Promotion of the Integrity of Public Officials

1.To combat corruption in matters affecting trade, each Party should promote, among other things, integrity, honesty and responsibility among its public officials. To this end, each Party shall endeavor, in accordance with the fundamental principles of its legal system, to adopt or maintain:

(a) Measures that establish adequate procedures for the selection and training of individuals to hold public positions thatare considered particularly vulnerable to corruption.

(b) Measures to promote transparency in the conduct of public officials in the exercise of their public functions ;

(c) Appropriate policies and procedures to identify and manage current or potential conflicts of interest of public officials ;

(d) Measures that require high-level public officials and other relevant public officials to make declarations to the competent authorities about, among other things, their outside activities, employment, investments, assets, and gifts or substantial benefits from which a conflict of interest in relation to their functions as public officials, and

(e) Measures to facilitate that public officials inform the competent authorities about acts of corruption that they are aware of in the exercise of their functions.

2. Each Party shall endeavor to adopt or maintain codes or standards of conduct for the correct, honorable and due performance of public functions, and disciplinary measures or other measures, if necessary, against public officials who violate the codes or standards established in accordance with the this paragraph.

3. Each Party, to the extent that it is compatible with the fundamental principles of its legal system, shall consider establishing procedures by which a public official accused of engaging in any of the conducts described in Article 16.7.1 may, as appropriate, be removed, suspended or reassigned by the competent authority, considering respect for the principle of presumption of innocence.

4. Each Party shall, in accordance with the fundamental principles of its legal system and without prejudice to judicial independence, adopt or maintain measures to strengthen integrity and prevent opportunities for corruption among members of the Poder Judicial on the issues that affect the international trade .

These measures may include rules regarding the conduct of members of the Judiciary.

Article 16.9. Application and Enforcement of Anti-corruption Laws

1. As of the entry into force of this Agreement and as an incentive for trade, the Parties will not cease to effectively apply their laws or other measures adopted or maintained to comply with Article 16.7.1, in accordance with the fundamental principles of its legal system, through the sustained or recurring course of action or inaction.

2. In accordance with the fundamental principles of its legal system, each Party retains the right for its authorities in charge of the application of the law, the public prosecutor's office and judicial authorities to exercise discretion with respect to the application of its anti- corruption laws. Each Party retains the right to make good faith decisions regarding the allocation of its resources.

3. The Parties affirm their commitments in accordance with applicable international agreements or conventions to cooperate among them, compatible with their respective legal system, to improve the effectiveness of law enforcement actions to combat the behaviors described in Article 16.7.1.

Article 16.10. Participation of the Private Sector and Society

1. Each Party shall adopt the appropriate measures, within its means and in accordance with the fundamental principles of its legal system, to promote the active participation of individuals and groups outside the public sector, such as companies, civil society, non-governmental organizations and community organizations, in the prevention and fight against corruption in matters that affect international trade, and to increase public awareness about the existence, causes and severity and the threat posed by corruption. To this end, a Party may:

(a) Carry out public information activities and public education programs that contribute to the non-tolerance of corruption;

(b) Adopt or maintain measures to promote professional associations and other non-governmental organizations, if appropriate, in their efforts to promote and assist companies, particularly SMEs, in the development of internal controls, ethics and compliance programs. o measures to prevent and detect bribery and corruption in international trade ;

(c) Adopt or maintain measures to encourage the management of the companies to make statements in their annual reports, or in a different way to publicly disclose their internal controls, ethics and compliance programs or measures, including those that contribute to prevent and detect bribery and corruption in international trade, and

(d) Adopt or maintain measures that respect, promote and protect the freedom to seek, receive, publish and disseminate information concerning corruption.

2. Each Party shall endeavor to encourage private companies, taking into account their structure and size, to:

(a) Develop and adopt sufficient internal audit controls to assist in the prevention and detection of acts of corruption in matters that affect international trade, and

(b) Ensure that its accounting and required financial statements are subject to appropriate auditing and certification procedures.

3. Each Party shall adopt appropriate measures to ensure that its relevant anti-corruption bodies are known to the public and shall provide access to those bodies, if appropriate, for the reporting, even anonymously, of any incident that may be considered to constitute one of the conducts. described in Article 16.7.1.

Article 16.11. Dispute Settlement

1. Chapter 18 (Dispute Settlement) shall apply to this Section, in the terms modified by this Article.

2. A Party may only resort to the procedures established in this Article and in Chapter 18 (Dispute Settlement) if it considers that a measure of the other Party is incompatible with an obligation under this Section, or that the other Party has otherwise breached an obligation under this Section, in a way that affects trade between the Parties.

3. A Party may not have recourse to the dispute settlement mechanism under this Article or Chapter 18 (Dispute Settlement) in relation to any matter that arises under Article 16.9.

4. The consulting Parties shall involve the officials of their relevant anti-corruption authorities in the consultations.

5. The consulting Parties will make every effort to find a mutually satisfactory solution to the matter, which may include appropriate cooperative activities or a work plan .

Section D. Final Provisions

Article 16.12. Relationship with other International Agreements

Nothing in this Agreement shall affect the rights and obligations of the Parties pursuant to the United Nations Convention Against Transnational Organized Crime, of November 15, 2000, or the Inter-American Convention Against Corruption, of March 29, nineteen ninety-six.

