

No. 31873

**CHILE
and
COLOMBIA**

Agreement on economic complementarity for the establishment of a greater economic area (with annexes). Signed at Santiago, Chile on 6 December 1993

Authentic text: Spanish.

Registered by Chile on 1 June 1995.

**CHILI
et
COLOMBIE**

Accord d'intégration économique visant à la création d'un espace économique élargi (avec annexes). Signé à Santiago (Chili) le 6 décembre 1993

Texte authentique : espagnol.

Enregistré par le Chili le 1^{er} juin 1995.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ ON ECONOMIC COMPLEMENTARITY FOR THE ESTABLISHMENT OF A GREATER ECONOMIC AREA BETWEEN CHILE AND COLOMBIA

The Government of the Republic of Chile and the Government of the Republic of Colombia,

Considering:

The desirability of encouraging greater economic complementarity between our countries and promoting a more active involvement in the world economy,

The importance of strengthening the Latin American Integration Association (LAIA) and of achieving the objectives set out in the Treaty of Montevideo of 1980² by concluding the most comprehensive bilateral and multilateral agreements possible,

The participation of Colombia in the Cartagena Agreement and its commitments arising therefrom,

The common features of the trade policies of the two countries, both as regards tariffs and as regards the guiding principles of their economic policies,

The potential impact of effective cooperation in the areas of trade, industry and services on the development of both countries,

The desirability of increasing the involvement of both public and private actors, from both countries, in efforts to increase trade between them,

Agree:

To sign an Agreement on Economic Complementarity to establish a greater economic area, in accordance with the provisions of the Treaty of Montevideo of 1980 and Resolution 2 of the Council of Ministers of Latin American Integration Association (LAIA). This Agreement shall be governed by the aforementioned provisions and by the following provisions:

CHAPTER I. PURPOSE OF THE AGREEMENT

Article 1

The purpose of this Agreement is to:

(a) Establish, in the shortest possible time, a greater economic area between the two countries to allow free movement of goods, services and factors of production;

(b) Increase economic and trade relations between the signatory countries by removing all levies and restrictions on imports originating therein;

¹ Came into force on 6 December 1993 by signature, in accordance with article 34.

² United Nations, *Treaty Series*, vol. 1329, p. 225.

(c) Encourage coordinated action in international economic forums, as well as in relations with the industrialized countries, with a view to improving access for products from the signatory countries to world markets;

(d) Coordinate and complement economic activities, especially in the areas of industry and services;

(e) Stimulate investment aimed at making the best use of the markets of the signatory countries and improving their competitiveness in international trade;

(f) Facilitate the establishment and operation of regional binational and multi-national enterprises.

CHAPTER II. LIBERALIZATION PROGRAMME

Article 2

The products included in the programme of tariff cuts established in Article 3 of this Agreement shall, as from 1 January 1994, be exempt from all non-tariff restrictions, except for those stipulated in Article 50 of the Treaty of Montevideo of 1980.

In addition, the signatory countries undertake not to introduce any new restrictions on trade between them.

Article 3

The signatory countries agree to remove all levies on trade between them by 1 January 1999 at the latest. To that effect, they agree to:

(a) Apply, as from 1 January 1994, the following levies to trade between them:

Programme of tariff cuts for Chile:

For products for which the tariff applicable on the date of signature of this Agreement is 11%:

From 1 January 1994 to 30 June 1994:	8.5%
From 1 July 1994 to 31 December 1994:	6.5%
From 1 January 1995 to 31 December 1995:	4.5%
From 1 January 1996 to 31 December 1996:	2.5%
As from 1 January 1997:	0%

Programme of tariff cuts for Colombia:

For products for which the tariff applicable on the date of signature of this Agreement is:

	20%	15%	10%	5%
From 1 January 1994 to 30 June 1994:	15%	12%	8%	4%
From 1 July 1994 to 31 December 1994:	11%	9%	6%	3%
From 1 January 1995 to 31 December 1995:	7%	6%	4%	2%
From 1 January 1996 to 31 December 1996:	3%	3%	2%	1%
As from 1 January 1997:	0%	0%	0%	0%

(b) The products listed in Annex 1 shall be subject to tariff cuts which will begin on 1 January 1994 and be completed on 1 January 1999, according to the following timetable:

Programme of tariff cuts for Chile:

For products for which the tariff applicable on the date of signature of this Agreement is 11%:

