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Page: 1/9

Council for Trade in Services

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**NOTIFICATION OF CHILE'S PREFERENTIAL TREATMENT TO SERVICES
AND SERVICE SUPPLIERS OF LEAST DEVELOPED COUNTRIES¹**

The following notification from the delegation of Chile, dated 8 October 2015, is being circulated to the Members of the Council for Trade in Services.

The Permanent Mission of Chile to the World Trade Organization in Geneva has the honour to notify to the World Trade Organization's Council for Trade in Services the preferential treatment which Chile is making available to services and service suppliers of least developed countries in accordance with the decision by Ministers at the WTO's Eighth Ministerial Conference on *Preferential Treatment to Services and Service Suppliers of Least-Developed Countries* (WT/L/847) of 17 December 2011, and the decision by Ministers at the WTO's Ninth Ministerial Conference on *Operationalization of the Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least-Developed Countries* (WT/L/918).

The preferential treatment is given in various sectors and modes of supply, particularly in areas that are of particular export interest to least developed countries, as set out in *The Collective Request Pursuant to the Bali Decision on the Operationalization of the Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least-Developed Countries* (S/C/W/356).

Chile proposes to maintain these preferences for the period of the Waiver.

¹ For greater certainty, this notification is not subject to Annex 2 to the WTO Agreement: *Understanding on Rules and Procedures Governing the Settlement of Disputes*.

1 HORIZONTAL MEASURES

Movement of natural persons

(4) Unbound, except for:

- a. Natural persons wishing to enter Chile for the purpose of attending business meetings, conducting market or investment research, making contacts or taking part in negotiations on the supply of future services, including the creation of an enterprise or company in Chilean territory. Temporary entry will be allowed provided that the business visitor: (i) does not receive remuneration; (ii) does not sell directly to the general public; and (iii) does not supply the service personally.
- b. Persons working within a legal person in a senior position, as defined in the "Horizontal commitments" section of Chile's Schedule of Specific Commitments (GATS/SC/18), and responsible for establishing the commercial presence of a service supplier from a least developed country in Chile, provided that:
 - i. the representatives are not directly engaged in making sales or supplying services; and
 - ii. the service supplier has its principal place of business in the territory of a least developed country and has no other representative, office, branch or subsidiary in that country.
- c. Natural persons employed by a legal person established in a least developed country and entering Chile temporarily in order to supply a service under one or more contracts signed between their employers and one or more consumers of the service in Chilean territory.

Natural persons supplying a service in Chilean territory must have a written employment contract covering a period not exceeding one year or the shorter period required for effective fulfilment of the contract. They must also have the necessary qualifications, expertise and proven work experience.

These requirements will be imposed in conformity with Chile's domestic legislation on the activity in which the service supplier wishes to engage in Chile.

Both technical and professional personnel may provide services under this category.

Suppliers of services under contract shall have a temporary work permit for a period of one year, renewable for one further year.

2 SECTORAL MEASURES

The following preferential treatment is made available with respect to the application of the measures described in Article XVI of the General Agreement on Trade in Services, subject to the limitations set out in the "Horizontal commitments" section of Chile's Schedule of Specific Commitments (GATS/SC/18) and any future amendments which may affect these limitations.

Business services

Sector or subsector	Limitations on market access
PROFESSIONAL SERVICES ²	
<u>Legal services</u> (CPC 861)	(1) (3) None, except: Auxiliaries to the administration of justice must reside in the same place or city in which the court to which they supply their services is situated. Bankruptcy receivers must have at least three years of experience and be duly authorized by the Minister of Justice and may only work in their place of residence. (2) None. (4) Unbound, except as indicated in the horizontal section.
<u>International legal services³</u> <u>Advisory services on matters of public international law, international commercial law and foreign law</u> (part of CPC 86190)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Arbitration and mediation/conciliation services</u> (CPC 86602)	(1) (2) (3) None, except for arbitration proceedings which, under Chilean legislation, fall within the sole jurisdiction of the national arbitration courts or may be heard by legal arbitrators. (4) Unbound, except as indicated in the horizontal section.