Article 16.13. Relationship with other Chapters of this Agreement

The provisions of other Chapters of this Agreement that deal with matters regulated in this Chapter shall prevail over the provisions of this Chapter.

Article 16.14. Relationship with the Legal System of the Parties

Nothing in this Section shall be construed to require a Party to provide or allow access to information the disclosure of which would impede law enforcement or would otherwise be contrary to the public interest or harm legitimate business interests of private companies, public or private.

Chapter 17. ADMINISTRATION OF THE AGREEMENT

Article 17.1. Free Trade Commission

1. The Parties establish the Free Trade Commission, which will be made up of the high- level government officials of each Party referred to in Annex 17.1.1, or by whom they designate, and will be chaired successively by each Party.

2. The Commission shall establish, at its first meeting, its rules and procedures, and shall adopt its decisions and recommendations by consensus.

3. Ordinary meetings of the Commission will take place once a year, unless the Parties agree otherwise. Either Party may request that an extraordinary meeting be convened. The meetings of the Committee may be held in person or through any technological means.

4. The Commission shall hold its first ordinary meeting within the first year of validity of this Agreement.

Article 17.2. Functions of the Commission

1. The Commission shall:

(a) Ensure compliance and correct application of the provisions of this Agreement;

(b) Evaluate the results achieved in the application of this Agreement;

(c) Contribute to the settlement of disputes in accordance with Chapter 18 (Dispute Settlement);

(d) Supervise the work of all the Committees, established in this Agreement, as well as the committees and working groups established in accordance with paragraph 2 (b);

(e) Conduct negotiations for accession to this Agreement by one member of the ALADI, in accordance with Article 20.5 (Accession), and

(f) Be aware of any other matter that could affect the operation of this Agreement, or that is entrusted to it by the Parties.

2. The Commission may:

(a) Make decisions to:

(i) modify or update the Regime of Origin in accordance with paragraph 3 of Article 2.8 (Regime of Origin);

(ii) approve the geographical indications and appellations of origin referred to in Article 10.11 (Geographical Indications and Appellations of Origin), for their incorporation in Annex 10.11.4;

(iii) approve the Annexes referred to in Article 6.11 (Implementation Annexes), and

(iv) implement other provisions of this Agreement, other than those mentioned above, that require a development specifically contemplated therein, in order to improve the operation of the free trade zone.

Each Party shall implement, in accordance with its legal system, any decision referred to in subparagraph (a), within the term agreed by the Parties. (1)

(b) Establish the committees and working groups that it deems pertinent within the framework of this Agreement;

(c) lssue interpretations of the provisions of this Agreement;

(d) Request the advice of persons or entities that it deems appropriate;

(e) Recommend to the Parties amendments to this Agreement, and

(f) Adopt other actions and measures, within the scope of its functions, that ensure the achievement of the objectives of this Agreement.

(1) Chile will implement the decisions of the Commission referred to in Article 17.2.2 (a), through execution agreements, in accordance with paragraph 4 of paragraph 1 of Article 54 of the Political Constitution of the Republic of Chile.

Article 17.3. Contact Points

1. Each Party shall designate a general point of contact to facilitate communications between the Parties on any matter covered by this Agreement, as well as other points of contact as required in this Agreement.

2.Except as otherwise provided in this Agreement, each Party shall notify the other Party in writing of its designated contact points within 60 days of the date this Agreement enters into force .

Annex 17.1.1. Members of the Free Trade Committee

The Commission will be composed of:

(a) In the case of Chile, by the General Director of International Economic Relations or whoever he designates, and

(b)In the case of Uruguay, by the Director General for International Economic Affairs of the Ministry of Foreign Affairs or whoever he designates.

Chapter 18. SETTLEMENT OF DISPUTES

Article 18.1. General Provisions

1. The Parties will endeavor to reach an agreement on the interpretation and application of this Agreement and will make every effort to reach a mutually satisfactory solution on any matter that could affect its operation.

2. This Chapter seeks to provide an effective, efficient, and transparent dispute settlement process between the Parties regarding their rights and obligations under this Agreement.

Article 18.2. Scope of Application

1.Unless otherwise provided in this Agreement, the provisions of this Chapter shall apply to the prevention or settlement of any dispute that may arise between the Parties regarding the interpretation or application of the provisions of this Agreement or when a Party considers what:

(a) An existing or proposed measure of the other Party is or could be incompatible with the obligations provided for in this Agreement;

(b) The other Party has breached in any other way its obligations under this Agreement, or

(c) An existing or proposed measure of the other Party causes or could cause nullification or impairment of the benefits that it could reasonably have expected to receive from the application of any of the provisions of this Agreement, in accordance with Annex 18.2.

2. For greater certainty, the proposed measures referred to in subparagraphs (a) or (c) of paragraph 1 may be invoked only to request the holding of consultations referred to in Article 18.4 and for the intervention of the Commission referred to in Article 18.5.

Article 18.3. Choice of Forum

1. Disputes on the same matter that arise in relation to the provisions of this Agreement, the WTO Agreement or any other trade agreement to which the Parties are party, may be resolved in any of said forums, at the option of the complaining Party .