From 1 January 1994 to 31 December 1994:	8.5%
From 1 January 1995 to 31 December 1995:	7.5%
From 1 January 1996 to 31 December 1996:	6.5%
From 1 January 1997 to 31 December 1997:	4.5%
From 1 January 1998 to 31 December 1998:	2.5%
As from 1 January 1999:	0%

Programme of tariff cuts for Colombia:

For products for which the tariff applicable on the date of signature of this Agreement is:

	20%	15%	10%	5%
From 1 January 1994 to 31 December 1994:	15%	12%	8%	4%
From 1 January 1995 to 31 December 1995:	13%	11%	7%	3%
From 1 January 1996 to 31 December 1996:	11%	9%	6%	3%
From 1 January 1997 to 31 December 1997:	7%	6%	4%	2%
From 1 January 1998 to 31 December 1998:	3%	3%	2%	1%
As from 1 January 1999:	0%	0%	0%	0%

(c) If at any time a signatory country should reduce its customs levies for third countries, for one or more of the products covered by this Agreement, it shall adjust the duty applicable to reciprocal trade in accordance with the scale set out in subparagraphs (a) or (b) as appropriate.

Article 4

The products listed in Annex 2 of this Agreement that are covered by Limited Scope Agreement No. 14 between Chile and Colombia within the framework of LAIA shall benefit from the preferential tariffs shown in that Annex under the conditions stipulated therein.

Article 5

The programme of tariff cuts established in Article 3 of this Agreement shall not apply to the products referred to in Chapter IV and in Annex 3.

Article 6

The signatory countries may agree on special programmes to include the products listed in Annex 3 in the Liberalization Programme of this Agreement. Likewise, they may, at any time, speed up the programme of tariff cuts for such products or groups of products as they jointly agree on.

Article 7

For the purposes of the trade covered by this Agreement, the term “levies” shall mean customs duties and any other equivalent charges of a fiscal, monetary, foreign-exchange or other nature which are imposed on imports or exports. This definition does not include duties and charges that amount to costs for services rendered.

The term “restrictions” shall mean any administrative, financial, foreign-exchange or other measure whereby one of the parties unilaterally impedes or hampers its imports or exports.

CHAPTER III. ORIGIN

Article 8

The signatory countries shall apply to imports covered by the Liberalization Programme of this Agreement the General Rules concerning Origin of LAIA, established by Resolution 78 of the LAIA Committee of Representatives.

Goods that transit through a third country when shipped from one signatory country to the territory of the other signatory country shall, irrespective of whether or not they are transhipped or temporarily stored under the supervision of the competent customs authority in such countries, be considered as being shipped directly, provided that:

(a) They are not intended for trade, use or application in the country of transit; and

(b) They are not subject, during transport or warehousing, to any operation other than loading or unloading or handling to keep them in good condition or to ensure their preservation.

Besides the documentation required under Resolution 78, Article 7, certificates of origin issued for the purpose of enjoying the tariff cuts in this Agreement must contain a sworn statement by the final producer or exporter of the merchandise to the effect that they comply fully with the provisions on origin in the Agreement.

Article 9

Notwithstanding the above, the Administrative Committee established pursuant to Article 33 of this Agreement shall be authorized to set and modify rules on origin for products or specific sectors that differ from those established in this Chapter.

CHAPTER IV. AUTOMOTIVE SECTOR

Article 10

Imports of the products listed in Annexes 4 and 5 originating in the signatory countries shall be exempt from levies and restrictions as from 1 January 1994. The marketing of these products, in the territory of the country importing them, shall be carried out without restriction other than the domestic taxes applied in each country.

Article 11

The automobiles and vehicles for the transport of goods or persons mentioned in Annex 4 shall be considered as originating in the signatory countries if the CIF value at port of destination of the materials used in their assembly or construction, originating in countries that are not parties to this Agreement, does not exceed 60 per cent of the FOB export value of the vehicle. This percentage shall be calculated on the basis of procedures established by LAIA.

Article 12

With regard to parts and spare parts for vehicles referred to in the previous Article and listed in Annex 5, they shall be governed by the rules on origin contained in this Agreement, and they shall also benefit from the provisions of Article 10 of this Chapter.

The Administrative Committee set up pursuant to Article 33 of this Agreement is authorized to include new products in Annex 5.

Article 13

Trade between the signatory countries in the products referred to in this Chapter shall not benefit from any subsidy or direct export incentive.