² Without prejudice to what is stated in the Horizontal commitments, the suppliers of professional services included in the present Schedule may be subject to assessment by the competent authorities in connection with which they must show that they fulfil the requirements designed to ensure that they perform competently in the sector.

³ Refers solely and exclusively to matters relating to public international law and foreign law. If an advisory service involves an appearance before a Chilean court of justice or administrative body, this must be conducted by a lawyer authorized to practise in Chile. The same requirement must be fulfilled whenever there is a need for a written instrument to be submitted or a formal procedure carried out before the above-mentioned court or administrative body. The supply of advisory services does not confer the right to use the title of Attorney and therefore does not include representation or advisory services in contentious or non-contentious matters.

Sector or subsector	Limitations on market access
<u>Accounting, auditing and bookkeeping services</u> (CPC 86211)	(1) (2) (3) None, except: External auditors of financial institutions must be registered in the Register of External Auditors kept by the Supervisory Authority for Banks and Financial Institutions and with the Supervisory Authority for Stocks and Securities. Only legal persons legally incorporated in Chile as partnerships or associations and whose main line of business is auditing services may be listed in the Register. (4) Unbound, except as indicated in the horizontal section.
<u>Tax advisory services</u> (CPC 863)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Architectural services</u> <u>Advisory and pre-design architectural services</u> (CPC 86711) <u>Architectural design services</u> (CPC 86712)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Contract administration services</u> (CPC 86713)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Combined architectural design and contract administration services</u> (CPC 86714)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Engineering services</u> (CPC 8672, except 86729)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Veterinary services</u> (CPC 932)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Midwifery, nursing, physiotherapeutic and paramedical services</u> (CPC 93191)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
COMPUTER AND RELATED SERVICES	
<u>Consultancy services related to the installation of computer hardware</u> (CPC 841)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Software implementation services</u> (CPC 842)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Data processing services</u> (CPC 843)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.

Sector or subsector	Limitations on market access
<u>Data base services</u> (CPC 844)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Maintenance and repair services of office machinery and equipment including computers</u> (CPC 845)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
RESEARCH AND DEVELOPMENT SERVICES	
<u>Research and development services on social sciences and humanities</u> (part of CPC 852), (part of CPC 853)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
REAL ESTATE SERVICES	
<u>Real estate services involving own or leased Property</u> (CPC 821)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Real estate services on a fee or contract basis</u> (CPC 822)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
LEASING OR RENTAL SERVICES WITHOUT OPERATOR	
<u>Leasing or rental services concerning vessels without operator</u> (CPC 83103)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Leasing or rental services concerning aircraft without operator</u> (CPC 83104)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Leasing or rental services concerning other means of transport without operator</u> (CPC 83101), (CPC 83102), (CPC 83105)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Leasing or rental services concerning other machinery without operator</u> (CPC 83106), (CPC 83107), (CPC 83108), (CPC 83109)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
OTHER BUSINESS SERVICES	
<u>Advertising services</u> (CPC 871, except 8719)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Market research and public opinion polling services</u> (CPC 864)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Management consulting services</u> (CPC 865, except 86509)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.

Sector or subsector	Limitations on market access
<u>Services related to management consulting</u> (CPC 866, except 86602)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Technical testing and analysis services</u> (CPC 8676)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Services incidental to agriculture, hunting and forestry</u> (CPC 881)	(1) (3) None, except: Persons possessing arms, explosives or similar substances must be registered with the competent authority in their place of domicile and the authority shall place them under control, for which purpose an application must be made to the Directorate-General of National Mobilization in the Ministry of Defence. (2) None. (4) Unbound, except as indicated in the horizontal section.
<u>Services incidental to mining</u> (CPC 883)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Personnel placement and supply services</u> (CPC 87201), (CPC 87202), (CPC 87203)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Investigation and security services</u> (CPC 87301), (CPC 87302), (CPC 87303), (CPC 87304)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Maintenance and repair services of equipment (except for vessels, aircraft and other transport equipment)</u> (CPC 633)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Building-cleaning services</u> (CPC 874)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Photographic services</u> (CPC 875)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Packaging services</u> (CPC 876)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.