2. Once the complaining Party has requested the establishment of an arbitral tribunal under this Chapter or one of the agreements referred to in paragraph 1, or has requested the establishment of a panel pursuant to to the Understanding Relative to the Standards and Procedures for the Regulated Dispute Setilement, which is part of the WTO Agreement, the selected forum will be exclusive of any other.

Article 18.4. Consultations

1. Either Party may request, in writing, the other Party to hold consultations on any matter referred to in Article 18.2. The consulting Party shall deliver the request to the other Party, explaining the reasons for its request, including the identification of the measure in question and the indication of the legal basis for the claim.

2. The consulted Party shall respond in writing to the request for consultations referred to in paragraph 1, within 10 days following receipt of said request, unless the Parties agree on a different term.

3. Consultations will be conducted in good faith.

4. Without prejudice to the provisions of paragraph 5, the consultations will take place within 30 days from the date of receipt of the request, unless the Parties agree on a different period .

5. In emergency cases, such as those relating to perishable goods, the queries will take place within 15 days after the date of receiptof the request, unless the parties agree within different.

6. The consulted Party shall ensure prompt and timely attention to the inquiries made, including the participation of its competent authorities or other regulatory entities that have technical knowledge of the matter that is the subject of such inquiries.

7. The Parties shall make every effort to reach a mutually satisfactory solution to the matter submitted for consultations in accordance with the provisions of this Article. For these purposes, each Party:

(a) Provide sufficient information to allow a complete examination of the measure or matter that is the subject of the consultations, and

(b) It will give confidential or reserved information received during consultations the same treatment as the Party that provided it.

8.The consultations will be confidential and will be carried out in person or through any technological means agreed by the Parties. In the event that the consultations are carried out in person, they must be carried out in the territory of the consulted Party, unless the Parties agree otherwise .

Article 18.5. Intervention of the Free Trade Commission

1. Any of the Parties may request in writing the intervention of the Commission, in any of the following cases:

(a) The consulted Party does not respond to the request for consultations in accordance with Article 18.4.2, or

(b) The matter that is the subject of the consultations has not been resolved in accordance with the terms established in Articles 18.4.4 or 18.4.5, as applicable.

2. The consulting Party shall deliver to the consulted Party the request referred to in paragraph 1, explaining the reasons for its request, including the identification of the measure in question and the indication of the legal bases for the claim.

3. Unless the Parties agree on a different term, the Commission shall meet within 10 days of receiving the request referred to in paragraph 1 and shall endeavor to reach a mutually satisfactory solution to the matter that is the subject of the consultations within 30 days. following that meeting or within any other period that the Parties have agreed. To this end, the Commission may:

(a) Convene technical advisers or create working groups on the matter that it deems necessary;

(b) To use good offices, conciliation or mediation or other alternative means for the resolution of disputes, or

(c) Make recommendations.

4.The Commission may accumulate two or more procedures that it is aware of in accordance with this Article, relating to the same measure or matter. The Commission may accumulate two or more procedures referring to other matters that it is aware of in accordance with this Article, when it deems it appropriate to examine them jointly.

Article 18.6. Establishment of an Arbitral Tribunal

1.The complaining Party may request in writing to the Party complained about the establishment of an arbitral tribunal,

when:

(a) The Commission has not met within 10 days after receipt of the request for intervention, or within another period agreed by the Parties, in accordance with Article 18.5.3;

(b) The matter has not been resolved within 30 days after the Commission meeting, in accordance with Article 18.5.3;

(c) Two or more procedures have been accumulated pursuant to Article 18.5.4 and the matter has not been resolved within 30 days to the meeting of the Commission in the most recent proceeding that has been accumulated, or

(d) The matter has not been resolved within any other period that the Parties have agreed.

2.In the request for the establishment of an arbitral tribunal, the complaining Party shall indicate the reasons for its request, including the identification of the measure or other matter in question and the indication of the legal bases for the claim.

3.A Party may not request the establishment of an arbitral tribunal to examine a proposed measure .

Article 18.7. Terms of Reference of the Arbitral Tribunal

1. Unless the Parties agree otherwise within 15 days of receipt of the request for the establishment of the arbitral tribunal, the terms of reference of the arbitral tribunal will be:

"Examine, objectively and in light of the pertinent provisions of the Agreement, the matter referred to in the request for the establishment of the arbitral tribunal and formulate conclusions, resolutions and recommendations in accordance with the provisions of Articles 18.12 and 18.13."

2. If the complaining Party alleges in the request for the establishment of the arbitral tribunal that a matter has been cause of nullification or impairment of benefits in accordance with Article 18.2 (c), the terms of reference must expressly indicate so.

3. When the complaining Party requires, in the request for the establishment of the arbitral tribunal, that it formulate conclusions on the degree of the adverse commercial effects that the breach of the obligations of this Agreement has generated, the terms of reference must expressly indicate this.

Article 18.8. Requirements of the Arbitrators

1. All arbitrators must:

(a) Have specialized knowledge or experience in law, international trade, matters related to the matters contained in this Agreement or in the resolution of controversies derived from international commercial agreements ;

(b) Be selected strictly on the basis of their objectivity, impartiality, reliability, and good judgment;

(c) Be independent, have no relationship with any of the Parties and do not receive instructions from them , and

(d) Comply with the Code of Conduct adopted by the Commission.