CHAPTER V. SAFEGUARD CLAUSES

Article 14

Subject to timely notification, the signatory countries may apply to imports that come under the Liberalization Programme of this Agreement, the LAIA Regional Safeguard Regulations, adopted under Resolution 70 of the Association's Committee of Representatives, subject to the following limitations:

(a) Where imbalances in the overall balance of payments of one of the signatory countries are cited, any measures taken shall have a maximum duration of one year and shall not be discriminatory or selective, the same tariff surcharges being applied to all imports.

(b) Where the import of one or more products benefiting from the implementation of Chapter II of this Agreement causes or threatens to cause significant harm to domestic production of similar or directly competing goods, the signatory countries may apply temporary safeguard clauses, in a non-discriminatory manner, for a period of one year.

Renewal of the safeguard clauses for a further period not exceeding one year — shall require a joint review by the signatory parties of the background and grounds justifying application of the clauses; the latter shall be phased out gradually, ceasing entirely at the end of the renewed period.

The Administrative Committee set up pursuant to Article 33 of this Agreement shall, within 90 days of its creation, define what is meant by the term "significant harm" and shall define the procedures for the implementation of the rules in this Chapter.

CHAPTER VI. UNFAIR TRADE PRACTICES

Article 15

In the event of dumping or other unfair trade practices, or distortions resulting from the introduction of export subsidies or internal subsidies having the same effect, the affected country may take the measures provided for under its domestic legislation. Without prejudice to the foregoing, information shall simultaneously be exchanged through the appropriate national bodies referred to in Article 33 of this Agreement.

To this effect, the countries may apply anti-dumping or countervailing duties or *ad valorem* surcharges, as provided for in their respective domestic laws, provided that there is actual evidence of substantial damage to national production, threat of substantial damage thereto or an appreciable delay in starting up that production.

The aforementioned duties or surcharges shall in no case exceed the dumping margin or the amount of the subsidy, as appropriate, and shall be limited insofar as possible to what is necessary to avert damage, threat of damage or delay.

In any case, both countries undertake to apply their rules in these matters, in accordance with the provisions of the General Agreement on Tariffs and Trade (GATT)¹ and shall use as a reference the Anti-Dumping Code and the Code on Subsidies and Countervailing Measures in the aforementioned General Agreement.

Article 16

The signatory countries recognize that public pricing policies may lead to distortions in bilateral trade. Consequently, they agree not to resort to public pricing practices and policies that might cancel out or reduce the benefits to be derived directly or indirectly from this Agreement.

The Administrative Committee established pursuant to Article 33 of this Agreement shall monitor the public pricing practices and policies in particular sectors, so as to detect any cases liable to create significant distortions in bilateral trade.

CHAPTER VII. TREATMENT WITH RESPECT TO DOMESTIC TAXES

Article 17

In compliance with Article 46 of the Treaty of Montevideo of 1980, the countries which are signatories to this Agreement undertake to accord to imports originating in the territory of the member countries treatment not less favourable than that accorded to similar national products, with regard to duties, taxes and other domestic charges. Domestic taxes on such imports should be calculated on the basis of the CIF value plus applicable customs duties.

CHAPTER VIII. GOVERNMENT PURCHASES

Article 18

The Administrative Committee established pursuant to Article 33 shall define, within one year of the Agreement's entry into force, the scope and terms governing Government purchases between the signatory countries. To this effect, it shall take into account the criteria established in the General Agreement on Tariffs and Trade (GATT) to ensure that the signatory countries enjoy open, transparent, fair and competitive access in the area of public sector purchases.

CHAPTER IX. TRADE PROMOTION

Article 19

The countries which are signatories to this Agreement shall arrange trade promotion programmes relating, *inter alia*, to the holding of demonstrations, fairs and

¹ United Nations, *Treaty Series*, vol. 55, p. 187.

exhibitions, as well as meetings and reciprocal visits by business people, information on supply and demand and market research.

The signatory countries also undertake to facilitate attendance at fairs by streamlining the relevant administrative formalities.

CHAPTER X. INVESTMENT

Article 20

The signatory countries shall promote the development of investment intended to create or set up companies in their territories, both with capital from one or both countries and with the possible participation of third parties.

Article 21

The signatory countries shall, with the participation of their respective private sectors, encourage the development of economically complementary actions in the areas of production of goods and services.

