CONTRIBUTION TO THE TRADE NEGOTIATIONS

Communication from the Delegation of Chile

The following communication has been received from the delegation of Chile. This communication accompanied the Chilean draft schedule of tariff concessions, which has been distributed separately to participants in the negotiations.

1. The draft schedule of tariff concessions represents Chile's contribution in the tariff sector to the sixth round of GATT trade negotiations (Kennedy Round).

2. At the same time, the Chilean delegation wishes to repeat the information already supplied on a series of internal legislative and administrative measures that have been introduced by the Government with a view to liberalizing Chile's import trade, in the context of the general objectives of the Kennedy Round. This delegation considers that, in order to evaluate Chile's contribution properly, account must be taken of both the tariff concessions and these internal measures, and, in addition, of the efforts being made to expend trade between developing countries. Lastly, my delegation considers that this contribution as a whole should be evaluated in the light of the principles and objectives of Part IV of the General Agreement.

3. Among the legislative and administrative measures adopted by the Chilean Government, this delegation wishes to indicate the following in particular, by way of example:

(a) With effect from January 1966, a new customs tariff has been made effective, based on the tariff nomenclature of the Brussels Customs Co-operation Council.

(b) In the course of 1967, reductions have been made in a number of customs duties, particularly on imports of capital goods.

(c) For the purpose of implementing the Government's national economic development programme, Chile has special legislation and regulations which, in most cases, imply the elimination or substantial reduction of certain customs duties, particularly those applicable to capital goods. For example, Supreme Decree No. 2192, dated October 1966, made provision for substantial tariff
reductions on machinery and equipment imported for the installation or extension of industries in certain specified areas of the country.

(d) In 1965, as a result of the special legislation and regulations in force, approximately 40 per cent of all imports, in terms of value, were exempt from customs duties.

(e) During the period of the Kennedy Round negotiations, Chile has been continually adding to the products included in the List of Authorized Imports; it has also made substantial reductions in the prior deposits required on imports and, in addition, in order to ensure normalcy in foreign payments, has reduced the time-limit for settlement of imports, as from the date of the shipping documents.

4. The Chilean delegation is prepared to furnish any additional information that any delegation may desire concerning the legislative and administrative measures referred to in this communication.