2. The persons who have participated in any of the alternative means of dispute settlement referred to in Articles 18.5.3 (b) or 18.20 may not act as arbitrators in the same dispute .

Article 18.9. Selection of the Arbitral Tribunal

1. The arbitral tribunal shall be composed of three arbitrators.

2. Each Party, within 20 days of receiving the request for the establishment of the arbitral tribunal, shall designate an arbitrator, who may be its national, and propose up to four candidates to act as president of the arbitral tribunal. The president of the arbitral tribunal may not be a national or have his permanent residence in the territory of any of the Parties. This information will be notified in writing to the other Party.

3. If a Party does not appoint an arbitrator within the time period stipulated in paragraph 2, the arbitrator will be selected by the other Party from the indicative list of experts who may be members of WTO panels in respect of the Party that it did not designate. In the event that the candidates on that list are not available, the arbitrator will be selected from among the candidates on the indicative list of experts who may be members of WTO panels for any of the Members other than the Parties.

4. The Parties, within 20 days after the expiration of the term established in paragraph 2, shall designate by common agreement the president of the arbitral tribunal from among the candidates proposed by them. If after this period the Parties do not reach an agreement, the president will be selected from among the proposed candidates through a lottery carried out by the Director General of the WTO at the request of any of the Parties within the following 30 days .

5. If an arbitrator resigns or is otherwise unable to fulfill his function, a successor will be selected in accordance with the provisions of this Article. Any term of the procedure will be suspended, from the date on which the arbitrator resigns or is otherwise unable to fulfill his function, until the date of selection of the successor. The successor will assume the role and obligations of the original arbitrator .

6. Any Party may challenge an arbitrator or candidate in accordance with the provisions of the rules of procedure of the arbitral tribunals.

Article 18.10. Role of the Arbitral Tribunal

1. The function of an arbitral tribunal is to make an objective assessment of the matter has been submitted to it, including an analysis of the facts of the case and the applicability and conformity with the present Agreement, and issue the findings, determinations and recommendations that are requested in its terms of reference and that are necessary for the resolution of the dispute.

2.The arbitral tribunal shall interpret this Agreement in accordance with international law, as established in Articles 31 and 32 of the Vienna Convention on the Law of Treaties of 1969. With respect to any provision of the WTO Agreement that has been made incorporated into this Agreement, the arbitral tribunal will also consider the relevant interpretations contained in the WTO panel and Appellate Body reports, adopted by the WTO Dispute Settlement Body. The conclusions, determinations and recommendations of the arbitral tribunal may not increase or reduce the rights and obligations of the Parties under this Agreement.

Article 18.11. Rules of Procedure of the Arbitral Tribunal

1. Within the six months following the date of entry into force of this Agreement, the Commission shall adopt the rules of procedure of the arbitral tribunal.

2. Unless the Parties agree otherwise, an arbitral tribunal established in accordance with this Chapter shall follow the rules of procedure. An arbitral tribunal may establish, in consultation with the Parties, supplementary rules of procedure that do not conflict with the provisions of this Agreement and with the rules of procedure.

3. The rules of procedure of the arbitral tribunal shall guarantee:

(a) The opportunity for each Party to present at least initial and reply arguments in writing;

(b) The right of each Party to at least one hearing before the arbitral tribunal;

(c) The right of each Party to present oral arguments ;

(d) That the hearings be closed to the public, unless the Parties agree otherwise .

(e) That the deliberations of the arbitral tribunal be confidential, as well as the documents and writings classified as confidential or reserved by any of the Parties, and

(f) The protection of the information that either of the Parties designates as confidential or reserved information.

4. No However the provisions of paragraph 3, any Party may make public statements about their views on the difference, but treated as confidential or proprietary information, documents and papers delivered by the other party to the arbitral tribunal and that it has classified as confidential or reserved.

5. When a Party has provided information, documents or writings classified as confidential or reserved, that Party shall, within 30 days following the request of the other Party, deliver a non-confidential or non-confidential summary of such information, documents or written, which may be made public.

6. After notifying the Parties, the arbitral tribunal may, at the request of one of the Parties, or on its own initiative, collect information and request technical advice from any person or entity it deems pertinent in accordance with the rules of procedure and whatever the Parties agree within 10 days of notification. In the absence of an agreement between the Parties, the arbitral tribunal shall establish said terms. The arbitral tribunal shall provide the Parties with a copy of any

opinion or advice obtained and an opportunity to comment.

7. The arbitral tribunal will seek to adopt its decisions unanimously, including its award. If this is not possible, the arbitral tribunal may adopt them by majority.

8.Each Party shall bear the cost of the arbitrators appointed by it, as well as their expenses. The cost of the president of the arbitral tribunal and other expenses associated with the development of the procedure will be assumed by the Parties in equal proportions, in accordance with the rules of procedure.

Article 18.12. Draft Award of the Arbitral Tribunal

1. The arbitral tribunal shall notify the Parties of its draft award within 90 days from the date of appointment of the last arbitrator, unless the Parties agree on a different term.

2. In urgent cases, the arbitral tribunal shall notify the Parties of its draft award within 60 days from the date of appointment of the last arbitrator, unless the Parties agree on a different term.