Article 22

The signatory countries shall, within the limits of their respective laws on foreign investment, afford optimal treatment to capital — whether national or foreign — from the other signatory country.

CHAPTER XI. TECHNICAL STANDARDS

Article 23

The Administrative Committee referred to in Article 33 of this Agreement shall examine the technical standards of the signatory countries, and shall recommend whatever action it considers necessary to ensure that such standards are not developed or used to create obstacles to trade.

To this end, the Administrative Committee shall consider the importance of, *inter alia*, the following principles:

(a) Using prevailing international standards, where possible, when it is necessary to produce technical standards and corresponding specifications;

(b) Granting merchandise from the territory of the other signatory country national treatment and treatment no less favourable than that accorded to similar merchandise from any other country;

(c) Having the signatory countries notify one another and exchange information in good time prior to adopting or amending any standardization measure;

(d) Ensuring, as far as possible, that the standardization measures of the signatory countries are compatible;

(e) Ensuring that each country recognizes the other's certification systems, testing and trial laboratories and the results of evaluations of compliance, subject to the necessary evaluations and specification of the procedures for such recognition.

The Administrative Committee should set up procedures to take into account the differences presented by one country when it is affected by any measure taken by the other signatory country related to technical standards.

CHAPTER XII. PLANT AND ANIMAL HEALTH STANDARDS

Article 24

The signatory countries undertake to ensure that standards pertaining to plant and animal health do not become non-tariff obstacles to trade between them. To that end, and in order to facilitate and improve trade in plant and livestock products, they have signed an “Agreement on Cooperation and Coordination in respect of Agriculture and Livestock Health between the Department of Agriculture and Livestock (*Servicio Agrícola y Ganadero* — SAG) of the Republic of Chile and the Colombian Institute of Agriculture (*Instituto Colombiano Agropecuario* — ICA) of the Republic of Colombia”, which will take effect when this Agreement comes into force. The text of the aforementioned Agreement on Cooperation can be found in Annex 6.

CHAPTER XIII. OTHER SERVICES

Article 25

The signatory countries shall promote the adoption of measures to facilitate the supply of services by one country to the other. To this end, they entrust the Administrative Committee, established pursuant to Article 33, with formulating relevant proposals, bearing in mind the negotiations under way on these matters in the context of the Uruguay Round.

CHAPTER XIV. COORDINATION OF ECONOMIC POLICIES

Article 26

The signatory countries shall initiate a process of mutual exchange of information on various economic matters, including financial, monetary and fiscal policies, with the aim of facilitating the convergence of the aforementioned policies and contributing to the achievement of the objectives of this Agreement.

Article 27

The signatory countries undertake to harmonize any other standards considered essential for the success of this Agreement. To this end, they shall analyse the treatment of and incentives for exports, as well as those measures that might appreciably alter the prices relating thereto, with the intention of correcting any distortions that might significantly affect trade flows between the signatory countries.

CHAPTER XV. MARITIME AND AIR TRANSPORT

Article 28

The signatory countries undertake to grant free access to the foreign-trade cargoes, whether reserved or not, of ships sailing under the flag of each country, on a reciprocal basis, and also of those flying the national flag, in accordance with their respective laws. The above shall apply to bilateral maritime trade and to maritime trade from or to third countries.

The maritime authorities of the signatory countries shall see to it that no unfair competition or dumping takes place in the provision of services.

Article 29

The signatory countries undertake to encourage, in the framework of this Agreement and their bilateral instruments relating to air transport, a process of opening up in order to stimulate competition and greater efficiency in air services. As a first step, the two countries agree to ratify the agreement outlined in the document signed by their aeronautical authorities on 16 July 1993, whereby those companies from each country that so desire may freely exercise traffic rights between their own territories and third countries within the Latin American region, the number of flights and type of equipment being determined by them in accordance with the provisions of the aforementioned document.

Article 30

The signatory countries shall work to ensure that air and sea transport services operate smoothly, so as to be able to offer appropriate rates for reciprocal trade. To this end, they shall set up a joint programme of specific actions to be pursued.

CHAPTER XVI. EVALUATION

Article 31

The signatory countries shall periodically evaluate the functioning of this Agreement with a view to improving it and ensuring that the bilateral integration process leads to the development and strengthening of a greater economic area, based on appropriate reciprocity, promotion of fair competition and the active participation of public and private economic actors.

