

EU proposal

Without prejudice

*This document contains an EU proposal for a Small and Medium-sized Enterprises (SMEs) chapter in the Trade Part of a possible modernised EU-Chile Association Agreement. It has been tabled for discussion with Chile. The actual text in the final agreement will be a result of negotiations between the EU and Chile. The EU reserves the right to make subsequent modifications to this proposal.*

## **EU-Chile Free Trade Agreement**

### **EU TEXTUAL PROPOSAL**

#### **SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)**

## *Article X.1*

### **General provisions**

The Parties recognise the importance of SMEs in bilateral trade relations through this chapter as well as through other provisions in this Agreement that otherwise may be of particular benefit to SMEs.

## *Article X.2*

### **Information Sharing**

1. Each Party shall establish or maintain a publicly accessible website containing information regarding this Agreement, including:
  - (a) the text of this Agreement, including all annexes, tariff schedules, and product-specific rules of origin;
  - (b) a summary of this Agreement; and
  - (c) information designed for small and medium-sized enterprises (hereinafter referred to as “SMEs”) that shall contain:
    - (i) a description of the provisions in this Agreement that each Party considers to be relevant to SMEs of both Parties; and
    - (ii) any additional information that each Party considers would be useful for SMEs interested in benefitting from the opportunities provided by this Agreement.
2. Each Party shall include on the website provided for in paragraph 1 an internet link to the:
  - (a) equivalent website of the other Party; and
  - (b) the websites of its own government authorities and other appropriate entities that the Party considers would provide useful information to persons interested in trading and doing business in that Party.
3. With respect to paragraph 2 (b), each Party shall include information related to the following, covering both the central level and lower level than Central [Chile] or Union:
  - (a) customs regulations and procedures, as well as a description of the importation, exportation, and transit procedures informing of the practical steps needed to import and export, and for transit; and the forms, documents and other information required for importation into, exportation from, or transit through the customs territory of that Party;

- (b) regulations and procedures concerning intellectual property rights, including geographical indications;
  - (c) technical regulations including, where necessary, obligatory conformity assessment procedures; and of the titles and references of standards selected for reference in or used in connection with technical regulations, or proposed for such use; links to lists of conformity assessment bodies, in cases where third party conformity assessment is obligatory;
  - (d) sanitary and phytosanitary measures relating to importation and exportation;
  - (e) rules on public procurement, a database containing public procurement notices and other relevant information concerning public procurement opportunities;
  - (f) business registration procedures; and
  - (g) other information which the Party considers may be of assistance to SMEs.
4. Each Party shall include a link from the website provided for in paragraph 1 to a database that is electronically searchable by tariff nomenclature code and that includes the following information with respect to access to its market, covering both the central level and lower level than Central (Chile) or Union (EU):

*Tariff measures and tariff-related information*

- (a) rates of customs duties and quotas, including most-favoured nation (MFN), rates concerning non MFN countries and preferential rates and tariff rate quotas;
- (b) tariff nomenclature related excise duties;
- (c) tariff nomenclature related taxes (value added tax / sales tax);
- (d) tariff nomenclature related customs or other fees, including other product specific fees;
- (e) other tariff measures;
- (f) rules of origin;
- (g) duty drawback, deferral, or other types of relief that reduce, refund, or waive customs duties;
- (h) criteria used to determine the customs value of the good, in accordance with the World Trade Organisation's (WTO) Customs Valuation Agreement;
- (i) country of origin marking requirements, including placement and method of marking;

*Tariff nomenclature related non-tariff measures*

- (j) tariff nomenclature information needed for import procedures; and
  - (k) tariff nomenclature related non-tariff measures or regulations.
5. Each Party shall regularly, or when requested by the other Party, update the information and links referred to in paragraphs 1 to 4 that it maintains on its website to ensure they are up-to-date and accurate.
  6. Each Party shall ensure that information set out in this Article is presented in an adequate manner to use for SMEs. Each Party shall make the information available in English.
  7. No fee shall apply for access to the information provided pursuant to paragraphs 1 to 4 for any person of either Party.

### *Article X.3*

#### **SME Contact Points**

1. The Parties hereby establish a SME Contact Point on each side.
2. The SME Contact Points shall:
  - (a) ensure that SMEs needs are taken into account in the implementation of this Agreement and consider ways to increase trade and investment opportunities for SMEs by strengthening cooperation on SMEs issues between the Parties;
  - (b) identify ways and exchange information for EU and Chilean SMEs to take advantage of new opportunities under this Agreement;
  - (c) monitor the implementation of the provisions on information sharing of Article X.2 (Information Sharing) to ensure that the information provided by the Parties is up-to-date and relevant for SMEs. Each SME Contact Point may recommend additional information that the other Party may include in its websites to be maintained in accordance with Article X.2 (Information Sharing);
  - (d) raise any other matter of interest to SMEs in connection with the implementation of this Agreement, including:
    - (i) exchanging information to assist the Parties in monitoring and implementing this Agreement as it relates to SMEs;
    - (ii) participating, if appropriate, in the work of other Committees and Working Groups established by this Agreement, including the provisions on regulatory cooperation/regulatory coherence and non-tariff issues, and presenting to these Committees and Working Groups specific issues and recommendations of particular interest to SMEs in their areas, while avoiding duplication of work programmes; and

- (iii) identifying and reaching possible solutions that are mutually acceptable in order to improve the ability of SMEs to engage in trade and investment among the Parties;

*[Note: appropriate provisions for contacts with the SME Contact Points to be placed in the cooperation and institutional provisions in other areas of the FTA]*

- (e) report periodically on their activities and make appropriate recommendations to the [Trade Committee defined by this Agreement] for its consideration;
  - (f) consider any other matter arising under this Agreement pertaining to SMEs as the Parties may agree.
3. SME Contact Points shall meet as necessary and shall carry out their work through the communication channels decided by the Parties, which may include electronic mail, videoconferencing, or other means.
  4. SME Contact Points may seek to collaborate with experts and external organisations, as appropriate, in carrying out their activities.