3. In exceptional cases, if the arbitral tribunal considers that it cannot issue the draft award within a period of 90 or 60 days or another that the Parties have agreed, as appropriate, it must inform the Parties in writing of the reasons that justify the delay together with an estimate of the term in which you will issue your draft award. Any delay shall not exceed a period of 30 days, unless the Parties agree on a different period.

4. The arbitral tribunal shall base its draft award on the relevant provisions of this Agreement, in accordance with international law, on the written and oral arguments of the Parties, as well as on any information and technical advice that it has received pursuant to this Agreement.

5. The draft award will contain:

(a) A summary of the briefs and oral arguments presented;

(b) Conclusions based on fact and law;

(c) Determinations as to whether or not a Party has complied with its obligations under this Agreement, or whether the measure in question is cause for nullification or impairment within the meaning of Article 18.2 (c), or any other determination requested in the terms of reference;

(d) Its recommendations, when applicable, for the Party complained to bring its measures into conformity with this Agreement. Likewise, it may suggest the way in which the Party complained against may implement the award.

6. The conclusions and determinations of the arbitral tribunal and, when applicable, any recommendations, may not increase or decrease the rights and obligations of the Parties established in this Agreement.

7. Either Party may submit written observations to the draft award to the arbitral tribunal, within the 15 days following its notification, or within any other period established by the arbitral tribunal.

8. After considering these observations, the arbitral tribunal may reconsider its draft award and carry out any subsequent examination it deems pertinent.

Article 18.13. Award of the Arbitral Tribunal

1. The arbitral tribunal shall notify the Parties of the award and, if applicable, the divergent opinions on matters in which there has not been a unanimous decision, within 30 days following the notification of the draft award, unless the Parties agree on a different term .

2. The award of the arbitral tribunal shall be final and binding on the Parties. 3. Unless the Parties agree otherwise, any of them may publish the award of the arbitral tribunal after 15 days of being notified, subject to the protection of confidential or reserved information.

4. The arbitral tribunal may not reveal the identity of the arbitrators who voted with the majority or the minority.

Article 18.14. Request for Clarification of the Award

1. Within 10 days of notification of the award, any Party may request in writing to the arbitral tribunal the clarification of any conclusion, determination or recommendation of the award.

2. The arbitral tribunal will respond to said request within 10 days ofits presentation.

3. The presentation of an application under paragraph 1 will not affect the time limits referred to in Article 18.17.

Article 18.15. Suspension and Termination of the Procedure

1. The Parties may agree to suspend the work of the arbitral tribunal at any time during the procedure, up to a period of 12 months following the date on which said agreement has been reached. If the work of the arbitral tribunal remains suspended for more than 12 months, the terms of reference of the arbitral tribunal will be void, unless the Parties agree otherwise. If the terms of reference of the arbitral tribunal have been rendered ineffective and the Parties have not reached a solution in the dispute, nothing in this Article shall prevent a Party from initiating a new proceeding regarding the same matter.

2. The Parties may terminate the proceedings before the arbitral tribunal at any time, prior to the presentation of the award, by means of a joint communication addressed to the president of the arbitral tribunal.

Article 18.16. Compliance with the Award of the Arbitral Tribunal

1. Once the award of the arbitral tribunal has been notified, the Parties shall reach an agreement on its compliance, in the terms of the determinations, conclusions and recommendations made by the arbitral tribunal.

2. When, in the award, the arbitral tribunal determines that the measure of the claimed Party is inconsistent with the provisions of this Agreement or that it is cause for nullification or impairment in the sense of Article 18.2 (c), that Party shall, provided that where possible, eliminate the non-compliance, nullification or impairment.

Article 18.17. Compensation or Suspension of Benefits

1. If the Parties do not reach an agreement on compliance with the award or a mutually satisfactory solution to the dispute within 45 days of notification of the award, the Party complained against, at the request of the complaining Party, shall initiate negotiations with you aim to establish a mutually acceptable compensation. Such compensation will be temporary and will be granted until the difference is resolved.

2. If no compensation has been requested or if the Parties:

(a) Have not reached an agreement on compliance with the award or a mutually satisfactory resolution of the dispute, within 45 days of notification of the award;

(b) Failure to agree to compensation pursuant to paragraph 1, within 30 days of the complaining Party's request for compensation, or

(c) Have reached an agreement on compliance with the award or on a mutually satisfactory solution of the dispute or on compensation in accordance with this Article and the complaining Party considers that the Party complained against has not complied with the terms of the agreement reached,

The complaining Party may, at any time, after notifying the Party complained of, initiate the suspension of benefits and other equivalent obligations provided for in this Agreement to said Party complained against in order to obtain compliance with the award. The level of suspension shall be equivalent to the level of nullification or impairment.

3. In the notification to initiate the suspension, the complaining Party shall specify the date on which said suspension will take effect, the level of concessions or other equivalent obligations that it proposes to suspend, and the limits within which the suspension of benefits or other obligations will apply. The suspension of benefits or other obligations will not take effect before 30 days following said notification.