CHAPTER XVII. SETTLEMENT OF DISPUTES

Article 32

For the settlement of any disputes that may arise in connection with the interpretation of the provisions of this Agreement, with their implementation or lack of implementation, or in connection with any other matter not dealt with in Chapter VI, the signatory countries shall proceed as follows:

(a) The affected party shall file a complaint with the relevant national body referred to in Article 33 of this Agreement, whereupon the latter shall immediately enter into consultations on the matter with the relevant body of the other party.

If the dispute is not resolved within a period of 20 days from the time the complaint is filed, the relevant national body that initiated the consultations shall seek the intervention of the Administrative Committee envisaged in Article 33 of this Agreement.

(b) The Administrative Committee shall make an honest assessment of the charges and the answers thereto, and may request any pertinent technical report in order to reach a mutually satisfactory solution, either through action by the Committee itself or with the help of a mediator chosen from the names on a list of experts which the Committee shall draw up annually for such purposes.

The procedure outlined in this subparagraph may not take more than 30 days from the date on which the intervention of the Committee is requested.

(c) If the dispute cannot be resolved in this way, the Administrative Committee shall appoint, without delay, an arbitration group consisting of an expert from each signatory country, chosen from the list mentioned in the previous paragraph, and a

third arbitrator who shall chair the group, and who may not be a national of the signatory countries.

If there is no agreement on the appointment of the third arbitrator, the nomination shall fall to the Secretary-General of LAIA, or a person designated by him.

(d) The arbitration procedure shall be subject to the Rules laid down for that purpose by the Administrative Committee.

Even though the arbitrators must settle in all fairness the dispute submitted to them, they all bear in mind primarily the standards contained in this Agreement and the rules and principles of the applicable international conventions, as well as the general principles of international law.

Where appropriate, the arbitrators' decision shall include specific measures which the injured country may take, whether the injury results from non-fulfilment, erroneous interpretation or any action or omission that might impair the rights derived from the implementation of the Agreement.

The specific measures referred to in the foregoing paragraph may consist of a suspension of concessions to the value of the injury caused, partial or total withdrawal of concessions, or any other measure that falls within the scope of the implementation of the provisions of the Agreement.

The arbitrators shall have a period of 30 days, which may be extended for a further such period, from the date of their appointment, to deliver their decision.

This decision shall be final, and non-compliance with it shall entail suspension of the Agreement for so long as the underlying causes remain unresolved. Should such a situation persist, the affected signatory country shall be entitled to invoke non-compliance as grounds for denouncing the Agreement.

CHAPTER XVIII. ADMINISTRATION OF THE AGREEMENT

Article 33

In order to assure the smooth implementation of this Agreement, the signatory countries agree to set up an Administrative Committee, chaired by the Ministry of Foreign Affairs, in the case of Chile, and by the Ministry of Foreign Trade, in the case of Colombia, or by such persons as they may designate to act as their representatives. In special cases, depending on the nature of the issue to be considered, the Administrative Committee may be chaired by the ministers responsible for the relevant area.

The Committee shall be set up within 120 days of the entry into force of this Agreement, and shall establish its own rules of procedure.

Each signatory country shall appoint a suitable national body to act as national secretariat for this Agreement. The functions of these bodies shall be stipulated in the rules of procedure of the Administrative Committee.

The Committee's responsibilities shall be as follows:

- (a) To evaluate and ensure fulfilment of the provisions of this Agreement;
- (b) To make recommendations to the Governments of the signatory countries on amendments to this Agreement;
- (c) To make such proposals to the Governments of the signatory countries, as it may deem appropriate, in order to resolve any disputes that arise over the interpretation and implementation of this Agreement;
- (d) To appoint mediators and arbitrators for the resolution of disputes;

- (e) To regulate procedures for the resolution of disputes;
- (f) To propose and agree on specific requirements concerning origin;
- (g) To review the rules on origin in this Agreement and to propose amendments thereto;
- (h) To define the procedures for implementing the rules of the safeguard clauses;
- (i) To carry out, at the request of either party, a review of the pricing practices and policies in specific sectors, with a view to identifying any cases that might cause significant distortion in bilateral trade;
- (j) To monitor the export promotion mechanisms applied in the member countries, with the aim of identifying possible bias in competition resulting therefrom, and to promote harmonization of the said mechanisms as reciprocal trade is progressively liberalized;
- (k) To set up mechanisms and institutions to ensure the active participation of representatives of the business sectors;
- (l) To submit to the signatory countries a periodic report on the functioning of this Agreement, together with any recommendations it may deem appropriate for improving or making fuller use of it;
- (m) Such other duties as may arise from this Agreement or as may be entrusted to it by the signatory countries.

