

June 6, 2003

The Honorable
María Soledad Alvear Valenzuela
Minister of Foreign Relations

Dear Minister Alvear:

I have the honor to confirm the following understanding reached between the delegations of the United States of America and the Republic of Chile in the course of negotiations regarding Annex 14.3 (Temporary Entry for Business Persons) of the Free Trade Agreement between our two Governments that was signed on this day.

Annex 14.3 provides for the temporary entry of business persons, as defined in Article 14.9 of the Agreement, into the territories of the Parties. The Annex provides for the temporary entry of business persons under four categories: business visitors, traders and investors, intra-company transferees, and professionals. In view of the Parties' understanding that changes to a Party's laws, regulations, or procedures relating to the provisions of this Chapter that are consistent with Article 14.2(1) do not unduly impair or delay the rights granted under the Agreement, the United States intends to implement its commitments under Sections A, B, and C of Annex 14.3 (Business Visitors, Traders and Investors, and Intra-Company Transferees) under current U.S. laws and procedures. The relevant United States statutory authority governing for the admission of business visitors is section 101(a)(15)(B) of the Immigration and Nationality Act, 1952, as amended (INA). The relevant statutory authority for traders and investors is section 101(a)(15)(E) of the INA. The relevant statutory authority for intra-company transferees is section 101(a)(15)(L) of the INA. The existing principal relevant statutory grounds for the inadmissibility of aliens and the denial of visas are set out in sections 212, 214, and 221 of the INA.

Both the Immigration and Naturalization Service (INS) and the Department of State have developed regulations to implement the INA. INS regulations related to immigration and temporary entry are set out in Title 8 of the Code of Federal Regulations (CFR). State Department regulations related to visas for nonimmigrants are set out in Title 22, Parts 40 and 41 of the CFR.

In order to implement Section D of Annex 14.3 (Professionals) the United States will need to amend the INA to provide legal authority for the admission of professionals under the Agreement. The Administration will work closely with the Congress in order to ensure that the legislation will allow the United States to honor its commitments under Section D.

In view of the Parties' Understanding that changes to a Party's laws, regulations or procedures relating to the provisions of this Chapter that are consistent with Article 14.2 do not unduly impair or delay the rights granted under the Agreement, Chile intends to implement its commitment under Annex 14.3 under existing Chilean laws and procedures. These domestic

laws are *Decreto Ley 1.094* (*Diario Oficial*, 19 de julio de 1975, *Ley de Extranjeria*) (“*Decreto Ley 1.094*”) and *Decreto Supremo 597 del Ministerio del Interior* (*Diario Oficial*, 24 de noviembre de 1984, *Reglamento de Extranjeria*) (“*Decreto Supremo 597*”).

Business persons who enter Chile under any of the categories set out in Annex 14.3 shall be deemed to be engaged in activities that are in the country’s interest, as defined in *Decreto Ley 1.094* and *Decreto Supremo 597*.

Business persons who enter Chile under any of the categories set out in Annex 14.3 and are issued a temporary visa pursuant to Article 29 of *Decreto Ley 1.094* and Article 50 of *Decreto Supremo 597*, shall have that visa extended for subsequent periods provided that the conditions on which it is based remain in effect, without requiring that person to apply for permanent residence.

Business persons who enter Chile may also obtain an identity card for foreigners.

The current principal relevant statutory grounds for the inadmissibility of aliens and the denial of visas are set out in Article 15 and 16 of *Decreto Ley 1.094*.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments, to enter into force on the entry into force of the Free Trade Agreement.

Sincerely,

Robert B. Zoellick

COURTESY COPY

June 6, 2003

The Honorable
Robert B. Zoellick
United States Trade Representative

Dear Ambassador Zoellick:

I am pleased to receive your letter of today's date, which reads as follows:

"I have the honor to confirm the following understanding reached between the delegations of the United States of America and the Republic of Chile in the course of negotiations regarding Annex 14.3 (Temporary Entry for Business Persons) of the Free Trade Agreement between our two Governments that was signed on this day.

Annex 14.3 provides for the temporary entry of business persons, as defined in Article 14.9 of the Agreement, into the territories of the Parties. The Annex provides for the temporary entry of business persons under four categories: business visitors, traders and investors, intra-company transferees, and professionals. In view of the Parties' understanding that changes to a Party's laws, regulations, or procedures relating to the provisions of this Chapter that are consistent with Article 14.2(1) do not unduly impair or delay the rights granted under the Agreement, the United States intends to implement its commitments under Sections A, B, and C of Annex 14.3 (Business Visitors, Traders and Investors, and Intra-Company Transferees) under current U.S. laws and procedures. The relevant United States statutory authority governing for the admission of business visitors is section 101(a)(15)(B) of the Immigration and Nationality Act, 1952, as amended (INA). The relevant statutory authority for traders and investors is section 101(a)(15)(E) of the INA. The relevant statutory authority for intra-company transferees is section 101(a)(15)(L) of the INA. The existing principal relevant statutory grounds for the inadmissibility of aliens and the denial of visas are set out in sections 212, 214, and 221 of the INA.

Both the Immigration and Naturalization Service (INS) and the Department of State have developed regulations to implement the INA. INS regulations related to immigration and temporary entry are set out in Title 8 of the Code of Federal Regulations (CFR). State Department regulations related to visas for nonimmigrants are set out in Title 22, Parts 40 and 41 of the CFR.

In order to implement Section D of Annex 14.3 (Professionals) the United States will need to amend the INA to provide legal authority for the admission of professionals under the Agreement. The Administration will work closely with the Congress in order to ensure that the legislation will allow the United States to honor its commitments under Section D.

In view of the Parties' Understanding that changes to a Party's laws, regulations or procedures relating to the provisions of this Chapter that are consistent with Article 14.2 do not unduly impair or delay the rights granted under the Agreement, Chile intends to implement its commitment under Annex 14.3 under existing Chilean laws and procedures. These domestic laws are *Decreto Ley 1.094 (Diario Oficial, 19 de julio de 1975, Ley de Extranjeria)* ("Decreto Ley 1.094") and *Decreto Supremo 597 del Ministerio del Interior (Diario Oficial, 24 de noviembre de 1984, Reglamento de Extranjeria)* ("Decreto Supremo 597").

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Business persons who enter Chile may also obtain an identity card for foreigners.

The current principal relevant statutory grounds for the inadmissibility of aliens and the denial of visas are set out in Article 15 and 16 of *Decreto Ley 1.094*.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments, to enter into force on the entry into force of the Free Trade Agreement."

I have the honor to confirm that the understanding referred to in your letter is shared by my Government, and that your letter and this letter in reply shall constitute an agreement between our two respective Governments, to enter into force on the entry into force of the Free Trade Agreement.

Sincerely,

María Soledad Alvear Valenzuela