

Chile - Vietnam Free Trade Agreement

The Government of the Republic of Chile and the Government of the Socialist Republic of Viet Nam, hereinafter referred to as "the Parties":

Inspired by their longstanding friendship and cooperation and growing trade relationship;

Desiring to enlarge the framework of relations between them through further liberalising trade;

Recognising that the strengthening of their economic partnership will bring economic and social benefits, create new opportunities for employment and improve the living standards of their people;

Recognising the different levels of economic development between them and the need to facilitate the expansion of their exports, including, inter alia, through strengthening of their domestic capacity, efficiency and competitiveness;

Building on their respective rights and obligations under the World Trade Organization (WTO);

Recalling the Asia-Pacific Economic Cooperation (APEC) goals;

Confirming their shared commitment to trade-facilitation through trade between them;

Desiring to strengthen the cooperative framework for the conduct of economic relations to ensure it is dynamic and encourages broader and deeper economic cooperation;

Recognising the need to preserve their flexibility to safeguard the public welfares;

Aware that economic development, social development and environmental protection are components of sustainable development and that free trade agreements can play an important role in promoting sustainable development; and

Resolved to promote bilateral trade through the establishment of clear and mutually advantageous trade rules and the avoidance of trade barriers,

Have agreed as follows:

Chapter 1. Initial Provisions

Article 1.1. Establishment of a Free Trade Area

The Parties, consistent with Article XXIV of GATT 1994 hereby establish a free trade area.

Article 1.2. Relation to other Agreements

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

Chapter 2. General Definitions

Article 2.1. Definitions of General Application

For the purposes of this Agreement, unless otherwise specified:

Agreement on Customs Valuation means the Agreement on Implementation of Article VII of the General Agreement on Tariff and Trade 1994, contained in Annex 1A to the WTO Agreement;

Commission means the Free Trade Commission established pursuant to Article 11.1 (Free Trade Commission);

Customs Authority means the authority that, according to the legislation of each Party, is responsible for the administration and enforcement of its customs laws:

(a) in the case of Chile, the Chile Customs Service, and

(b) in the case of Viet Nam, the General Department of Viet Nam Customs;

customs duties means duties imposed in connection with the importation of a good provided that such customs duties shall not include:

(a) charges equivalent to internal taxes, including excise duties, sales tax, and goods and services taxes imposed in accordance with a Party's commitments under paragraph 2 of Article III of the GATT 1994;

(b) anti-dumping or countervailing duty or safeguards duty applied in accordance with Chapter 8 (Trade Remedies); or

(c) fees or other charges that are limited in amount to the approximate cost of services rendered, and do not represent a direct or indirect protection for domestic goods or a taxation of imports for fiscal purposes; days means calendar days, including weekends and holidays;

GATT 1994 means the General Agreement on Tariffs and Trade 1994, contained in Annex 1A of the WTO Agreement;

Harmonized System (HS) means the Harmonized Commodity Description and Coding System governed by The International Convention on the Harmonized Commodity Description and Coding System, including its General Rules of Interpretation, Section Notes, and Chapter Notes, and their amendments, as adopted and implemented by the Parties in their respective tariff laws;

heading means the first four digits in the tariff classification number under the Harmonised System (HS);

measure means any measure by a Party, whether in the form of a law, regulation, rule, procedure, practice, decision, administrative action or any other form;

originating goods means the goods that qualify as originating goods in accordance with Chapter 4 (Rules of Origin);

person means both natural and legal persons;

publish includes publication in written form or on the internet;

SPS Agreement means the WTO Agreement on the Application of Sanitary and Phytosanitary Measures;

subheading means the first six digits in the tariff classification number under the Harmonised System (HS);

territory means:

(a) with respect to Chile, the land, maritime, and air space under its sovereignty, and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law; and

(b) with respect to Viet Nam, the land territory, islands, internal waters, territorial sea, and airspace above them, the maritime areas beyond territorial sea including seabed and subsoil thereof over which the Socialist Republic of Viet Nam exercises sovereign rights and jurisdiction in accordance with national legislation and international law. WTO means the World Trade Organization; and

WTO Agreement means the Marrakesh Agreement Establishing the World Trade Organization, done on April 15, 1994.

Chapter 3. Trade In Goods

Article 3.1. Definitions

For the purposes of this Chapter:

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

agricultural goods means those goods referred to in Article 2 of the Agreement on Agriculture;

agricultural export subsidies shall have the meaning assigned to that term in Article 1(e) of the Agriculture Agreement, including any amendment of that Article;

consular transactions means requirements that goods of a Party intended for export to the territory of the other Party must first be submitted to the supervision of the Consul of the importing Party in the territory of the exporting Party for the purpose of obtaining consular invoices or consular visas for commercial invoices, certificates of origin, manifests, shippers' export declarations, or any other customs documentation required on or in connection with importation;

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

performance requirement means a requirement that:

- (a) a given level or percentage of goods be exported;
- (b) goods of the Party granting an import license be substituted for imported goods;
- (c) a person benefiting from an import license purchase other goods or services in the territory of the Party granting the import licence, or accord a preference to domestically produced goods;
- (d) a person benefiting from an import licence produce goods or supply services, in the territory of the Party granting the import licence, with a given level or percentage of domestic content; or
- (e) relates in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows;

recognition means the acknowledgement by a Party of a particular geographical indication of the other Party. Protection of such geographical indication in the territory of each Party is established according to the respective domestic laws and regulations of each Party; and

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

Article 3.2. Scope and Coverage

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

Article 3.3. National Treatment

1. Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of GATT 1994, including its interpretative notes, and to this end, Article III of GATT 1994 and its interpretative notes, are incorporated into and made part of this Agreement, *mutatis mutandis*.
2. The provisions of paragraph 1 regarding national treatment shall also apply to all laws, regulations and other measures, including those of local government at the subnational level.

Article 3.4. Reduction and/or Elimination of Customs Duties

1. Except as otherwise provided in this Agreement, neither Party may increase any existing customs duty, or adopt any new customs duty, on an originating good.
2. Except as otherwise provided in this Agreement, each Party shall progressively reduce and/or eliminate its customs duties on originating goods in accordance with its Schedule in Annex 3-B.
3. If a Party reduces its applied MFN import duty rates after the entry into force of this Agreement, on the request of the other Party, Parties shall consult to consider the modification of the tariff commitments in the Committee on Trade in Goods pursuant to Article 3.12(4).
4. On the request of either Party, the Parties shall consult to consider accelerating the reduction and/or elimination of customs duties set out in their Schedules in Annex 3 B. An agreement between the Parties to accelerate the reduction and/or elimination of a customs duty on a good shall supersede any duty rate or staging category determined pursuant to their Schedules in Annex 3-B for such good.
5. Any modification of tariff commitments, referred to in paragraphs 3 and 4, shall come into effect after being adopted by the Commission and after each Party completes its domestic legal procedures.

6. A Party may at any time accelerate unilaterally the reduction and/or elimination of customs duties on originating goods of the other Party set out in its Schedule in Annex 3-B. A Party considering this shall inform the other Party as early as practicable before the new rate of customs duty takes effect.

Article 3.5. Customs Valuation

The Parties shall apply the provisions of Article VII of GATT 1994 and the WTO Agreement on the Implementation of Article VII of GATT 1994 for the purposes of determining the customs value of goods traded between the Parties.

Article 3.6. Import and Export Restrictions

1. Except as otherwise provided in this Agreement, neither Party may adopt or maintain any non-tariff measure, including prohibition or restriction on the importation of any good of another Party or on the exportation of any good destined for the territory of the other Party, except in accordance with its WTO rights and obligations or in accordance with other provisions of this Agreement.

2. The Parties understand that the rights and obligations in paragraph 1 prohibit, in any circumstances in which any other form of restriction is prohibited, a Party from adopting or maintaining:

(a) import licensing conditioned on the fulfillment of a performance requirement; or

(b) voluntary export restraints.

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

4. Each Party shall ensure the transparency of any non-tariff measures permitted in paragraph 1 and shall ensure that any such measures are not prepared, adopted or applied with a view to, or with the effect of, creating unnecessary obstacles to trade between the Parties.

Article 3.7. Administrative Fees and Formalities

1. The Parties agree that fees, charges, formalities and requirements imposed in connection with the importation and exportation of goods shall be consistent with their obligations under GATT 1994.

2. A Party may not require consular transactions, including related fees and charges, in connection with any good imported from the other Party.

3. Each Party shall make available through the internet a current list of the fees and charges it imposes in connection with importation or exportation.

Article 3.8. Price Band System

1. Chile may maintain its Price Band System as established under its Law 18.525 and its subsequent legal modifications or succeeding system for the goods covered by that law (1), provided that it is applied consistently with Chile's rights and obligations under the WTO Agreement.

2. With respect to the goods covered by the Price Band System, Chile shall give Viet Nam treatment no less favorable than the preferential tariff treatment given to any third country including countries with which Chile has concluded or will conclude in the future an agreement notified under Article XXIV of GATT 1994.

(1) For greater certainty the only goods covered by the Price Band System are HS 1001.9000, 1101.0000, 1701.1100, 1701.1200, 1701.9100, 1701.9910, 1701.9920 and 1701.9990.

Article 3.9. Agricultural Export Subsidies

1. The Parties share the objective of the multilateral elimination of export subsidies for agricultural goods and shall work together towards an agreement in the WTO to eliminate those subsidies and prevent their reintroduction in any form.

2. In accordance with their WTO obligations, neither Party shall introduce or maintain any export subsidies on any agricultural goods destined for the territory of the other Party.

Article 3.10. Geographical Indications

1. Each Party shall provide procedures for registration of geographical indications for persons of the other Party. A Party shall accept applications for registration of geographical indications without the requirement for intercession by the other Party on behalf of its persons.
2. Viet Nam recognizes Pisco, accompanied by an indication of Chile such as Chilean, Chile, etc.; as a Chilean geographical indication for spirits, within the meaning of paragraph 1 of Article 22 of the TRIPS Agreement. This shall not prejudice the rights that Viet Nam has recognized, in addition to Chile, to Peru with respect to Pisco.
3. In accordance with Chapter 9 (Cooperation), Chile will provide capacity building to Viet Nam regarding the knowledge of production, elaboration and commercialization of Pisco.
4. For transparency purposes, Chilean geographical indications for wines and spirits are established by Decree 464 of the Ministry of Agriculture of December 14, 1994, and its amendments, and by the Law 18.455.