CHAPTER XIX. PERIOD OF VALIDITY

Article 34

This Agreement shall enter into force at the time of signature, and shall be valid indefinitely.

CHAPTER XX. DENUNCIATION

Article 35

Any signatory country wishing to withdraw from this Agreement must inform the other signatory countries of its decision one hundred and eighty (180) days prior to depositing the respective instrument of denunciation with the General Secretariat of LAIA.

Once such denunciation is finalized, the rights acquired and the obligations assumed under this Agreement shall automatically cease to apply for the denouncing country, except in respect of the treatments conceded or granted for the import of the negotiated goods, which shall remain in force for a period of one year counting from the date of deposit of the respective instrument of denunciation unless, on the occasion of the denunciation, the signatory countries agree upon a different time period.

CHAPTER XXI. ACCESSION

Article 36

In compliance with the provisions of the Treaty of Montevideo of 1980, this Agreement is open to accession by the other member countries of LAIA following the necessary negotiation.

CHAPTER XXII. OTHER PROVISIONS

Article 37

The signatory countries undertake to provide adequate protection to intellectual property and industrial property, within their national legislation.

Article 38

The signatory countries undertake to keep each other informed about their rules and statistics on foreign trade, through the relevant national bodies established pursuant to Article 33 of this Agreement. Any change in the rules on foreign trade must be notified within 30 days of its promulgation.

Article 39

The signatory countries shall urge their economic actors to play an active part in actions intrinsic to the implementation and functioning of this Agreement for which they are responsible.

Article 40

It is recommended that, in contracts agreed between individuals, following use of the instruments in the Agreement, preference should be given to the rules of the Inter-American Commercial Arbitration Commission.

TRANSITIONAL PROVISIONS

The signatory countries shall immediately begin procedures to formalize this Agreement on Economic Complementarity within LAIA, in accordance with the provisions of the Treaty of Montevideo of 1980 and the resolutions of the Council of Ministers.

They shall also complete the formalities needed to render null and void Limited Scope Agreement No. 14, signed by both countries within the framework of LAIA, and the reciprocal treatments agreed to in any trade agreements to which they may be parties.

This Agreement on Economic Complementarity for the establishment of a greater economic area is signed in two identical originals of equal value and authenticity.

DONE in Santiago, Chile, on 6 December 1993.

For the Government
of the Republic of Chile:

ENRIQUE SILVA CIMMA
Minister for Foreign Affairs

JORGE MARSHALL RIVERA
Minister of Economic Affairs,
Development and Reconstruction

For the Government
of the Republic of Colombia:

NOEMI SANIN DE RUBIO
Minister for Foreign Affairs

JUAN MANUEL SANTOS CALDERON
Minister of Foreign Trade

ANNEX 1

PRODUCT SUBJECT TO THE SPECIAL PROGRAMME OF TARIFF CUTS
PROVIDED FOR IN ARTICLE 3 (b)

Publication effected in accordance with article 12 (2) of the General Assembly regulations to give effect to Article 102 of the Charter of the United Nations as amended.

ANNEX 2

PRODUCTS PREVIOUSLY TRADED WITHIN THE FRAMEWORK OF LAIA
AND SUBJECT TO THE TREATMENT PROVIDED FOR IN ARTICLE 4

Publication effected in accordance with article 12 (2) of the General Assembly regulations to give effect to Article 102 of the Charter of the United Nations as amended.

ANNEX 3

PRODUCTS TO WHICH THE LIBERALIZATION PROGRAMME DOES NOT APPLY,
IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 5

Publication effected in accordance with article 12 (2) of the General Assembly regulations to give effect to Article 102 of the Charter of the United Nations as amended.

ANNEXES 4 AND 5

PRODUCTS SUBJECT TO THE RULES STIPULATED
IN ARTICLES 10, 11 AND 12: "AUTOMOTIVE SECTOR"

Publication effected in accordance with article 12 (2) of the General Assembly regulations to give effect to Article 102 of the Charter of the United Nations as amended.

