

EU statement at the Trade Policy Review of Chile, 23 & 25 June 2015

Statement by Ambassador Angelos Pangratis

I would first like to welcome the Delegation of Chile, led by Director Andrés Rebolledo Smitmans. I would also like to thank the WTO Secretariat and the Chilean delegation for their excellent reports which form the basis for our discussion today. Let me extend my appreciation to Ms Irene Young for getting us started today with her remarks.

Mr. Chairman, let me start by congratulating Chile for having maintained a strong GDP growth during the review period despite the 2008 financial crisis. GDP grew at an average annual rate of 3.6% between 2009 and 2014. As highlighted in both reports, over the past 30 years, Chile's trade policy has been geared towards trade liberalization, facilitating and broadening entry and access for goods and services to all markets, as well as stimulating domestic and foreign investment. Over the review period, Chile continued and intensified its trade openness strategy by pursuing its participation within the multilateral trading system and by concluding bilateral trade agreements. The EU welcomes Chile's long-standing trade openness and trusts Chile will continue exerting its positive influence in this Organisation. In particular, the EU welcomes the positive role played by Chile in the process of adopting the Trade Facilitation Agreement, appreciates the positive role of Ambassador



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Casanueva and his team and looks forward to an equally intensive and positive engagement on the rest of the DDA.

The EU also notes with satisfaction the evolution of Chile in view of ensuring a broad and open consultation of stakeholders before any major legislative initiatives. This was the case for instance for the recently adopted tax reform. Such a consultation process ensures that all the aspects of the legislation are taken into account and facilitates dealing with any possible conflict before the adoption of legislation.

A word, Mr. Chairman, on our bilateral relationship with Chile. The EU-Chile Free Trade Agreement, which entered into force in 2003, has spurred a major and sustained increase in the bilateral trade flows throughout the past decade. The EU is Chile's second trade partner, accounting for 15% of Chile's total bilateral exchanges. In 2014, total trade in goods between the EU and Chile has reached €16.1 billion. The EU is the main source of foreign direct investment in Chile and Chile is EU's fourth FDI recipient in Latin America. In 2013, EU's foreign direct investment flows to Chile have reached € 4.7 billion while Chile's direct investment flows to the EU amounted to € 887 million.

Mr. Chairman, even though Chile's record is quite impressive, there are some areas where the EU considers there would be room for further improvements. This leads me to some issues raised by the EU in the questions submitted ahead of this TPR.

First of all, in order for Chile to really draw benefits from its trade openness, the EU would like to stress the importance to ensure that the international commitments in the trade and investment field are effectively implemented by all relevant public bodies. In this context, the EU sees possibilities to promote a more favourable trading environment in Chile with respect to conformity assessment procedures; customs control procedures and technical regulations – to name a few.

Second, the EU would like to draw Chile's attention to the length and complexity of its government procurement procedures. Opening up further the access to markets by simplifying the administrative burden would definitely be a big step ahead to remove unnecessary obstacles.

Also, we would encourage Chile to consider joining the Environmental Goods Agreement process.

With respect to IPR, the EU would appreciate if Chile could ensure that its legislation on copyright provides effective protection against digital piracy, in particular against illegal posting and against use of copyright-protected material online. Moreover, rules on liability of internet service providers should be applied more strictly. The EU considers that effective measures are essential to control that content provided online is legally licensed from the right-holders/the collective management bodies.

Finally, the EU would like to emphasize how important it is to ensure adequate data protection for both pharmaceuticals and agro-chemicals and encourages Chile to adapt its rules and/or administrative practices accordingly.

Mr. Chairman, I thank you and the delegation of Chile for your kind attention. The EU looks forward to Chile's responses to the questions that have been put forward today and that have been submitted previously in writing. The EU wishes Chile a productive Trade Policy Review.