Article 3.11. Administration of Trade Regulations

In accordance with Article X of GATT 1994, each Party shall administer in a uniform, impartial and reasonable manner all its laws, regulations, judicial decisions and administrative rulings pertaining to:

- (a) the classification or the valuation of goods for customs purposes;
- (b) rates of duty, taxes or other charges;
- (c) requirements, restrictions or prohibitions on imports or exports;
- (d) the transfer of payments; and
- (e) issues affecting sale, distribution, transportation, insurance, warehousing, inspection, exhibition, processing, mixing or other use of goods for customs purposes.

Article 3.12. Committee on Trade In Goods

1. The Parties hereby establish a Committee on Trade in Goods, comprising representatives of each Party.
2. The Committee shall meet on the request of either Party or the Commission to consider any matter arising under this Chapter, Chapter 4 (Rules of Origin) or Chapter 5 (Customs Administration).
3. The Committee shall meet at such venues and times as may be agreed by the Parties. Meetings may be held by any means as mutually determined by the Parties.
4. The Committee's functions shall include:
 - (a) reviewing and monitoring the implementation and operation of the Chapters referred to in paragraph 2;
 - (b) identifying and recommending measures to resolve any difference that may arise, and to promote and facilitate improved market access, including any acceleration of tariff commitments under Article 3.4;
 - (c) recommending the Commission to establish any working groups, as it deems necessary; and
 - (d) undertaking any additional work that the Commission may assign.

Chapter 4. Rules of Origin

Article 4.1. Definitions

For the purposes of this Chapter:

aquaculture means the farming of aquatic organisms including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, from feedstock such as eggs, fry, fingerlings and larvae, by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding, or protection from predators;

CIF means the value of the goods imported, and includes the costs of freight and insurance up to the port or place of entry

into the country of importation;

FOB means the free-on-board value of the goods, inclusive of the costs of transport to the port or site of final shipment abroad;

generally accepted accounting principles (GAAP) means the recognised consensus or substantial authoritative support in the territory of a Party, with respect to the recording of revenues, expenses, costs, assets and liabilities; the disclosure of information; and the preparation of financial statements. These standards may encompass broad guidelines of general application as well as detailed standards, practices and procedures;

goods shall include materials or products, which can be wholly obtained or produced, even if they are intended for later use as materials in another production process;

identical and interchangeable goods or materials means goods or materials being of the same kind and commercial quality, possessing the same technical and physical characteristics, and which after being incorporated into the finished product cannot be distinguished from one another for origin purposes by virtue of any markings or mere visual examination;

issuing authority means the government authority responsible for the certification of origin:

(a) in the case of Chile, the General Directorate of International Economic Affairs who may delegate into other bodies or entities the issuance of Certificate of Origin (Form VC); and

(b) in the case of Viet Nam, the Ministry of Industry and Trade;

materials means a good or any matter or substance used or consumed in the production of goods or physically incorporated into another good or are subject to a process in the production of another good;

originating goods means goods that qualifies as originating in accordance with the provisions of this Chapter;

packing materials and containers for transportation means the goods used to protect a good during its transportation, different from those containers or packaging materials used for its retail sale;

production means methods of obtaining goods, including growing, mining, harvesting, raising, breeding, extracting, gathering, collecting, capturing, fishing, trapping, hunting, manufacturing, processing or assembling goods; and

product specific rules means rules that specify that the materials have undergone a change in tariff classification, or satisfy a Regional Value Content criterion or a combination of any of these criteria.

Article 4.2. Origin Criteria

For the purposes of this Chapter, a good shall be considered as originating in a Party when:

(a) a good is wholly obtained or produced in the Party as set out and defined in Article 4.3; or

(b) a good is not wholly obtained or produced in the Party, provided that the said good are eligible under Article 4.4 or Article 4.6.

Article 4.3. Wholly Obtained or Produced Goods

Within the meaning of Article 4.2(a), the following shall be considered as wholly obtained or produced in the Party:

(a) Plant and plant products, including fruit, flowers, vegetables, trees, seaweed, fungi and live plants, grown and harvested, picked or gathered in the Party;

(b) Live animals, including mammals, birds, fish, crustaceans, molluscs, reptiles, bacteria and viruses, born and raised in the Party;

(c) Goods obtained from live animals referred to in paragraph (b) in the Party;

(d) Goods obtained from hunting, trapping, fishing, farming, aquaculture, gathering or capturing conducted in the Party;

(e) Minerals and other naturally occurring substances, not included in paragraphs (a) to (d), extracted or taken from its soil, waters, seabed or beneath its seabed;

(f) Goods taken from the waters, seabed or beneath the seabed outside the territorial waters of that Party, provided that the

Party has the rights to exploit such waters, seabed and beneath the seabed in accordance with international law;

(g) Goods of sea-fishing and other marine products taken from the high seas by vessels registered with a Party and entitled to fly the flag of that Party;

(h) Goods processed and/or made on board factory ships registered with a Party and entitled to fly the flag of that Party, exclusively from products referred to in paragraph (f) and (g);

(i) Articles collected in the Party which can no longer perform their original purpose nor are capable of being restored or repaired and are fit only for disposal or recovery of parts of raw materials, or for recycling purposes;

(j) Waste and scrap derived from:

(i) production in the Party; or

(ii) used goods collected in the exporting Party, provided that such goods are fit only for the recovery of raw materials; and

(k) Goods obtained or produced in the exporting Party from products referred to in paragraphs (a) to (j).

Article 4.4. Not Wholly Obtained or Produced Goods

1. For the purposes of Article 4.2(b), goods shall be deemed to be originating in the Party where working or processing of the goods has taken place:

(a) if the goods have a regional value content (RVC) of not less than forty percent (40%) calculated using the formula set out in Article 4.5; or

(b) if all non-originating materials used in the production of the goods have undergone a change in tariff classification (hereinafter referred to as "CTC") at four-digit level (i.e. a change in tariff heading) of the Harmonized System.

2. Each Party shall permit the exporter of the goods to decide whether to use paragraphs 1(a) or 1(b) when determining whether the goods qualify as originating goods of the Party.

3. Notwithstanding paragraph 1, goods shall qualify as originating goods if the goods satisfy the product specific rules as specified in Annex 4-B.

4. Where a product specific rule provides a choice of rules from a RVC-based rule of origin, a CTC-based rule of origin, or a combination of any of these, each Party shall permit the exporter of the goods to decide which rule to use in determining whether the goods qualify as originating goods of the Party.

5. Where product specific rules requiring that the materials used have undergone CTC, the rules shall apply only to non-originating materials.

Article 4.5. Calculation of Regional Value Content

1. For the purposes of Article 4.4, the formula for calculating Viet Nam – Chile Value Content or RVC is as follows:

$$\text{RVC} = \text{FOB Price} - \text{Value of Non-Originating Materials or Goods} / \text{FOB Price} \times 100 \%$$

2. For the purposes of calculating the RVC provided in paragraph 1:

(a) Value of Non-Originating Materials or Goods shall be:

(i) The CIF value at the time of importation of the goods or Importation can be proven; or

(ii) The earliest ascertained price paid for the goods of undetermined origin in the territory of the Party where the working or processing takes place.

(b) FOB price is the FOB value of the goods. FOB price shall be determined by adding the value of materials, production cost, profit and other costs.

Article 4.6. Accumulation

Unless otherwise provided in this Chapter, goods originating in a Party, which are used in another Party as materials for finished goods eligible for preferential tariff treatment, shall be considered to be originating in the latter Party where

working or processing of the finished goods has taken place.

Article 4.7. Minimal Operations or Processes

The following minimal operations or processes, undertaken exclusively by themselves or in combination, do not confer origin:

- (a) operations to ensure the preservation of products in good condition during transport and storage such as drying, freezing, ventilation, chilling and like operations;
- (b) sifting classifying, washing, cutting, slitting, bending, coiling, or uncoiling, sharpening, simple grinding, slicing;
- (c) cleaning, including removal of oxide, oil, paint or other coverings;
- (d) painting and polishing operations;
- (e) testing or calibration;
- (f) placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;
- (g) simple mixing (2) of goods, whether or not of different kinds;
- (h) simple assembly (3) of parts of products to constitute a complete good;
- (i) changes of packing, unpacking or repacking operations, and breaking up and assembly of consignments;
- (j) affixing or printing marks, labels, logos and other like distinguishing signs on goods or their packaging;
- (k) mere dilution with water or another substance that does not materially alter the characteristics of the goods; and
- (l) husking, partial or total bleaching, polishing and glazing of cereals and rice.

(2) "Simple mixing" generally describes an activity which does not need special skills, machine, apparatus or equipment especially produced or installed for carrying out the activity. However, simple mixing does not include chemical reaction. Chemical reaction means a process (including a bio chemical process) which results in a molecule with a new structure by breaking intra molecular bonds and by forming new intra molecular bonds, or by altering the spatial arrangement of atoms in a molecule.

(3) "Simple assembly" generally describes an activity which does not need special skills, machines, apparatus or equipment especially produced or installed for carrying out the activity.

Article 4.8. Direct Consignment

1. An originating good shall be deemed as directly consigned from the exporting Party to the importing Party:

- (a) if the goods are transported without passing through the territory of any non-Party; or
- (b) if the goods are transported for the purpose of transit through non-Party with or without transshipment or temporary storage in such non-Party, provided that:
 - (i) the transit is justified for geographical reasons or transport requirements;
 - (ii) the goods have not entered into trade or consumption in the territory of the non-Party; and
 - (iii) the goods have not undergone any operation in the territory of the non-Party other than unloading, reloading and splitting-up/bulk breaking or any operation required to keep the goods in good condition.