ANNEX 6

AGREEMENT ON COOPERATION AND COORDINATION IN RESPECT OF AGRICULTURE AND LIVESTOCK HEALTH BETWEEN THE DEPARTMENT OF AGRICULTURE AND LIVESTOCK OF THE REPUBLIC OF CHILE AND THE COLOMBIAN INSTITUTE OF AGRICULTURE OF THE REPUBLIC OF COLOMBIA

Considering that:

1. It is in the interest of the Governments of Chile and Colombia to promote trade in agricultural and livestock goods between the two countries, and technical cooperation in matters of plant and animal health,
2. The scientific, technological and regulatory aspects of Animal and Plant Health are of particular interest in order to facilitate international trade in animals, plants and animal and plant products and to protect their territories from pests and diseases,
3. The recognition, harmonization and streamlining of technical and administrative formalities and procedures for imports of agricultural and livestock goods will facilitate trade in these goods and products,
4. The two parties agree that their respective public health bodies have an organization able to guarantee the monitoring of strict compliance with their health requirements,

Agree:

CHAPTER I. AIMS

Article 1

The Ministry of Agriculture of the Republic of Chile, represented by the Department of Agriculture and Livestock (*Servicio Agrícola y Ganadero* — SAG), and the Ministry of Agriculture of the Republic of Colombia, represented by the Colombian Institute of Agriculture (*Instituto Colombiano Agropecuario* — ICA) (hereinafter referred to as the parties), undertake to:

- (a) Draw up and implement a Coordinated Programme of Technical and Trade Cooperation on agricultural matters with a view to improving the monitoring of existing problems related to plant and animal health and facilitating trade in agricultural goods between the two countries;
- (b) Draw up plans to prevent the introduction and spread, in the territory of the parties, of plant and animal health problems covered by quarantine regulations, and confirm or harmonize, their tolerance limits as appropriate;
- (c) Adopt technical and administrative measures so as to facilitate the export and import of agricultural goods between the two countries, while meeting the plant and animal health requirements and conditions laid down in their relevant domestic laws.

CHAPTER II. CONCERNING ACTIONS

Article 2

The cooperation referred to in this Agreement shall be accomplished by means of the following procedures:

- (a) Exchange of technical information and information on each party's legislation and on the status of plant and animal health in each country;
- (b) Exchange of specialists to supervise and carry out pre-inspections at origin of the animal and plant production processes, and of plant and animal health certificates where appropriate;

(c) Exchange of technical information on animals, plants and animal and plant products, as well as on current plant and animal health practices;

(d) Exchange of technical information on methods for controlling diseases and pests, diagnostic techniques and the handling and processing of products and by-products of agricultural origin;

(e) Definition of specific programmes to streamline procedures for trade in agricultural goods and products.

Article 3

In order to implement the Coordinated Programme referred to in Article 1, the parties agree to:

(a) Collaborate on technical matters relating to the recognition, diagnosis and prevention of health risks occurring in the countries;

(b) Achieve, to the highest degree possible, and in accordance with this Chapter, equivalence in their health measures without lowering the level of protection for human, animal or plant life and health.

CHAPTER III. RIGHTS AND DUTIES OF THE PARTIES

Article 4

The rights and duties of the parties shall be to:

(a) Comply with the Agreement and amendments thereto;

(b) Encourage institutions and associations in each country to contribute to the realization of the aims and activities provided for in this Agreement;

(c) Provide the technical and administrative facilities required for the realization of technical, cooperative and trade exchanges under this Agreement;

(d) Cooperate promptly when making changes or settling any disputes that may arise from the implementation of activities under the Agreement;

(e) Ascertain that animals, plants and products exported to the signatory countries are subject to strict health controls;

(f) Provide such facilities as may be necessary so that the controls, inspections, certification and verification activities required by the other country in regard to plant and animal health may be carried out;

(g) Each party may, in accordance with this Chapter, adopt, maintain or apply any measure connected with plant or animal health or designed to test residues in order to safeguard human, animal or plant health. That is to say, it shall have the right to set its own levels of protection, provided they are based on scientific principles and risk evaluation. In the case of residues, special rules shall be drawn up in accordance with the Codex Alimentarius;

(h) Create systems to harmonize methods of sampling, diagnosing and inspecting animals, plants and animal and plant products. Such systems should be designed for sampling, diagnostic and inspection purposes in the countryside, at point of packing and at port of entry.