4. When considering the benefits or other obligations to be suspended in accordance with this Article:

(a) The complaining Party shall seek, in the first place, to suspend benefits or other obligations in the same sector or sectors that are affected by the measure that the arbitral tribunal has concluded is inconsistent with this Agreement or that causes nullification or impairment in the meaning of Article 18.2 (c), and

(b) If the complaining Party considers that it is not feasible or effective to suspend benefits or other obligations within the same sector or sectors, it may suspend benefits or other obligations in another sector or sectors. The complaining Party shall indicate the reasons on which such decision is based on the notification to initiate the suspension.

5.The suspension of benefits or other obligations will be temporary and the complaining Party will only apply it until :

(a) The measure deemed inconsistent is brought into conformity with this Agreement or the nullification or impairment is removed within the meaning of Article 18.2 (c);

(b)The arbitral tribunal provided for in Article 18.19 concludes in its award that the Party complained against has complied, or

(c) Until the Parties reach an agreement regarding the solution of the dispute.

Article 18.18. Emergency Cases

1. In urgent cases, (1) the terms established in this Chapter shall be reduced by half, unless something different is established in it.

2. Notwithstanding the provisions of Article 18.12.2, the arbitral tribunal shall apply the term established in Article 18.12.1, when the complaining Party so indicates in the request for the establishment of the arbitral tribunal.

(1) For the purposes of this Chapter, it will be understood that the differences related to agricultural goods are emergency cases.

Article 18.19. Examination of Compliance and Suspension of Benefits

1.Either Party may, by written communication to the other Party, request that the original arbitral tribunal established in accordance with Article 18.6 be reconstituted to determine indistinctly or jointly:

(a) If the level of suspension of benefits or other obligations applied by the complaining Party in accordance with Article 18.17 is excessive, or

(b) Regarding any disagreement between the Parties regarding the existence of measures adopted to comply with the award of the arbitral tribunal, or regarding the compatibility of any measure adopted to comply.

2. In the request, the requesting Party shall indicate the specific measures or issues in dispute and provide a brief summary of the legal basis for the claim that is sufficient to present the problem clearly.

3. The arbitral tribunal will be reconstituted after receipt of the request and will present its draft award to the Parties within :

(a) Within 45 days of reconstitution to examine the application pursuant to paragraph 1 (a) or 1 (b), or

(b) The 60 days following its reconstitution to examine the application, in accordance with paragraph 1 (a) and 1 (b).

4. The arbitral tribunal shall present its award to the Parties within :

(a) Within 15 days of the presentation of the draft award, in cases where the request is examined pursuant to paragraph 1 (a) or 1 (b), or

(b) The 20 days following the presentation of the draft award, in the cases that the request is examined in accordance with paragraph 1 (a) and 1 (b).

5. If any of the original arbitrators cannot be part of the arbitral tribunal, the provisions of Article 18.6 will apply.

6. If the tribunal arbitral who knows of one case in accordance with the paragraph 1 (a) decides that the level of benefits or other suspended obligations is excessive, will set the level that it considers of equivalent effect. In this case, the complaining Party will adjust the suspension that is being applied to that level.

7. If the tribunal arbitral who knows of one case in accordance with the paragraph 1 (b) decides that the Party complained against has complied, the complaining Party will immediately terminate the suspension of benefits or other obligations.

Article 18.20. Good Offices, Conciliation and Mediation

1. The Parties may at any time agree to the use of alternative means of dispute settlement, such as good offices, conciliation or mediation.

2. Such alternative means of dispute settlement shall be conducted in accordance with the procedures agreed by the

Parties.

3. Either Party may initiate, suspend or terminate the procedures established by virtue of this Article at any time.

4. The procedures of good offices, conciliation and mediation are confidential and without prejudice to the rights of the Parties in any other procedure.

Article 18.21. Administration of Dispute Settlement Procedures

1. Each Party shall:

(a) Designate a permanent office to provide administrative support to the arbitration tribunals contemplated in this Chapter and perform other functions under the instruction of the Commission, and

(b) Notify the Commission of the address of its designated office and the official in charge of its administration.

2. Each Party shall be responsible for the operation of its designated office.

Annex 18.2. Nullification or Impairment

A Party may resort to the dispute settlement mechanism of this Chapter when, by virtue of the application of a measure that does not contravene this Agreement, it considers that the benefits that it could reasonably have expected to receive from the application of the following are nullified or impaired Chapters:

1. Trade in Goods.

2. Sanitary and Phytosanitary Measures.

3. Technical Barriers to Trade.

4. Cross-Border Trade in Services.

Chapter 19. GENERAL EXCEPTIONS AND PROVISIONS

Section A. Exceptions

Article 19.1. General Exceptions

1.For the purposes of Chapter 2 (Trade in Goods), Chapter 3 (Trade Facilitation), Chapter 5 (Sanitary and Phytosanitary Measures) and Chapter 6 (Technical Barriers to Trade), Article XX of the GATT 1994 and its notes Interpretative statements are incorporated into and are part of this Agreement, mutatis mutandis.

2. For the purposes of this Agreement, the Parties understand that the measures referred to in Article XX (b) of the GATT 1994 include measures in environmental matters necessary to protect human, animal or plant life or health, and that Article XX (g) of the GATT 1994 applies to measures related to the conservation of exhaustible natural resources.