2. In the case where an originating good of the exporting Party is imported through one or more non-Parties or after an exhibition in a non-Party, the Customs Authority of the importing Party may require importers, who claim the preferential tariff treatment for the good, to submit supporting documentation such as transport, customs documents or other documents.

Article 4.9. De Minimis

A good that does not undergo a change in tariff classification shall be considered as originating if the value of all non-originating materials used in its production that do not undergo the required change in tariff classification does not exceed ten percent (10%) of the FOB value of the good and the good meets all other applicable criteria set forth in this Chapter for qualifying as an originating good.

Article 4.10. Treatment of Packages, Packing Materials and Containers

1. If a good is subject to the RVC provided in Article 4.4, the value of the packages and packing materials for retail sale, shall be taken into account in determining the origin of that good as originating or non-originating, as the case may be, provided that the packages and packing materials are considered to be forming a whole with the good.
2. If a good is subject to the change in tariff classification criterion provided in Article 4.4, packages and packing materials classified together with the packaged good, shall not be taken into account in determining origin.
3. Packing materials and containers used exclusively for the transportation of a good shall not be taken into account in determining the origin of such goods.

Article 4.11. Accessories, Spare Parts and Tools

1. If a good is subject to the requirements of CTC, the origin of accessories, spare parts, tools and instructional or other information materials presented with the good shall not be taken into account in determining whether the good qualifies as an originating good, provided that:
 - (a) the accessories, spare parts, tools and instructional or other information materials are not invoiced separately from the good; and
 - (b) the quantities and value of the accessories, spare parts, tools and instructional or other information materials are customary for the good.
2. If a good is subject to the RVC-based rule of origin, the value of the accessories, spare parts, tools and instructional or other information materials shall be taken into account as the value of the originating or non-originating materials, as the case may be, in calculating the RVC of the originating good.

Article 4.12. Indirect Materials

1. Indirect materials shall be treated as originating materials regardless of where they are produced.
2. For the purposes of this Article, indirect materials means a good used in the production, testing or inspection of another good but not physically incorporated into the good, or a good used in the maintenance of buildings or the operation of equipment associated with the production of a good, including:
 - (a) fuel and energy;
 - (b) tools, dies and moulds;
 - (c) spare parts and materials used in the maintenance of equipment and buildings;
 - (d) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings;
 - (e) gloves, glasses, footwear, clothing, safety equipment and supplies;
 - (f) equipment, devices and supplies used for testing or inspecting the good;
 - (g) catalyst and solvent; and
 - (h) any other goods that are not incorporated into the good but of which use in the production of the good can reasonably be demonstrated to be a part of that production.

Article 4.13. Identical and Interchangeable Materials

1. The determination of whether identical and interchangeable materials are originating materials shall be made either by physical segregation of each of the materials or by the use of GAAP of stock control applicable, or inventory management

practice, in the exporting Party.

2. Once a decision has been taken on the inventory management method, that method shall be used throughout the fiscal year.

Article 4.14. Certificate of Origin

A claim that a good shall be accepted as eligible for preferential tariff treatment shall be supported by a Certificate of Origin (Form VC), as set out in Annex 4-C issued by the issuing authority and notified to the other Party in accordance with the Operational Certification Procedures, as set out in Annex 4-A.

Chapter 5. Customs Administration

Article 5.1. Definitions

For the purposes of this Chapter:

customs law means such laws and regulations administered and enforced by the Customs Authority of each Party concerning the importation, exportation, and transit/transshipment of goods, as they relate to customs duties, charges, and other taxes, or to prohibitions, restrictions, and other similar controls with respect to the movement of controlled items across the boundary of the customs territory of each Party;

customs procedures means the treatment applied by the Customs Authority of each Party to goods which are subject to customs control;

requesting authority means the Customs Authority which requests assistance; and

requested authority means the Customs Authority from which assistance is requested.

Article 5.2. Objectives

The objectives of this Chapter are to:

- (a) simplify and harmonize customs procedures of the Parties;
- (b) ensure consistency, predictability and transparency in the application of customs laws and regulations of the Parties;
- (c) ensure efficient and expeditious release of goods;
- (d) facilitate trade in goods between the Parties by the use of information and communications technology, taking into account international standards; and
- (e) promote cooperation between the Customs Authorities with relevant international standards and recommended practices such as those made under the auspices of the Customs Co-operation Council of the World Customs Organization.

Article 5.3. Scope and Coverage

1. This Chapter shall apply to customs procedures for goods traded between the Parties.

2. This Chapter shall be implemented in accordance with the laws and regulations of each Party and within the competence and available resources of their respective Customs Authorities.

Article 5.4. Review and Appeal

1. Each Party shall ensure that with respect to its determinations on customs matters, in accordance with the Party's domestic laws and regulations, importers in its territory have access to:

- (a) administrative review independent of the official that issued the determination; and
- (b) judicial review of the determination or decision taken at the final level of administrative review.

2. Notice of the decision on appeal shall be given to the appellant and the reasons for such decision shall be provided in writing.

Article 5.5. Release of Goods/customs Control

1. Each Party shall endeavor to apply customs procedures in a predictable, consistent and transparent manner for the efficient release of goods in order to facilitate trade between the Parties.
2. For prompt release of goods traded between the Parties, each Party shall to the extent possible:
 - (a) provide for the release of goods within a period no longer than that required to ensure compliance with its customs laws and regulations; and to the extent possible, within forty eight (48) hours of all relevant customs imports;
 - (b) make use of information and communications technology;
 - (c) adopt or maintain procedures allowing, to the extent possible, goods to be released at the point of arrival, without temporary transfer to warehouses or other locations;
 - (d) harmonize its customs procedures, as far as possible, with relevant international standards and best practices, such as those recommended by the World Customs Organization; and
 - (e) adopt or maintain procedures allowing the release of goods prior to, and without prejudice to, the final determination by its Customs Authority of the applicable customs duties, taxes and fees, subject to domestic procedures.

Article 5.6. Risk Management

1. In order to facilitate release of goods traded between the Parties, and within available resource and competence of each Party, the Customs Authority shall use risk management methodology.
2. The Customs Authority of each Party shall exchange information, including best practices on risk management techniques and other enforcement techniques.
3. Each Party shall endeavor to adopt or maintain risk management systems that enable its Customs Authority to concentrate inspection activities on high risk goods and that simplify the clearance and movement of low risk goods.

Article 5.7. Cooperation and Capacity Building

1. Each Party shall cooperate on capacity building for trade facilitation, such as training, technical assistance, exchange of experts and any other forms of cooperation, as may be mutually agreed upon by the Parties. 2. To the extent permitted by their domestic laws and regulations, the Customs Authority of each party shall assist each other in relation to:
 - (a) achieving compliance with their laws and regulations pertaining to the implementation and operation of the provisions of this Agreement; and such other customs matters as the Parties may agree;
 - (b) the implementation and operation of the WTO Customs Valuation Agreement;
 - (c) the enforcement of prohibitions and restrictions on exports to and imports from their respective territories;
 - (d) joint efforts to combat customs fraud; and
 - (e) cooperation in any other areas as may be mutually agreed by the Parties.

Article 5.8. Mutual Assistance

1. The Customs Authority of each Party shall, to the extent possible, provide the Customs Authority of the other Party, upon request or on its own initiative, with information which helps to ensure proper application of customs laws and regulations, and the prevention of violation or attempted violation of customs laws and regulations.
2. To the extent permitted by their customs laws and regulations, the Customs Authorities may provide each other with mutual assistance in order to prevent or investigate violations of customs laws and regulations.
3. The request pursuant to paragraph 1 shall, wherever appropriate, specify:
 - (a) the verification procedures that the requesting authority has undertaken or attempted to undertake; and
 - (b) the specific information that the requesting authority requires, which may include:

- (i) subject and reason for the request;
- (ii) a brief description of the matter and the action requested; and
- (iii) the names and addresses of the parties concerned with the proceedings, if known.

Article 5.9. Enforcement Against Illicit Trafficking

The Customs Authority of each Party shall, to the extent permitted by their laws and regulations, wherever possible, cooperate and exchange information in their enforcement against the trafficking of illicit drugs and other prohibited goods in their respective territories.

Article 5.10. Information and Communications Technology

For the purpose of improving customs procedures, the Customs Authorities of the Parties shall make cooperative efforts to promote the use of information and communications technology in their customs procedures, including sharing best practices.

Article 5.11. Confidentiality

1. Each Party's Customs Authority undertakes not to use any information received in accordance with this Chapter or Chapter 4 (Rules of Origin) other than for the purpose for which the information was given, or to disclose any such information, except in cases where: (a) the Customs Authority that furnished the information has expressly approved its use or disclosure for other purposes related to this Chapter or Chapter 4 (Rules of Origin); or (b) the domestic laws and regulations of the receiving Customs Authority require disclosure, in which case the receiving Customs Authority shall notify the Customs Authority that furnished the information of the relevant laws and regulations.

2. Any information received in accordance with this Chapter or Chapter 4 (Rules of Origin) shall be treated as confidential and will be subject to the same protection and confidentiality as the same kind of information under the domestic laws and regulations of the Customs Authority where it is received.

3. Nothing in this Chapter or Chapter 4 (Rules of Origin) shall be construed to require a Party to furnish or allow access to information the disclosure of which would:

- (a) be contrary to the public interest as determined by its laws, rules or regulations;
- (b) be contrary to any of its laws, rules and regulations, including but not limited to those protecting personal privacy or the financial affairs and accounts of individuals; or
- (c) impede law enforcement.

Article 5.12. Paperless Trading

1. The Customs Authority of each Party, in implementing initiatives which provide for the use of paperless trading, shall take into account the methods agreed by the World Customs Organization, including the adoption of the World Customs Organization data model for the simplification and harmonization of data.

2. The Customs Authority of each Party shall work towards having electronic means for all its customs reporting requirements, as soon as practicable.

3. The introduction and enhancement of information technology shall, to the greatest extent possible, be carried out in consultation with all relevant parties including businesses directly affected.

