1. OUTLINE OF IMPORT LICENSING SYSTEM

Every import transaction must be registered beforehand with the Central Bank of Chile and, in the case of transactions concerning copper mining, with the Chilean Copper Commission.

The system allows free importation of all goods in the tariff with the exception of tariff headings included in the List of Prohibited Imports (caviar, made-up articles of artificial furs, unworked pearls and precious, semi-precious and synthetic unworked stones).

Application for formal registration of an import transaction has to be made on the form entitled "Import Registration".

2. PURPOSES AND COVERAGE OF THE LICENSING

The Import Registration is not restrictive, in that it does not set out to restrict the quantity or the value of imports. Nor does it discriminate in terms of products or countries of origin or consignment. Its purpose is to ensure statistical verification and to ascertain the value of imports.

An Import Registration, once issued, authorizes the importer to order shipment of the goods indicated, within the stated time-limit, to bring the goods into the country and to have access to the foreign exchange market for payment of the goods abroad.

In addition, the Central Bank of Chile has empowered banks to sell, without prior authorization, foreign exchange from the banking system under the document entitled "Foreign Exchange for Import Sales Document" up to a maximum value of US$1,500 f.o.b., or the equivalent in other foreign currencies. In addition, the Customs Administration is authorized to admit certain goods, without prior authorization, under certain conditions.
The legal basis for the Import Registration is the Law on International Exchanges, which empowers the Executive Committee of the Central Bank of Chile to lay down the general provisions applicable to export and import trade and to international exchange transactions. That authorization has been confirmed by the Organic Law of the Central Bank of Chile.

3. PROCEDURES

Presentation of an Import Registration may be made at any time of the year.

Licence applications must be presented through a bank to the Central Bank of Chile or to the Chilean Copper Commission, as appropriate.

The Import Registration is examined by a single administrative organ and the importer has to approach only the bank through which the import transaction is carried out.

Application for Import Registration must be made prior to the date of shipment of the goods. The Central Bank normally takes four days to issue a Registration. In exceptional cases, this period can be shortened.

Since only the Import Registration authorizes the importer to order shipment of the goods, any shipment prior to issue of the Registration incurs a penalty applied by the Central Bank of Chile; the penalty can be reviewed in duly justified cases.

The Central Bank of Chile or appropriate authority can reject any application for Import Registration that contains errors or omissions in respect of the particulars required under the relevant legal, regulatory or administrative provisions.

In particular, the Central Bank of Chile can reject Import Registration applications where the prices indicated do not correspond to normal prices in the international market.

The Central Bank of Chile can reject an Import Registration application providing for "deferred payment" or "current payment" where the time-limit exceeds 180 days as from the date of shipment, according to the nature of indebtedness or the goods to be imported.

Where the Central Bank of Chile returns an Import Registration application, the importer can present a new application which, for all purposes, will be considered as a new operation.

4. ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE

An Import Registration application may be made by any natural person or corporate body.
The following conditions must be fulfilled:

- The applicant must present his tax number or national number, this being the number allowing identification of natural persons or corporate bodies for tax purposes;

- The applicant must show that he has no outstanding tax obligations in accordance with Article 89 of the Tax Code;

- The applicant must comply with the Import Rules of the Central Bank of Chile and with other legal, regulatory and administrative provisions in force.

There is no register of importers, since any natural person or corporate body can import subject to compliance with the above-mentioned conditions. Nor is any fee or charge payable in order to be an importer.

5. DOCUMENTATIONAL AND OTHER REQUIREMENTS

The model form for the Import Registration is attached.

Any Import Registration application must be accompanied by the corresponding sales quotation, supported by a pro forma invoice in duplicate.

The Import Registration is subject to payment of a single charge of 3 per cent on the c.i.f. value of the import, applied at the time of processing or approval of the import application. Nevertheless, this charge is to be payable together with the duties, charges and other imports that are applied through the customs and collected at the appropriate time.

Grant of an Import Registration is not subject to any deposit or advance payment. As an exceptional measure, however, five tariff headings corresponding to used goods (Nos. 87.01 to 87.05) are subject to this condition. In respect of these goods, a prior deposit in valid currency must be made, equivalent to 10,000 per cent of the c.i.f. value; this amount is held by the Central Bank of Chile for a period of ninety business days as from the date of issue of the relevant Import Registration. The purpose is to discourage the import of these goods when they are in a used condition.

6. CONDITIONS OF LICENSING

The period of validity for shipment under an Import Registration is 360 days as from the date of issue.
In duly justified cases the Foreign Trade Directorate of the Central Bank of Chile may determine periods of validity for shipment other than that mentioned above, a statement to that effect being included in the relevant Import Registration.

There are no penalties for non-utilization of a Registration or a portion thereof.

The Import Registration is not transferable.

There are no other conditions attached to the issue of a registration.

7. OTHER PROCEDURAL REQUIREMENTS

The Import Registration grants access for the importer to the foreign exchange market for payment of the goods abroad.

In order to obtain foreign exchange the importer must present the following documents to the bank:

- The original of the Import Registration issued by the Central Bank of Chile or other authorized body. Alternatively, a certificate of Shipping Document for Sale of Foreign Exchange issued by an authorized bank. In this case there is no need to present the documents mentioned in the following paragraph;

- Originals or copies of the shipping documents (commercial invoice, pay bill, insurance certificate, bill of lading, invoice of credit or financing insurance etc.) for an amount not less than the sale of foreign exchange and corresponding to the relevant Import Registration;

- The banks must transfer abroad the foreign exchange corresponding to the relevant import within two business days following the sale or, where appropriate, must reimburse the amount paid in respect of imports effected under a documentary credit.