3. For the purposes of Chapter 7 (Cross-Border Trade in Services) and Chapter 8 (Electronic Commerce) (1), paragraphs (a), (b) and (c) of Article XIV of the GATS are incorporated into this Agreement and form part of the same, mutatis mutandis . The Parties understand that the measures referred to in Article XIV (b) of the GATS include measures in environmental matters necessary to protect human, animal or plant life or health.

4. Nothing in this Agreement shall be construed as preventing a Party from adopting a measure, including maintaining or increasing a customs duty, that is authorized by the Dispute Settlement Body of the WTO or that is taken as The result of a decision by a dispute settlement panel under a free trade agreement to which the Party adopting the measure and the Party against which the measure is taken are parties.

(1) The present paragraph is without prejudice to whether digital products should be classified as a good or service.

Article 19.2. Security Exceptions

1. For the purposes of this Agreement, Articles XXI of the GATT 1994 and XIV bis of the GATS are incorporated into and form

part of it , mutatis mutandis.

2. Nothing in this Agreement shall be construed in the sense of:

(a) Require a Party to provide or allow access to any information the disclosure of which it considers contrary to its essential security interests, or

(b) Prevent a Party from applying measures it deems necessary to fulfill its obligations with respect to the maintenance or restoration of international peace or security, or for the protection of its own essential security interests .

Article 19.3. Temporary Safeguard Measures

1. Nothing in this Agreement shall be construed as preventing a Party from adopting or maintaining measures that restrict payments or transfers for current account transactions in the event of experiencing serious difficulties in its balance of payments and external finances, or threats to them.

2. Nothing in this Agreement shall be construed to prevent a Party from adopting or maintaining measures that restrict payments or transfers related to capital movements :

(a) In the event of serious difficulties in its balance of payments and its external finances, or threats to them, or

(b) When, in exceptional circumstances, payments or capital transfers cause or threaten to cause serious difficulties for macroeconomic management.

3. Any measure adopted or maintained pursuant to paragraphs 1 or 2 shall:

(a) Be applied in a non-discriminatory manner so that no Party receives less favorable treatment than any other non- Party;

(b) Be compatible with the Articles of Agreement of the International Monetary Fund ;

(c) Avoid unnecessary damage to the commercial, economic and financial interests of the other Party;

(d) Not go beyond what is necessary to overcome the circumstances set forth in paragraphs 1 or 2;

(e) Be temporary and be phased out as soon as the situations specified in paragraphs 1 or 2 improve.

4. With respect to trade in goods, no provision of this Agreement shall be construed as preventing a Party from adopting restrictive measures on imports in order to safeguard its external financial position or balance of payments. These restrictive measures on imports must be consistent with the GATT 1994 and the Understanding on the Provisions of the GATT 1994 on Balance of Payments.

5. With respect to trade in services, nothing in this Agreement shall be construed as preventing a Party from adopting trade restrictive measures in order to safeguard its external financial position or balance of payments. These restrictive measures must be consistent with the GATS.

6. A Party that adopts or maintains measures pursuant to paragraphs 1, 2, 4 or 5 shall:

(a) Promptly notify the other Party of the measures adopted, including any modification in them;

(b) Promptly initiate consultations with the other Party to examine the measures adopted or maintained by it.

(i) in the case of capital movements, respond promptly to the other Party requesting consultations related to the measures adopted by it, provided that such consultations were not taking place outside the framework of this Agreement.

(ii) in the case of current account restrictions, if the consultations related to the measures adopted by it are not carried out within the framework of the WTO Agreement, the Party, if requested, will promptly initiate consultations with the other Party.

Article 19.4. Tax Measures

1. For the purposes of this Article:

designated authorities means:

(a) In the case of Chile, the Undersecretary of Finance, and

(b) In the case of Uruguay, the Minister of Economy and Finance;

tax agreement means an agreement to avoid double taxation or other international agreement or arrangement in tax matters;

Taxes and tax measures include consumption taxes, but do not include:

(a) Any duty or charge of any kind applied to, or in connection with the importation of a good, and any form of surcharge or surcharge applied in connection with such importation, or

(b) Any duty or other charge related to importation proportional to the cost of the services rendered, or

(c) Any anti-dumping duty or countervailing measure .

2. Except for the provisions of this Article, nothing of the provisions of this Agreement shall apply to tax measures.

3. Nothing in this Agreement shall affect the rights and obligations of any of the Parties in accordance with any tax agreement. In the event of any incompatibility between this Agreement and any of said tax agreements, that agreement will prevail to the extent of the inconsistency.

4. In the case of a tax agreement between the Parties, if any difference arises regarding the existence of any incompatibility between this Agreement and the tax agreement, the difference will be remitted to the authorities designated by the Parties. The designated authorities of the Parties will have six months from the date of remittance of the difference to make a determination on the existence and degree of any incompatibility. If those designated authorities agree, the term may be extended up to 12 months from the date of remittance of the difference. No procedure related to the measure that originated the difference may be initiated in accordance with Chapter 18 (Settlement of Disputes) until the expiration of the six-month period, or any other period that has been agreed by the designated authorities. An arbitral tribunal established to hear a dispute related to a tax measure shall accept as binding the determination made by the designated authorities of the Parties pursuant to this paragraph.