Article 5.13. Provision of Information

The Customs Authorities may provide each other with information on any related regulations of general application governing customs matters that they propose to adopt and shall publish any regulation of general applications governing customs matters as soon as it comes into force.

Article 5.14. Publication and Enquiry Points

For the purposes of this Chapter, each Party shall:

(a) publish on the internet or in print form all statutory and regulatory provisions and procedures applicable or enforced by its Customs Authority; and

(b) designate one or more enquiry points to address enquiries from the other Party concerning customs matters, and shall make available on the internet, or in print form, information concerning procedures for making such enquiries.

Chapter 6. Sanitary and Phytosanitary Measures

Article 6.1. Definitions

For the purposes of this Chapter:

1. The definitions in Annex A of the SPS Agreement are incorporated into this Chapter and shall form part of this Chapter, *mutatis mutandis*.

2. The relevant definitions developed by the international standard setting bodies recognized by the SPS Agreement, the Codex Alimentarius Commission (Codex), the World Organisation for Animal Health (OIE) and the International Plant Protection Convention (IPPC) shall be referenced in the implementation of this Chapter.

Article 6.2. Objectives

The objectives of this Chapter are to:

(a) facilitate the implementation of the SPS Agreement and applicable international standards, guidelines and recommendations developed by relevant international standard setting bodies;

(b) facilitate bilateral trade in food, plants and animals, and products thereof, while protecting human, animal or plant life or health in the territory of each Party;

(c) increase mutual understanding of each Party's regulations and procedures relating to the implementation of sanitary and phytosanitary measures;

(d) improve the communication and cooperation on sanitary and phytosanitary issues; and

(e) provide the means to resolve sanitary and phytosanitary issues arising from the implementation of this Agreement.

Article 6.3. Scope and Coverage

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

Article 6.4. General Provisions

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

2. The Parties shall cooperate in relevant international standards setting bodies recognized by the SPS Agreement.

Article 6.5. Consultations on Sanitary and Phytosanitary Measures

1. Upon the request of a Party for consultations on a matter arising under this Chapter, the Parties shall agree to enter into consultation process through the contact point established in Article 6.7.

2. Consultations will be carried out within 60 days after the receipt of the request, unless mutually agreed by the Parties. Such consultations may be conducted via teleconferencing, videoconferencing, or any other means mutually agreed by the Parties.

3. Through consultations and cooperation, both Parties shall make an effort to find a mutually satisfactory solution. If the Parties fail to resolve sanitary and phytosanitary issues arising from the implementation of this Agreement through the consultations pursuant to this Article, such consultations will replace those provided for in Article 12.3 (Consultations).

Article 6.6. Committee on Sanitary and Phytosanitary Measures

1. The Parties hereby agree that the Committee on Sanitary and Phytosanitary Measures hereafter referred as Committee, shall be established in a period not later than one year after the date of entry into force of this Agreement through an exchange of letters, with the objective of ensuring the implementation of this Chapter.
2. The Committee shall be comprised of representatives of each Party who have responsibility for sanitary and phytosanitary measures.
3. The Committee shall seek to enhance cooperation between the Parties' agencies with responsibility for sanitary and phytosanitary measures.
4. The Committee shall provide a forum for:
 - (a) enhancing mutual understanding of each Party's sanitary and phytosanitary measures and the regulatory processes that relate to those measures;
 - (b) discussing and addressing matters related to the development, application or implementation of sanitary and phytosanitary measures that affect, or may affect, trade between the Parties;
 - (c) reviewing progress and try to find a solution for issues on sanitary and phytosanitary measures affecting trade between both Parties;
 - (d) consulting on issues, relating to the meetings of the WTO SPS Committee, Codex Alimentarius Commission (Codex), the World Organisation for Animal Health (OIE) and the International Plant Protection Convention (IPPC);
 - (e) coordinating technical cooperation programs on sanitary and phytosanitary measures; and
 - (f) improving bilateral understanding related to specific implementation issues concerning the SPS Agreement.
5. The Committee shall meet annually unless the Parties otherwise agree.
6. The Committee shall establish its own rules of procedures during its first meeting to guide its operations which may be revised or further developed.
7. Each Party shall ensure that appropriate representatives with responsibility for the development, implementation, and enforcement of sanitary and phytosanitary measures participate in meetings of the Committee. Each Party shall inform each other of the agencies and ministries responsible for all sanitary and phytosanitary measures.
8. The Committee may agree to establish ad hoc technical working groups in accordance with the Committee's rules of procedures.

Article 6.7. Competent Authorities and Contact Points

1. The competent authorities responsible for the implementation of the measures referred to in this Chapter are listed in Annex 6-A.
2. The contact points that have the responsibility relating to communication between the Parties are set out in Annex 6-B.
3. The Parties shall inform each other of any significant changes in the structure, organization and division of the competency of its competent authorities or contact points.

Chapter 7. Technical Regulations, Standards and Conformity Assessment Procedures

Article 7.1. Definitions

For the purposes of this Chapter:

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

technical regulation, standard and conformity assessment procedures shall have the meanings assigned to those terms in

Annex 1 of the TBT Agreement.

Article 7.2. Objectives

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

Article 7.3. Scope and Coverage

1. Except as provided in paragraphs 2 and 3, this Chapter applies to all standards, technical regulations, and conformity assessment procedures, as defined in the TBT Agreement that may, directly or indirectly, affect trade in goods between the Parties.
2. Technical specifications prepared by governmental bodies for production or consumption requirements of such bodies are not subject to the provisions of this Chapter.
3. This Chapter does not apply to sanitary and phytosanitary measures as defined in Annex A, paragraph 1 of the SPS Agreement, which are covered in Chapter 6 (Sanitary and Phytosanitary Measures).
4. Nothing in this Chapter shall limit the right of a Party to prepare, adopt and apply technical regulations and standards, to the extent necessary, in accordance with its rights and obligations under the TBT Agreement, necessary to fulfill a legitimate objective taking into account the risks non-fulfillment would create.

Article 7.4. Reaffirmation of TBT Agreement

The Parties reaffirm their rights and obligations under the TBT Agreement.

Article 7.5. International Standards

1. Each Party shall use relevant international standards, to the extent provided in Article 2.4 of the TBT Agreement, as a basis for its technical regulations.
2. In this respect, the Parties shall apply the principles set out in the "Decisions and Recommendations adopted by the Committee since 1 January 1995, G/TBT/1/Rev.9, 8th September 2008", Annex B Part 1("Decision of the Committee on Principles for the Development of International Standards, Guides and Recommendations with relation to Articles 2, 5 and Annex 3 of the Agreement"), issued by the WTO Committee on Technical Barriers to Trade.

Article 7.6. Trade Facilitation

The Parties should work cooperatively in the fields of standards, technical regulations and conformity assessment procedures with a view to facilitating trade between the Parties, in particular, to identify bilateral initiatives regarding standards, technical regulations and conformity assessment procedures that are appropriate for particular issues or sectors. Such initiatives may include:

- (a) cooperation on regulatory issues, such as convergence or equivalence of technical regulations and standards;
- (b) alignment with international standards;
- (c) reliance on a supplier's declaration of conformity; and
- (d) use of accreditation to qualify conformity assessment bodies, as well as cooperation through recognition of conformity assessment procedures.

Article 7.7. Technical Regulations

1. Each Party shall give positive consideration to accepting as equivalent, technical regulations of the other Party, even if these regulations differ from its own, provided it is satisfied that these regulations adequately fulfill the objectives of its regulations.
2. Where a Party does not accept a technical regulation of the other Party as equivalent to its own, it may, upon the request of the other Party, explain its reasons, as far as possible.

Article 7.8. Conformity Assessment Procedures

1. The Parties recognize that a broad range of mechanisms exist to facilitate the acceptance in a Party's territory of the results of conformity assessment procedures conducted in the other Party's territory. For example:

- (a) conformity assessment bodies located in each Party's territory may enter into voluntary arrangements to accept the results of each other's conformity assessment procedures;
- (b) a Party may agree with the other Party to accept the results of conformity assessment procedures conducted by bodies located in the other Party's territory with respect to specific technical regulations;
- (c) a Party may adopt accreditation procedures for qualifying conformity assessment bodies located in the territory of the other Party; and
- (d) a Party may designate conformity assessment bodies located in the territory of the other Party to carry out conformity assessment activities. The Parties shall exchange information on these and other similar mechanisms with a view to facilitating acceptance of conformity assessment results.

2. Where a Party does not accept the results of a conformity assessment procedure conducted in the territory of the other Party, it may, upon request of that other Party, explain the reasons for its decision, as far as possible.

3. Each Party shall accredit, approve or otherwise recognize conformity assessment bodies in the territory of the other Party on terms no less favorable than those it accords to conformity assessment bodies in its territory. Where a Party accredits, approves or otherwise recognizes a body assessing conformity with a specific technical regulation or standard in its territory and refuses to accredit, approve or otherwise recognize a body assessing conformity with that technical regulation or standard in the territory of the other Party, it shall, upon request of the other Party, explain the reasons for its decision.

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

Article 7.9. Technical Cooperation

With a view to fulfilling the objectives of this Chapter, a Party shall, upon the request of the other Party and where possible, cooperate towards:

- (a) exchanging legislation, regulations, rules and other information and periodicals published by the national bodies responsible for technical regulations, standards, conformity assessment procedures, including accreditation;
- (b) exchanging general information and publications on conformity assessment activities, including certification, designation and accreditation of conformity assessment bodies;
- (c) providing technical advice, information and assistance on mutually agreed terms and conditions and exchanging experience, joint studies to enhance the other Party's system for standards, technical regulations and conformity assessment procedures, and related activities;
- (d) giving favorable consideration, upon request of the other Party, to any sector specific proposal for further cooperation;
- (e) promoting and encouraging bilateral cooperation between respective organizations of the Parties responsible of activities covered by this Chapter;
- (f) increasing their bilateral cooperation in the relevant regional and international organizations and fora dealing with the issues covered by this Chapter; and
- (g) informing the other Party, as far as possible, about the agreements or programs subscribed at international level in relation to technical barriers to trade issues.

