

Brussels, 10th June 2002

The EU-Chile Association Agreement to be initialled in Brussels 10th June, 1700 hours

The text of the Association Agreement between the European Union and the Republic of Chile is to be initialled by External relations Director General Guy Legras and Chilean Under-secretary at the Ministry of Foreign Affairs, Cristián Barros at 1700 hours today 10th June. This step marks the beginning of the formal adoption procedures necessary for the implementation of the Agreement.

The Association Agreement comprises three main chapters: political dialogue, co-operation and trade.

Political dialogue: the European Union and Chile will seek to promote democratic values such as the respect for human rights, the freedom of the individual and the rule of Law. They will strive to co-ordinate positions and undertake joint initiatives in international fora, and co-operate in the field of foreign and security policy, as well as in the fight against terrorism. Their political dialogue will be enriched by an increased consultation and involvement of the European Union and Chilean civil societies.

Co-operation: the EU and Chile will seek to promote sustainable economic, social and environmental development. The Agreement explores new areas, not foreseen in the 1996 Framework Co-operation Agreement between the EU and Chile, for example, elements that will complement the trade negotiations such as co-operation on technical regulations, customs procedures, and intellectual property rights. The Agreement foresees an increased participation and consultation of civil society in co-operation matters.

Trade: the conclusion of negotiations will generate considerable economic and commercial benefits and thus contribute to economic growth and sustainable development for both the EU and Chile. The trade chapter covers all the areas of the EU-Chile trade relations going well beyond their respective WTO commitments:

- A Free Trade Agreement in goods, which foresees a very high degree of liberalisation and which is underpinned by strong and transparent rules. It includes a Wines and Spirits Agreement that will grant mutual protection to protected names and oenological practices, as well as increased market access on both sides; and a Sanitary and Phytosanitary Agreement which will facilitate trade in animals, animal products, and plants, while safeguarding public, animal and plant health.
- For the first time, both sides have negotiated a fully-fledged free trade agreement in services and public procurement markets as well as liberalisation of investment.
- The agreement also includes rules on competition and intellectual property, and an effective dispute settlement system.

Next steps:

Following today's initialling of the Agreement:

- the text is approved by the College of Commissioners
- the text is submitted to the Council and the European Parliament.
- the EU and Chile formally sign the Association Agreement (Autumn 2002)
- some provisions of the Agreement, mainly those related to trade and to the institutional framework, will enter into force provisionally once the European institutions and Chile have notified each other of the completion of the adoption procedures. This will probably take place in the first months of 2003 once the Chilean Congress has approved the text.
- the Agreement is ratified by the parliaments of the Member States of the European Union.
- the whole Agreement enters into force.

Website : http://europa.eu.int/comm/external_relations/chile/intro/index.htm