5. Notwithstanding paragraph 3:

(a) Article 2.1 (National Treatment) and those other provisions in this Agreement necessary to make that Article effective, shall apply to tax measures to the same extent as Article III of the GATT 1994, and

(b) Article 2.3 (Export Taxes) will apply to tax measures.

6. Subject to paragraph 3:

(a) Article 7.3 (National Treatment) shall apply to tax measures on income, capital gains, on the taxable capital of companies or on the value of an investment or property (2) (but not on the transfer of this investment or ownership), which are related to the purchase or consumption of specific services, except that nothing in this subparagraph shall prevent a Party from conditioning the receipt or continuing to receive an advantage related to the purchase or consumption of specific services on the requirements to supply service in your territory, and

(b) Article 7.3 (National Treatment) and Article 7.4 (Most Favored Nation Treatment) will apply to all the measures tax, distinct from those on income, capital gains, on taxable capital of companies, on the value of an investment or property (3) (but not on the transfer of that investment or property), or taxes on wealth, inheritance, donations and transfers with leap of generations;

but nothing of the provisions of the Articles referred to in subparagraphs (a) and (b) shall apply to:

(c) Any most favored nation obligation with respect to an advantage granted by a Party pursuant to a tax agreement;

(d) A non-conforming provision of any existing tax measure ;

(e) The continuation or prompt renewal of a non-conforming provision of any existing tax measure ;

(f) A modification of a non-conforming provision of any existing tax measure, as long as such modification does not reduce its degree of conformity, at the time of the amendment, with any of those Articles; (4)

(g) The adoption or application of any new tax measure aimed at ensuring the application or collection of taxes in an equitable or effective manner, including any tax measure that differentiates between people based on their place of residence for tax purposes, provided that the tax measure does not arbitrarily discriminate between persons, goods or services of the Parties; (5)

(h) a provision that conditions the receipt or continued receipt of an advantage relating to contributions, or income from, a pension fund, pension plan, or other systems to provide pension, retirement or similar benefits, on a requirement in which the Party maintains continuous jurisdiction, regulation or supervision over that fund, plan, or any other agreement.

(2) This without prejudice to the methodology used to determine the value of such investment or property in accordance with the respective laws of the Parties.

(3) This without prejudice to the methodology used to determine the value of such investment or property in accordance with the respective laws of the Parties.

(4) For greater certainty, the modification of non-conforming provisions, according to this subparagraph , may include the adoption of a specific tax on insurance premiums instead of an income tax on insurance premiums.

(5) The Parties understand that this subparagraph should be interpreted by reference to the footnote of Article XIV (d) of the GATS as if the Article were not restricted to services or direct taxes .

Section Section B: General Provisions

Article 19.5. Disclosure of Information

Nothing in this Agreement shall be construed to oblige a Party to provide or allow access to information the disclosure of which would be contrary to its legal system or could impede the application of the law, or which would otherwise be contrary. to the public interest, or that could harm the legitimate commercial interests of certain companies, public or private.

Article 19.6. Traditional Knowledge and Traditional Cultural Expressions

Subject to the international obligations of each Party, each Party may establish appropriate measures to respect, preserve and promote traditional knowledge and traditional cultural expressions.

Chapter 20. FINAL PROVISIONS

Article 20.1. Annexes, Appendices and Footnotes

The annexes, appendices, and footnotes to this Agreement constitute an integral part thereof.

Article 20.2. Entry Into Force and Denunciation

1. The entry into force of this Agreement will be subject to compliance with the internal legal procedures of each Party.

2. This Agreement will enter into force 90 calendar days from the day following the day on which the General Secretariat of ALADI notifies the Parties of having received the last communication informing the fulfillment of the requirements established in domestic legislation.

3. Either Party may denounce this Agreement by written notification to the other Party. This Agreement will cease to be effective 180 days after the date of such notification.

4. The ALADI General Secretariat will be the depository of this Agreement, of which it will send duly authenticated copies to the Parties .

Article 20.. Amendments

1. The Parties may adopt in writing any amendment to this Agreement.

2. Any amendment to this Agreement shall enter into force and form part of it, in accordance with the procedure

established in Article 20.2.2.

Article 20.4. Amendments to the WTO Agreement

If any provision of the WTO Agreement that the Parties have incorporated into this Agreement is amended at the multilateral level, the Parties will hold consultations with a view to evaluating the advisability of amending the corresponding provision of this Agreement.

Article 20.5. Accession

1.In compliance with the provisions of the 1980 Montevideo Treaty, this Agreement is open to accession, through prior negotiation, by the other member countries of ALADI.

2.The accession will be formalized once its terms have been negotiated between the Parties and the adherent country, by means of the celebration of an additional protocol to this Agreement that will enter into force 90 days after being deposited with the General Secretariat of ALADI.

Article 20.6. Convergence

The Parties shall promote the convergence of this Agreement with other integration agreements of the Latin American countries, in accordance with the mechanisms established in the 1980 Montevideo Treaty.

Signed in Montevideo, on October 4, 2016, in duplicate, in Spanish.

FOR THE GOVERNMENT OF THE REPUBLIC OF CHILE

FOR THE EASTERN REPUBLIC OF URUGUAY