Article 7.10. Transparency

1. The Parties acknowledge the importance of transparency in decision-making, including providing a meaningful opportunity for persons to provide comments on proposed technical regulations and conformity assessment procedures. Where a Party publishes a notice or notification under Article 2.9 or 5.6 of the TBT Agreement, it:

(a) may include in the notice the objectives and rationale of the proposed technical regulation or conformity assessment procedure; drafting bodies and development period thereof; and

(b) shall transmit the notification with the proposal electronically to the other Party through the enquiry point the Party has established under Article 10 of the TBT Agreement, at the same time as it notifies WTO Members of the proposal. Each Party should allow at least sixty (60) days for the other Party to make comments in writing on the proposals.

2. When a Party submits a notification under Article 2.10 or 5.7 of the TBT Agreement, it shall at the same time, transmit the notification to the other Party electronically through the enquiry point referenced in paragraph 1(b).

3. Where possible, the Parties are encouraged to publish, or otherwise make available to the public, in print or electronically, its responses to significant comments it receives under paragraph 1(b) no later than the date it publishes the final technical regulation or conformity assessment procedure.

4. Upon request of the other Party, a Party shall provide the other Party with information regarding the objective of, and rationale for, a standard, technical regulation or conformity assessment procedure that the Party has adopted or is proposing to adopt.

Article 7.11. Enquiry Points

1. Each Party shall designate an enquiry point which shall have the responsibility to coordinate the implementation of this Chapter; and provide the other Party with the name of its designated enquiry point and the contact details of relevant officials in that organization, including information on telephone, facsimile, e-mail and other relevant details.

2. Each Party shall notify the other Party promptly of any change of its enquiry point or any amendments to the information of the relevant officials.

Article 7.12. Information Exchange

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

Article 7.13. Committee on Technical Barriers to Trade

1. In order to facilitate the implementation of this Chapter and the cooperation between the Parties, the Parties hereby establish a Committee on Technical Barriers to Trade (hereinafter referred to as "the Committee"), comprising representatives of each Party.

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

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

(b) in the case of Viet Nam, the Directorate for Standards, Metrology and Quality, Ministry of Science and Technology.

3. The Committee's functions shall include:

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

(b) coordinating cooperation pursuant to Article 7.9;

(c) exchanging views on any issue, as far as possible, that a Party raises related to the development, adoption, application, or enforcement of standards, technical regulations or conformity assessment procedures;

(d) enhancing cooperation in the development and improvement of standards, technical regulations and conformity assessment procedures;

(e) facilitating technical consultations;

(f) where appropriate, identifying mutually agreed priority sectors for enhanced cooperation to facilitate trade;

(g) facilitating sectoral cooperation among governmental and non-governmental conformity assessment bodies in the Parties' territories;

- (h) exchanging information, as far as possible, on developments in nongovernmental, regional, and multilateral fora, engaged in activities related to standardisation, technical regulations and conformity assessment procedures;
- (i) taking any other steps the Parties consider will assist them in implementing the TBT Agreement and in facilitating trade in goods between them on the basis of the Parties' conditions and capacity;
- (j) upon a Party's request, discussing any matters arising under this Chapter;
- (k) reviewing this Chapter in light of any developments under the TBT Agreement and reporting to the Commission on the implementation of this Chapter, where appropriate; and
- (l) carrying out other functions as may be delegated by the Commission.

4. The Committee shall meet at least once a year, unless otherwise agreed by the Parties. Meetings may be held by any means as agreed by the Parties. By agreement of the Parties, ad hoc working groups may be established, if necessary.

Chapter 8. Trade Defense

Article 8.1. Global Safeguards

1. Each Party retains its rights and obligations under Article XIX of GATT 1994 and the WTO Safeguards Agreement, as it may be amended.
2. This Agreement does not confer any additional rights or obligations on the Parties with regard to actions taken pursuant to Article XIX of GATT 1994 and the WTO Safeguards Agreement, as it may be amended.

Article 8.2. Antidumping and Countervailing Measures

1. The rights and obligations of the Parties related to antidumping and countervailing measures shall be governed by Article VI of GATT 1994, the WTO Agreement on Implementation of Article VI of the GATT 1994 and the WTO Agreement on Subsidies and Countervailing Measures, as it may be amended.
2. This Agreement does not confer any additional rights or obligations on the Parties with regard to the application of antidumping and countervailing measures, referred to in paragraph 1. Bilateral Safeguard Measures

Article 8.3. Definitions

For purposes of this Section:

competent authority means:

(a) in the case of Chile, the National Commission in Charge of the Investigation of the Existence of Price Distortions in Imported Products (Comisión Nacional Encargada de Investigar la Existencia de Distorsiones en el Precio de las Mercaderías Importadas), or its successor; and

(b) in the case of Viet Nam, the Ministry of Industry and Trade, or its successor;

domestic industry means, with respect to an imported good, the producers as a whole of the like or directly competitive good or those producers whose collective production of the like or directly competitive good constitutes a major proportion of the total domestic production of such good;

serious injury means a significant overall impairment in the position of a domestic industry;

substantial cause means a cause which is important and not less than any other cause;

threat of serious injury means serious injury that, on the basis of facts and not merely on allegation, conjecture, or remote possibility, is clearly imminent; and

transition period means the five-year period beginning on the date of entry into force of this Agreement, except where the tariff elimination for the good against which the action is taken occurs over a longer period of time, in which case the transition period shall be the period of the staged tariff elimination for that good.

Article 8.4. Imposition of a Bilateral Safeguard Measure

1. A Party may impose a bilateral safeguard measure described in paragraph 2, during the transition period only, if as a result of the reduction or elimination of a duty pursuant to this Agreement, a good originating in the territory of the other Party is being imported into the Party's territory in such increased quantities, in absolute terms or relative to domestic production, and under such conditions as to constitute a substantial cause of serious injury, or threat thereof, to a domestic industry producing a like or directly competitive good.

2. If the conditions in paragraph 1 are met, and to the extent as may be necessary, to prevent or remedy serious injury, or threat thereof, and facilitate adjustment, a Party may:

(a) suspend the further reduction of any rate of duty provided for under this Agreement on the good; or

(b) increase the rate of duty on the good to a level not to exceed the lesser of:

(i) the most-favoured-nation (MFN) applied rate of duty in effect at the time the action is taken; or

(ii) the MFN applied rate of duty in effect on the day immediately preceding the date of entry into force of this Agreement.

Article 8.5. Standards for a Bilateral Safeguard Measure

1. A Party may apply a bilateral safeguard measure, including any extension thereof, for no longer than three years including a one-year extension. Regardless of its duration, such measure shall terminate at the end of the transition period.

2. In order to facilitate adjustment in a situation where the expected duration of a bilateral safeguard measure is over one year, the Party applying the measure shall progressively liberalize it at regular intervals during the period of application.

3. Neither Party may impose a bilateral safeguard measure more than once on the same good.

4. Neither Party may impose a bilateral safeguard measure on a good that is subject to a measure that the Party has imposed pursuant to Article XIX of GATT 1994 and the WTO Safeguards Agreement, and neither Party may continue maintaining a bilateral safeguard measure on a good that becomes subject to a measure that the Party imposes pursuant to Article XIX of GATT 1994 and the WTO Safeguards Agreement.

5. Upon the termination of a bilateral safeguard measure, the rate of the customs duty shall be the rate which would have been in effect if the bilateral safeguard measure had not been applied.

Article 8.6. Investigation Procedures and Transparency Requirements

1. A Party shall impose a bilateral safeguard measure only following an investigation by the Party's competent authorities in accordance with Articles 3 and 4.2(c) of the WTO Safeguards Agreement; and to this end, Articles 3 and 4.2(c) of the WTO Safeguards Agreement are incorporated into and made a part of this Agreement, mutatis mutandis.

2. In the investigation described in paragraph 1, a Party shall comply with the requirements of Article 4.2(a) of the WTO Safeguards Agreement; and to this end, Article 4.2(a) of the WTO Safeguards Agreement is incorporated into and made a part of this Agreement, mutatis mutandis.

Article 8.7. Provisional Safeguard Measures

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

Article 8.8. Notification and Consultation

1. A Party shall promptly notify the other Party, in writing, on:

(a) initiating an investigation under Article 8.6;

(b) taking a decision to impose or extend a bilateral safeguard measure; and

(c) taking a decision to modify a bilateral safeguard measure previously undertaken.

2. A Party shall provide to the other Party a copy of the public version of the report of its competent authorities required under Article 8.6(1).

3. Before applying any bilateral safeguard measure a Party should provide the other Party the opportunity for consultation on issues related to the investigation and application of bilateral safeguard measures. Provisional safeguard measures cannot be applied before two months after the initiation of the investigation.

Article 8.9. Compensation

1. The Party taking a bilateral safeguard measure shall, in consultation with the other Party, provide to the other Party mutually agreed trade liberalizing compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the measure. Such consultations shall begin within thirty days of the imposition of the measure. When the Parties reach agreement on such compensation the Party taking the measure shall apply the compensation immediately.

2. If the Parties are unable to reach agreement on compensation as provided in paragraph 1, within 30 days after the consultations commence, the exporting Party shall be free to suspend the application of substantially equivalent concessions to the trade of the Party applying the bilateral safeguard measure. That Party may suspend the concessions only for the minimum period necessary to achieve the substantially equivalent effects and only while the bilateral safeguard measure is maintained. The right of suspension referred to in this paragraph shall not be exercised for the first year that a bilateral safeguard measure is in effect, provided that the bilateral safeguard measure has been taken as a result of an absolute increase in imports and that such a measure conforms to the provisions of this Chapter.

3. A Party shall notify the other Party in writing at least thirty days before suspending concessions under paragraph 2.

4. The obligation to provide compensation under paragraph 1 and the right to suspend substantially equivalent concessions under paragraph 2 shall terminate on the date of the termination of the bilateral safeguard measure.

Chapter 9. Cooperation

Article 9.1. Objectives

1. The Parties agree to establish a framework for collaborative activities between them as a means to expand and enhance the benefits of this Agreement for building an economic partnership between them.