Sector or subsector	Limitations on market access
<u>Publishing and printing services</u> (CPC 88442)	(1) (2) None (3) None, except: For natural persons, the owner of a social communication medium or a national news agency must have a legally established domicile in Chile and legal persons, must be incorporated in Chile with domicile therein or have an agency authorized to operate within Chilean territory. Only Chilean citizens may be presidents, directors or legal representatives of the legal person. The director legally responsible and his replacement must be Chilean citizens domiciled and resident in Chile. (4) Unbound, except as indicated in the horizontal section.
<u>Meeting or convention services</u>	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.

Distribution services

Sector or subsector	Limitations on market access
<u>Commission agents' services</u> (CPC 621)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Wholesale trade services</u> (CPC 622)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Retail trade services</u> (CPC 631), (CPC 632), (CPC 61112), (CPC 6113), (CPC 6121)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Franchising services</u> (CPC 8929)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.

Tourism and travel-related services

Sector or subsector	Limitations on market access
<u>Hotels and restaurants (including catering)</u> (CPC 641), (CPC 642), (CPC 643)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Travel agencies and tour operators services</u> (CPC 7471)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Tourist guide services</u> (CPC 7472)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.

Recreational, cultural and sporting services

Sector or subsector	Limitations on market access
<u>Entertainment services (including theatre and circus services)</u> (CPC 9619, except 96191)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Libraries, archives, museums and other cultural services</u> (CPC 963)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Sporting and other recreational services (not including gambling and betting services)</u> (CPC 9641), (CPC 96491)	(1) (2) (3) None, except: Specific categories of legal persons may be required by sporting organizations engaged in professional activities. In addition: (i) no more than one team may participate in the same category of sporting competition; (ii) rules may be adopted in order to prevent concentrated ownership of sporting organizations; and (iii) minimum capital requirements may be imposed. (4) Unbound, except as indicated in the horizontal section.

Transport services

Sector or subsector	Limitations on market access
<u>Maintenance and repair of aircraft</u>	(1) Unbound. (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Selling and marketing of air transport services</u>	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.

Sector or subsector	Limitations on market access
<u>Computer reservation system services</u>	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
ROAD TRANSPORT SERVICES	
<u>Freight transportation</u> (CPC 7123)	(1) (2) (3) None, except as regards international road transport, as provided in the International Land Transport Agreement signed by Chile, Argentina, Bolivia, Brazil, Paraguay and Uruguay. (4) Unbound, except as indicated in the horizontal section.
<u>Rental of commercial vehicles with operator</u> (CPC 71222)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Maintenance and repair of road transport equipment</u> (CPC 6112)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Supporting services for road transport services</u> (CPC 7441)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
TRANSPORT SERVICES VIA PIPELINE	
<u>Transport of fuels</u> (CPC 7131)	(1) (2) (3) None, except that the service has to be provided by legal persons incorporated according to Chilean law and the supply may be subject to a concession on national treatment terms. (4) Unbound, except as indicated in the horizontal section.
<u>Transport of other goods</u> (CPC 7139)	(1) (2) (3) None, except that the service has to be provided by legal persons incorporated according to Chilean law and the supply may be subject to a concession on national treatment terms. (4) Unbound, except as indicated in the horizontal section.
SERVICES AUXILIARY TO ALL MODES OF TRANSPORT	
<u>Cargo-handling services</u> (CPC 748), (CPC 749), (CPC 741)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Storage and warehouse services</u> (CPC 742)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.
<u>Freight transport agency services</u> (CPC 748)	(1) (2) (3) None. (4) Unbound, except as indicated in the horizontal section.