(i) Create reference laboratories for whatever analyses are needed, of animals, plants and animal and plant products and by-products entering the territory from the other signatory country;

(j) By mutual agreement, the parties shall indicate the specific regions where the cooperation and technical projects set up within the context of this Agreement will be carried out, bearing in mind the regional conditions, particularly those concerning areas free of, or almost free of, pests and diseases;

(k) The parties shall provide facilities for the specialized training of technical staff in plant and animal health, in technical, educational and research institutions.

(l) Each of the parties shall take care not to apply health measures whose real purpose is to create covert trade restrictions.

Article 5

In drafting the exchange requirements, attention shall be paid to national regulations, the International Animal Health Code (International Office of Epizootics), the International Plant Protection Convention of the Food and Agriculture Organization of the United Nations and the regulations of other supranational bodies or agreements to which both parties are signatories.

Article 6

The parties shall notify each other within 24 hours, by fax or telephone, of the occurrence in their respective territories of pockets or outbreaks of pests or diseases warranting quarantine. In such cases, they shall state the precise geographical location and epidemiological characteristics of the pest or disease, and what measures have been taken to control and, if possible, to eradicate it.

Article 7

They shall, by mutual agreement, draw up criteria for the quarantine centres and stations set up to check and monitor plant and animal health.

Article 8

They shall implement technical cooperation projects concerning products and by-products of animal or plant origin, as well as agricultural inputs.

Article 9

The precautions outlined in this Agreement shall apply to any shipment containing agricultural products or by-products for Consulates and diplomatic missions.

Article 10

Where one party, acting on its own initiative, sends representatives and specialists to the other party, it shall defray the expenses thus incurred. The country receiving the visit shall afford access to the officials and shall provide the necessary assistance for the accomplishment of the mission.

CHAPTER IV. CONCERNING THE EXECUTING AUTHORITIES

Article 11

Responsibility for the management and supervision of the Agreement shall fall to a Joint Commission on Working Arrangements the members of which shall be as follows:

For Chile:

- The National Director of the Department of Agriculture and Livestock (SAG), or his representative.
- Two representatives of the Bureau of Agricultural Protection and two representatives of the Bureau of Livestock Protection, of the Department of Agriculture and Livestock (SAG), appointed by the National Director of the Department.

For Colombia:

- The General Manager of the Colombian Institute of Agriculture (ICA), or his representative.
- Two animal health and two plant health officials from the Colombian Institute of Agriculture (ICA), appointed by the General Manager of the Institute.

Article 12

This Agreement shall be implemented by means of Working Arrangements agreed by the Joint Commission provided for in article 11 of this Agreement.

Additional clause: The executing authorities for activities under this Agreement shall be: the Department of Agriculture and Livestock (SAG), on behalf of Chile, and the Colombian Institute of Agriculture (ICA), on behalf of Colombia.

Article 13

The executing authorities of the parties undertake to cooperate in producing an annual report on the progress and outcomes of this Agreement.

Article 14

In order to discuss technical, scientific and certification issues relating to plant and animal health, as well as any other issues that may arise during the implementation of the Agreement, the executing authorities shall meet once a year, at a time and place to be mutually agreed upon, alternately in Chile and Colombia.

Additional clause: The Joint Commission on Working Arrangements may invite to its meetings any technicians and persons it feels might contribute to the success of its operation.

Article 15

The parties shall provide the necessary budgets for the realization of the programmed activities, and may seek the cooperation of producers, importers and exporters of agricultural goods. The parties may also seek the collaboration of international technical cooperation agencies in carrying out activities to implement this Agreement.

CHAPTER V. DURATION AND AMENDMENTS

Article 16

Emergency measures to control pockets or outbreaks of diseases shall be implemented immediately, unlike other measures considered to be of a general nature.

Article 17

The parties may amend this Agreement by serving notice, in writing, three months prior to the date of implementation of new quarantine provisions or the beginning of the export seasons, except where emergency measures are concerned.

Article 18

This Agreement shall enter into force together with the Agreement on Economic Complementarity and shall be valid indefinitely, unless one of the parties notifies the other of its decision to terminate it. Notification must be given in writing six months prior to the date of expiry.

Article 19

Termination of this Agreement shall not affect the implementation of cooperative activities already under way or agreed on while it was in effect.

SIGNED on 6 December 1993.

For Chile:

LEOPOLDO SANCHEZ GRUNERT
National Director, SAG

For Colombia:

JUAN MANUEL RAMIREZ PEREZ
General Manager, ICA