2. The Parties will establish close cooperation aimed, inter alia, at:

(a) strengthening and building on existing cooperative relationships between the Parties;

(b) creating new opportunities for trade and investment, promoting competitiveness and innovation including the involvement of government and business sectors and the academia;

(c) supporting the important role of the business sector and the academia in promoting and encouraging mutual economic growth and development;

(d) encouraging the presence of the Parties and their goods and services in the respective markets of Asia Pacific and Latin America;

(e) reinforcing and expanding cooperation, collaboration and mutual exchange in the cultural and educational areas; and

(f) increasing the level of and deepening cooperation activities between the Parties in areas of mutual interest.

Article 9.2. Scope

1. The Parties affirm the importance of all forms of cooperation, including, but not limited to, the areas enlisted in Article 9.3.

2. Areas of cooperation will be developed and agreed upon by the Parties in formal documents.

3. Cooperation between the Parties should contribute to achieving the objectives of this Agreement through the identification and development of innovative cooperation programs capable of providing added value to their relationships.

4. Cooperative activities will be agreed upon between the Parties and may include, but not limited to, those enlisted in Article 9.4.

5. Cooperation between the Parties under this Chapter will complement the cooperation and cooperative activities between the Parties set out in other Chapters of this Agreement.

Article 9.3. Fields of Cooperation

Fields of cooperation and capacity building under this Chapter shall include, inter alia:

- (a) economic development;
- (b) innovation, research and development;
- (c) agriculture, food industry and forestry;
- (d) mining and industry;
- (e) energy;
- (f) small and medium-sized enterprises;
- (g) tourism;
- (h) education and human capital development;
- (i) culture;
- (j) gender issues;
- (k) climate change;
- (l) health care, and
- (m) development aspects.

Article 9.4. Activities of Cooperation

In pursuit of the objectives set out in Article 9.1, the Parties will encourage and facilitate, as appropriate, the following activities, including, but not limited to:

- (a) building upon existing agreements or arrangements for cooperation;
- (b) facilitating the exchange of experts, information, documentation, experiences;
- (c) promoting cooperation in regional and multilateral fora;
- (d) guiding cooperative activities;
- (e) providing technical assistance; and
- (f) organizing dialogues, conferences, seminars and training programs.

Article 9.5. Committee on Cooperation

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

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

- (a) in the case of Chile, the Ministry of Foreign Affairs through the General Directorate for International Economic Affairs, or its successor; and
- (b) in the case of Viet Nam, the Americas Market Department designated by the Ministry of Industry and Trade, or its successor.

3. In order to facilitate the communication and ensure the proper functioning of the Committee, the Parties will designate a contact point no later than six (6) months following the date of entry into force of this Agreement.
4. The Committee shall meet when necessary, as agreed by the Parties. At the first meeting, the Committee shall agree on its terms of reference.
5. The Committee's functions shall include: (a) to specify the fields of cooperation and the cooperative activities;
(b) to oversee the implementation of the collaboration agreed by the Parties;
(c) to encourage the Parties to undertake cooperation activities under this Chapter;
(d) to define any other activity of cooperation deemed necessary by the Parties; and
(e) to maintain updated information, as appropriate regarding any cooperation agreements or arrangements between the Parties.
6. The Committee may agree to establish ad hoc working groups.
7. The Committee may interact, where appropriate, with relevant agencies to address specific matters.
8. The Committee shall report periodically to the Commission the results of its meetings. The Commission may recommend actions regarding cooperation activities under this Chapter, in accordance with the strategic priorities of the Parties.

Article 9.6. Cooperation with Non-parties

The Parties recognize the value of international cooperation for the promotion of sustainable development and agree to develop, where appropriate, projects of mutual interest with non-Parties with the consent of the Parties.

Article 9.7. Non-application of Dispute Settlement

The dispute settlement mechanism provided for in Chapter 12 (Dispute Settlement) shall not apply to this Chapter.

Article 9.8. Resources

The Parties shall provide, within the limits of their own capacities and through their own channels, adequate resources for the fulfillment of the objectives of this Chapter.

Chapter 10. Transparency

Article 101. Definitions

For the purposes of this Chapter, administrative ruling of general application means an administrative ruling or interpretation that applies to all persons and fact situations that fall generally within its ambit and that establishes a norm of conduct but does not include:

- (a) a determination or ruling made in an administrative procedure that applies to a particular person, good or service of the other Party in a specific case; or
- (b) a ruling that adjudicates with respect to a particular act or practice.

Article 10.2. Contact Points

1. The contact points referred to in Annex 10-A shall facilitate communications between the Parties on any matter covered by this Agreement.
2. Upon request of the other Party, the contact points shall identify the office or official responsible for the matter and assist, as necessary, in facilitating communication with the requesting Party.

Article 10.3. Publication

1. Each Party shall ensure, in accordance with its domestic legislation, that its laws, regulations, procedures and administrative rulings of general application, with respect to any matter covered by this Agreement, are promptly published or otherwise made publicly available, including wherever possible in electronic form.

2. When introducing or changing its laws or regulations that significantly affect the implementation and operation of this Agreement, each Party should, to the extent possible, in accordance with its laws and regulations, endeavor to provide, except in emergency situations, a reasonable period between the time when such laws or regulations, as introduced or changed, are published or made publicly available, and the time when they enter into force.

3. To the extent possible, in accordance with its domestic laws, each Party shall:

(a) publish in advance any such measure referred to in paragraph 1 that it proposes to adopt; and

(b) provide interested persons and the other Party for a reasonable opportunity to comment on such proposed measures.

Article 10.4. Notification and Provision of Information

1. To the maximum extent possible, each Party shall notify the other Party of any proposed or actual measure that the Party considers might materially affect the operation of this Agreement or otherwise substantially affect the other Party's interests under this Agreement.

2. Upon request of the other Party, a Party shall promptly provide information and respond to questions pertaining to any actual or proposed measure that the requesting Party considers might materially affect the operation of this Agreement or otherwise substantially affect its interests under this Agreement, regardless of whether the requesting Party has been previously notified of that measure.

3. Any notification, request or information under this Article shall be provided to the other Party through the relevant contact points.

4. Any notification or information provided under this Article shall be without prejudice as to whether the measure is consistent with this Agreement.

Article 10.5. Administrative Procedures

With a view to administering in a consistent, impartial and reasonable manner its measures referred to in Article 10.3, each Party shall ensure that in its administrative procedures in which these measures are applied to particular persons, goods or services of the other Party in specific cases, that it:

(a) provides wherever possible, persons of the other Party that are directly affected by a proceeding, reasonable notice, in accordance with its domestic procedures, when a proceeding is initiated, including a description of the nature of the proceeding, a statement of the legal authority under which the proceeding is initiated, and a general description of any issues in question;

(b) affords such persons a reasonable opportunity to present facts and arguments in support of their positions prior to any final administrative action, when time, the nature of the proceeding and the public interest permit; and

(c) follows its procedures in accordance with its domestic law.

Article 10.6. Review and Appeal

1. Each Party shall establish or maintain, in accordance with its laws and regulations, judicial or administrative tribunals or procedures for the purpose of prompt review and, where warranted, correction of final administrative actions regarding matters covered by this Agreement. Such tribunals shall be impartial, and independent of the office or authority entrusted with administrative enforcement.

2. Each Party shall ensure that, in any such tribunals or procedures, the parties to the proceeding are provided with the right to:

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

(b) a decision based on the evidence and submissions of record or, where required by domestic law, the record compiled by the administrative authority.

3. Each Party shall ensure, subject to appeal or further review as provided in its domestic law, that such decisions shall be implemented by, and shall govern the practice of the office or authority with respect to the administrative action that is the subject of the decision.

Chapter 11. Administration

Article 11.1. Free Trade Commission

1. The Parties hereby establish the Free Trade Commission.
2. The Commission shall be composed of relevant government officials of each Party and shall be co-chaired by senior officials of the Parties.
3. The Commission shall:
 - (a) review and monitor the implementation and operation of this Agreement;
 - (b) consider and, as appropriate, decide on specific matters relating to the implementation and operation of this Agreement, including matters reported by relevant Committees or working groups established under this Agreement;
 - (c) supervise and coordinate the work of the Committees and the working groups established under this Agreement;
 - (d) seek to resolve disputes that may arise regarding the interpretation, implementation or application of this Agreement;
 - (e) adopt the Rules of Procedures pursuant to Article 12.14; and
 - (f) carry out any other function as the Parties may agree.
4. The Commission may:
 - (a) establish and delegate responsibilities to any Committee or working group;
 - (b) consider and adopt any modifications of:
 - (i) the Schedules attached to Annex 3-B (Reduction and/or Elimination of Customs Duties), by accelerating tariff elimination, and
 - (ii) the rules of origin established in Annex 4-B (Product Specific Rules); and
 - (c) issue interpretations of the Agreement.

(5) The acceptance of any modification by a Party is subject to the completion of any necessary domestic legal procedures of that Party. Chile shall implement the actions of the Commission through *Acuerdos de Ejecución*, in accordance with article 50, numeral 1, second paragraph, of the *Constitución Política de la República de Chile*.

Article 11.2. Procedures of the Commission

1. The Commission shall convene annually in regular sessions, unless the Parties otherwise agree.
2. The Commission shall meet alternately in the territory of each Party, unless the Parties otherwise agree.
3. The Commission shall also meet in special sessions within thirty (30) days of the request of a Party, with such session to be held in the territory of the other Party or at such location as may be agreed by the Parties.
4. Meetings of the Commission may be held in person or, if agreed by the Parties, by any technological means available to them.
5. All decisions of the Commission shall be taken by mutual agreement.
6. The Commission shall establish its rules and procedures at its first meeting.

Chapter 12. Dispute Settlement

Article 12.1. Scope of Application

Except as otherwise provided in this Agreement, this Chapter shall apply with respect to the avoidance or settlement of disputes between the Parties regarding the implementation, interpretation or application of this Agreement wherever a

Party considers that:

- (a) a measure of the other Party is inconsistent with the obligations of this Agreement; or
- (b) the other Party has failed to carry out its obligations under this Agreement.

Article 12.2. Choice of Forum

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

Article 12.3. Consultations

1. Either Party may request in writing consultations to the other Party concerning any matter on the implementation, interpretation or application of this Agreement.
2. The request for consultations shall set out the reasons for the request, including identification of the specific measures at issue and an indication of the legal basis for the complaint, and providing sufficient information to enable an examination of the matter.
3. When a Party requests for consultations pursuant to paragraph 1, the other Party shall reply to the request and enter into consultations in good faith within thirty (30) days after the date of receipt of the request, with a view to reaching a prompt and mutually satisfactory resolution of the matter. In case of consultations regarding perishable goods, the other Party shall enter into consultations within fifteen (15) days after the date of receipt of the request.
4. The Parties shall make every effort to arrive to a mutually satisfactory resolution of the matter through consultations under this Article.
5. In consultations under this Article, a Party may request the other Party to make available personnel of its government agencies or other regulatory bodies who have expertise in the matter subject to consultations.
6. The consultations under this Article shall be confidential and without prejudice to the rights of either Party in any further proceedings.

Article 12.4. Referral of Matters to the Commission

1. If the consultations fail to resolve the dispute within forty (40) days after the date of receipt of the request for consultations under Article 12.3(2), or twenty (20) days after the date of receipt of the request for consultations under Article 12.3(2) in cases of urgency, including those which concern perishable goods, the complaining Party may refer the matter to the Commission by delivering written notification to the other Party. The Commission shall endeavour to resolve the matter.
2. The Commission may:
 - (a) call on such technical advisers or create such working groups or expert groups as it deems necessary;
 - (b) have recourse to good offices, conciliation, mediation or such other dispute resolution procedures, which proceedings and in particular the positions taken by the disputing Parties during them, shall be confidential and without prejudice to the rights of any Party in any further proceedings under these procedures; or
 - (c) make recommendations; as may assist the Parties to reach a mutually satisfactory resolution of the dispute.

Article 12.5. Establishment of Arbitral Tribunals

1. The complaining Party that made a request for consultations under Article 12.3 may request in writing the establishment of an arbitral tribunal if the Parties fail to resolve the matter within:
 - (a) forty five (45) days after the date of the receipt of the request for consultations under Article 12.3(2) if there is no referral to the Commission under Article 12.4;

(b) thirty (30) days after the Commission convened pursuant to Article 12.4, or fifteen (15) days in cases of urgency including those which concern perishable goods; or

(c) sixty (60) days after a Party has received the request for consultations under Article 12.3, or thirty (30) days in cases of urgency including those which concern perishable goods, if the Commission has not convened after a referral under Article 12.4.

2. Any request to establish an arbitral tribunal pursuant to this Article shall identify:

(a) the specific measure at issue;

(b) the legal basis of the complaint, including any provision of this Agreement alleged to have been breached; and (c) the factual basis for the complaint.

3. The arbitral tribunal shall be established and perform its functions in a manner consistent with the provisions of this Chapter.

4. The date of the establishment of an arbitral tribunal shall be the date on which the chair is appointed.

Article 12.6. Terms of Reference of Arbitral Tribunals

Unless the Parties otherwise agree within twenty (20) days after the date of receipt of the request for the establishment of the arbitral tribunal, the terms of reference of the arbitral tribunal shall be:

"To examine, in the light of the relevant provisions of this Agreement, the matter referred to in the request for the establishment of an arbitral tribunal pursuant to Article 12.5, to make findings of law and fact and determinations on whether the measure is not in conformity with the Agreement together with the reasons therefore and to issue a written report for the resolution of the dispute. If the Parties agree, the arbitral tribunal may make recommendations for resolution of the dispute."

Article 12.7. Composition of Arbitral Tribunals

1. An arbitral tribunal shall comprise three (3) arbitrators.

2. Each Party shall, within thirty (30) days after the date of receipt of the request for the establishment of an arbitral tribunal, appoint one arbitrator, who may be its national and propose up to three (3) candidates to serve as the third arbitrator, who shall be the chair of the arbitral tribunal. The third arbitrator shall not be a national of either Party, nor have his or her usual place of residence in either Party, nor be employed by either Party, nor have dealt with the dispute in any capacity.

3. The Parties shall agree on and appoint the third arbitrator within forty five (45) days after the date of receipt of the request for the establishment of an arbitral tribunal, taking into account the candidates proposed pursuant to paragraph 2.

4. If any arbitrator has not been designated or appointed within forty five (45) days after the date of receipt of the request for establishment of an arbitral tribunal, upon the request of any Party, the necessary designations shall be made by the Director General of the WTO within a further fifteen (15) days.

5. If the Director General of the WTO has not made the necessary designations pursuant to paragraph 4, the arbitrator or arbitrators not yet appointed shall be chosen within seven (7) days by lot from the candidates proposed pursuant to paragraph 2.

6. All arbitrators shall:

(a) have expertise or experience in law, international trade or other matters covered by this Agreement;

(b) be chosen strictly on the basis of objectivity, reliability and sound judgment;

(c) be independent of, and not be affiliated with or receive instructions from, the government of either Party; and

(d) comply with a code of conduct, to be provided in the Rules of Procedure referred to in Article 12.14.

7. If an arbitrator appointed under this Article dies, becomes unable to act or resigns, a successor shall be appointed within fifteen (15) days in accordance with the appointment procedure provided for in paragraphs 2, 3 and 4, which shall be applied, respectively, *mutatis mutandis*. The successor shall have all the powers and duties of the original arbitrator. The work of the arbitral tribunal shall be suspended for a period beginning on the date the original arbitrator dies, becomes

unable to act or resigns. The work of the arbitral tribunal shall resume on the date the successor is appointed.

Article 12.8. Proceedings of Arbitral Tribunals

1. The arbitral tribunal shall meet in closed session except when meeting with the Parties. The Parties to the dispute shall be present at the meetings only when invited by the arbitral tribunal to appear before it.
2. The Parties shall be given the opportunity to provide at least one (1) written submission and to attend any of the presentations, statements or rebuttals in the proceedings. All information or written submissions submitted by a Party to the arbitral tribunal, including any comments on the draft report and responses to questions raised by the arbitral tribunal, shall be made available to the other Party.
3. The arbitral tribunal should consult with the Parties as appropriate and provide adequate opportunities for the development of a mutually satisfactory resolution.
4. The arbitral tribunal shall aim to make its decisions, including its report, by consensus but may also make its decisions, including its report, by majority vote.
5. After notifying the Parties, and subject to such terms and conditions as the Parties may agree if any within ten (10) days, the arbitral tribunal may seek information from any relevant source and may consult experts to obtain their opinion or advice on certain aspects of the matter. The arbitral tribunal shall provide the Parties with a copy of any advice or opinion obtained and an opportunity to provide comments.
6. The deliberations of the arbitral tribunal and the documents submitted to it shall be kept confidential.
7. Notwithstanding paragraph 6, either Party may make public statements as to its views regarding the dispute, but shall treat as confidential, information and written submissions submitted by the other Party to the arbitral tribunal which that other Party has designated as confidential. Where a Party has provided information or written submissions designated to be confidential, that Party shall, within thirty (30) days of a request of the other Party, provide a non-confidential summary of the information or written submissions which may be disclosed publicly.
8. Each Party shall bear the cost of its appointed arbitrator and its own expenses. The cost of the chair of an arbitral tribunal and other expenses associated with the conduct of the proceedings shall be borne by the Parties in equal shares.

Article 12.9. Suspension or Termination of Proceedings

1. The Parties may agree that the arbitral tribunal suspends its work at any time for a period not exceeding twelve (12) months from the date of such agreement. In the event of such a suspension, the time-frames set out in Article 12.11(2) (5) and (7) and Article 12.14(7) shall be extended by the amount of time that the work was suspended. If the work of the arbitral tribunal has been suspended for more than twelve (12) months, the authority for establishment of the arbitral tribunal shall lapse, unless the Parties agree otherwise.
2. The Parties may agree to terminate the proceedings of the arbitral tribunal by jointly notifying the chair of the arbitral tribunal at any time before the issuance of the report to the Parties.

Article 12.10. Report

1. The report of the arbitral tribunal shall be drafted without the presence of the Parties. The arbitral tribunal shall base its report on the relevant provisions of this Agreement and the submissions and arguments of the Parties, and may take into account any other relevant information provided to the arbitral tribunal.
2. The arbitral tribunal shall, within one hundred and eighty (180) days or within sixty (60) days in cases of urgency, including those which concern perishable goods, after the date of its establishment, submit to the Parties its draft report.
3. The draft report shall contain both the descriptive part summarizing the submissions and arguments of the Parties and the findings and determinations of the arbitral tribunal. If the Parties agree, the arbitral tribunal may make recommendations for resolution of the dispute in its report. The findings and determinations of the arbitral tribunal and, if applicable, any recommendations cannot add to or diminish the rights and obligations of the Parties provided in this Agreement.
4. When the arbitral tribunal considers that it cannot submit its draft report within the aforementioned one hundred and eighty (180) or sixty (60) day period referred to in paragraph 2, it shall inform the Parties in writing of the reasons for the delay together with an estimate of the period within which it will submit its report. Any delay shall not exceed a further period of thirty (30) days, unless the Parties otherwise agree.
5. A Party may provide written comments to

the arbitral tribunal on its draft report within fifteen (15) days after the date of submission of the draft report. 6. After considering any written comments on the draft report, the arbitral tribunal may reconsider its draft report and make any further examination it considers appropriate. 7. The arbitral tribunal shall issue its report, within thirty (30) days after the date of submission of the draft report. The report shall include any separate opinions on matters not unanimously agreed and shall not disclose which arbitrators are associated with majority or minority opinions. 8. The report of the arbitral tribunal shall be available to the public within fifteen (15) days after the date of issuance, subject to the requirement to protect confidential information. 9. The report of the arbitral tribunal shall be final and binding on the Parties.

Article 12.11. Information and Technical Advice

1. Upon request of a Party or on its own initiative, unless the Parties disapprove, the arbitral tribunal may seek information and technical advice from any person or body that it deems appropriate. Any information and technical advice so obtained shall be made available to the Parties. 2. With respect to factual issues concerning other technical matter raised by a Party, the arbitral tribunal may request advisory reports in writing from an expert or experts. The arbitral tribunal, upon the request of a Party or on its own initiative, after a consultation with the Parties, may select scientific or technical experts who shall assist the arbitral tribunal throughout its proceedings but shall not have the right to vote in respect of any decision to be made by the arbitral tribunal.

Article 12.12. Implementation of the Report

1. Unless the Parties otherwise agree, the Party complained against shall immediately eliminate the non-conformity as determined in the report of the arbitral tribunal, or if this is not practicable, within a reasonable period of time. 2. The Parties shall continue to consult at all times on the possible development of a mutually satisfactory resolution. 3. The reasonable period of time referred to in paragraph 1 shall be mutually determined by the Parties. Where the Parties fail to agree on the reasonable period of time within forty five (45) days after the date of issuance of the report of the arbitral tribunal referred to in Article 12.10, either Party may refer the matter to an arbitral tribunal as provided for in Article 12.13(7), which shall determine the reasonable period of time. 4. Where there is disagreement between the Parties as to whether the Party complained against eliminated the non-conformity as determined in the report of the arbitral tribunal within the reasonable period of time as determined pursuant to paragraph 3, either Party may refer the matter to an arbitral tribunal as provided for in Article 12.13(7).

Article 12.13. Non-implementation -compensation and Suspension of Concessions or other Obligations

1. If the Party complained against notifies the complaining Party that it is impracticable, or the arbitral tribunal to which the matter is referred pursuant to Article 12.12(4) confirms that the Party complained against has failed to eliminate the nonconformity as determined in the report of the arbitral tribunal within the reasonable period of time as determined pursuant to Article 12.12(3), the Party complained against shall, if so requested, enter into negotiations with the complaining Party with a view to reaching a mutually satisfactory compensation.

2. If there is no agreement on a mutually satisfactory compensation within twenty (20) days after the date of receipt of the request mentioned in paragraph 1, the complaining Party may suspend the application to the Party complained against of concessions or other obligations under this Agreement, after giving notification of such suspension with thirty (30) days in advance. Such notification may only be given twenty (20) days after the date of receipt of the request mentioned in paragraph 1.

3. The compensation referred to in paragraph 1 and the suspension referred to in paragraph 2 shall be temporary measures. Neither compensation nor suspension is preferred to full elimination of the non-conformity as determined in the report of the arbitral tribunal. The suspension shall only be applied until such time as the nonconformity is fully eliminated, or a mutually satisfactory resolution is reached.

4. In considering what concessions or other obligations to suspend pursuant to paragraph 2:

(a) the complaining Party should first seek to suspend concessions or other obligations with respect to the same sector(s) as that in which the report of the arbitral tribunal referred to in Article 12.10(7) has found a failure to comply with the obligations under this Agreement; and

(b) if the complaining Party considers that it is not practicable or effective to suspend concessions or other obligations with respect to the same sector(s), it may suspend concessions or other obligations with respect to other sectors. The notification of such suspension pursuant to paragraph 2 shall indicate the reasons on which it is based.

5. The level of suspension referred to in paragraph 2 shall be equivalent to the level of the nullification or impairment.
6. If the Party complained against considers that the requirements for the suspension of concessions or other obligations by the complaining Party set out in paragraphs 2, 3, 4 or 5 have not been met, it may refer the matter to an arbitral tribunal.
7. The arbitral tribunal that is established for the purposes of this Article or Article 12.12 shall have, wherever possible, as its arbitrators, the arbitrators of the original arbitral tribunal. If this is not possible, then the arbitrators to the arbitral tribunal that is established for the purposes of this Article or Article 12.12 shall be appointed pursuant to Article 12.7. The arbitral tribunal established under this Article or Article 12.12 shall issue its report within sixty (60) days after the date when the matter is referred to it. When the arbitral tribunal considers that it cannot issue its report within the aforementioned sixty (60) day period, it may extend that period for a maximum of thirty (30) days with the consent of the Parties. The report shall be available to the public within fifteen (15) days after the date of issuance, subject to the requirement to protect confidential information. The report shall be final and binding on the Parties.

Article 12.14. Rules of Procedures

The Commission shall adopt the Rules of Procedures which provide for the details of the rules and procedures of arbitral tribunals established under this Chapter, at its first meeting. Unless the Parties otherwise agree, the arbitral tribunal shall follow the rules of procedure adopted by the Commission and may, after consulting the Parties, adopt additional rules of procedure consistent with the rules adopted by the Commission.

Article 12.15. Modification of Rules and Procedures

1. Any time period or other rules and procedures for arbitral tribunals, provided for in this Chapter, including the Rules of Procedures referred to in Article 12.14, may be modified by mutual consent of the Parties.
2. The Parties may also agree, at any time, not to apply any provision of this Chapter.

Chapter 13. Exceptions

Article 13.1. General Exceptions

1. For the purposes of Chapters 3 to 7 (Trade in Goods, Rules of Origin, Customs Administration, Sanitary and Phytosanitary Measures, and Technical Regulations, Standards and Conformity Assessment Procedures), Article XX of GATT 1994 and its notes and supplementary provisions are incorporated into and made part of this Agreement, *mutatis mutandis*.
2. Nothing in this Agreement shall be construed to prevent a Party from taking action authorized by the WTO Dispute Settlement Body. A Party taking such action shall inform the Commission to the fullest extent possible of measures taken and of their termination.

Article 13.2. Security Exceptions

1. Nothing in this Agreement shall be construed:
 - (a) to require a Party to furnish any information the disclosure of which it considers contrary to its essential security interests;
 - (b) to prevent a Party from taking any action which it considers necessary for the protection of its essential security interests:
 - (i) relating to fissionable and fusionable materials or the materials from which they are derived;
 - (ii) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials, or relating to the supply of services, as carried on directly or indirectly for the purpose of supplying or provisioning a military establishment; or
 - (iii) taken in time of war or other emergency in international relations; or
 - (c) to prevent a Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security. 2. A Party taking action under paragraphs 1(b) and (c) shall inform the Commission to the fullest extent possible of measures taken and of their termination.

Article 13.3. Taxation

1. For the purposes of this Article, tax convention means a convention for the avoidance of double taxation or other international taxation agreement or arrangement in force between the Parties; and taxation measures do not include a "customs duty" as defined in Article 2.1.
2. Unless otherwise provided for in this Article, the provisions of this Agreement shall not apply to any taxation measures.
3. This Agreement shall only grant rights or impose obligations with respect to taxation measures where corresponding rights or obligations are also granted or imposed under Article III of GATT 1994.
4. Nothing in this Agreement shall affect the rights and obligations of either Party under any tax convention. In the event of any inconsistency between this Agreement and any such convention, that convention shall prevail to the extent of the inconsistency.
5. In the case of a tax convention between the Parties, the competent authorities under that convention shall have sole responsibility for determining whether any inconsistency exists between this Agreement and that convention.

Article 13.4. Balance-of-payments Measures on Trade In Goods

1. The Parties shall endeavour to avoid the imposition of restrictive measures for balance-of-payments purposes.
2. Any measure taken for balance-of-payments purposes shall be in accordance with that Party's rights and obligations under GATT 1994, including the Understanding on the Balance-of-Payments Provisions of GATT 1994. When adopting such measures, the Party shall immediately consult with the other Party.
3. Nothing in this Chapter shall be regarded as altering the rights enjoyed and obligations undertaken by a Party as a party to the Articles of the Agreement of the International Monetary Fund, as may be amended.

Article 13.5. Disclosure of Information

1. Each Party shall, in accordance with its domestic laws and regulations, maintain the confidentiality of information provided in confidence by the other Party pursuant to this Agreement.
2. Nothing in this Agreement shall be construed as requiring a Party to furnish or allow access to confidential information the disclosure of which would impede law enforcement or otherwise be contrary to the public interest or which would prejudice the legitimate commercial interests of particular enterprises, public or private.

Chapter 14. Final Provisions

Article 14.1. Annexes and Footnotes

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

Article 14.2. Amendments

1. The Parties may agree, in writing, on any modification of or addition to this Agreement.
2. When so agreed, and approved in accordance with the necessary domestic legal procedures of each Party, a modification or addition shall constitute an integral part of this Agreement. Such amendment shall enter into force sixty (60) days after the date on which the Parties exchange written notification that such procedures have been completed, or after such other period as the Parties may agree.

Article 14.3. Amendment of the Wto Agreement

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

Article 14.4. Entry Into Force and Termination

1. The entry into force of this Agreement is subject to the completion of necessary domestic legal procedures by each Party.

2. This Agreement shall enter into force on the first day of the second month following the month in which the Parties exchange written notification that such procedures have been completed, or after such other period as the Parties may agree.

3. Either Party may terminate this Agreement by written notification to the other Party. This Agreement shall expire one hundred and eighty (180) days after the date of such notification.

Article 14.5. Future Negotiations on Trade In Services, Financial Services and Investment

1. Unless otherwise agreed, no later than three (3) years after the entry into force of this Agreement, the Parties shall consider the possibility to commence negotiations with a view to including a Chapter on Trade in Services, a Chapter on Financial Services and a Chapter on Investment to this Agreement, on a mutually advantageous basis.

2. The provision of paragraph 1 will not apply if the Parties, during the time period mentioned in paragraph 1, conclude another international agreement on Trade in Services, Financial Services and Investment.

Article 14.6. Authentic Texts

The English, Spanish and Vietnamese texts of this Agreement are equally authentic. In the event of divergence, the English text shall prevail.

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

DONE at Honolulu, Hawaii, the United States of America, in duplicate, this 11th of November, 2011.

FOR THE GOVERNMENT OF THE REPUBLIC OF CHILE

Alfredo Moreno Charme

Minister of Foreign Affairs

FOR THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIET NAM

Vu Huy Hoang

Minister of Industry and Trade