GENERAL AGREEMENT ON TARIFFS AND TRADE

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AGRICULTURE DOCUMENTATION

INVENTORY OF NON-TARIFF MEASURES

CHILE

- 1. In the Inventory of Non-tariff Measures in Respect of Agricultural Products circulated earlier in the MTN/3E/- document series, Canada and the United States had made certain comments regarding the trade measures followed by Chile. These comments were contained in:
 - (i) MTN/3E/DOC/8/Add.4 "Inventory of quantitative import restrictions applied by countries other than those covered by the Joint Working Group".
 - (ii) MTN/3E/DOC/10/Add.5 "Inventory of various non-tariff barriers".
- 2. Since the time these measures were reported, Chile's foreign trade policy and import regulations have undergone significant changes as notified to contracting parties, inter alia, in documents L/5183, L/5228, L/5282/Add.1. A description of changes that have taken place, as notified by Chile, is found on pages 2 and 3.
- 3. In the circumstances Chile has requested that earlier notifications be withdrawn as being no longer relevant. The two contracting parties which had made these notifications, i.e. Canada and the United States, have agreed to the withdrawal of the measures they had earlier notified.

 $^{^{1}}$ For the measures covered by different MTN/3E/- document series see AG/DOC/1 (Table B in Annex II.

A. COMMENTS BY CHILE ON DOCUMENT MTN/3E/DOC/8/Add.4

- (a) In the "Explanatory Notes" on page 2, paragraph 1 refers to the List of Permitted Imports. That list was revoked with effect from 11 September 1976 and replaced by the List of Goods Prohibited for Import. The latter list was in turn revoked by Ministry of the Economy Decree No. 330, published in the Official Gazette of 18 August 1981. Consequently, there is complete freedom in Chile to import any goods. (See GATT document L/5183, dated 15 September 1981).
- (b) Paragraph 2 of the "Explanatory Notes" refers to certain import restrictions in the form of quotas that could be applied by the Executive Committee of the Central Bank. Those restrictions were eliminated in 1974. Subsequently, Law. No. 18.022, published in the Official Gazette of 19 August 1981, provided that as from that date no quotas or shares could be established or prior import deposits required.
- (c) With regard to paragraph 3 of the "Explanatory Notes", it should be explained that Chile has no bilateral agreements except in the framework of the Latin American Integration Association. Also, Chile ceased to belong to the Andean Pact in 1976.
- (d) As to the non-tariff restrictions mentioned on page 3 of the document, it must be pointed out:
 - (i) The power to purchase of the Agricultural Trade Enterprise (ECA) was eliminated in 1976. Its exemption from customs duties on the products it imports was thereby also eliminated. Therefore, products under headings 01.05, 02.02, 02.03, 04.01, 04.02, 04.03 and 04.04 may be freely imported by any person or institution subject to payment of the relevant customs duty.
 - (ii) As to imports of skimmed milk powder by the National Health Service, this institution may continue to do so, with payment of customs duty. At the same time, any person or institution is entirely free to import this product.
- (e) On page 4 of the document, mention is made of restrictions on the following products:
 - (i) Wheat (10.01). There are no bilateral quotas or import restrictions. The power to purchase of the Agricultural Trading Enterprise (ECA) was eliminated in 1976.
 - (ii) Maize (ex 10.05) and rice (ex 10.06). Both products may be freely imported, and there is no exemption from duty on imports made by the Agricultural Trading Enterprise (ECA).
 - (iii) Cereal flours (11.01). There are no restrictions or quotas of any kind for the importer.
 - (iv) Cigarettes (24.02). There is no prohibition of imports of cigarettes or of cigars and tobacco.

B. COMMENTS ON DOCUMENT MTN/3E/DOC/10/Add.5

(a) On page 2 of the above document there is a notification by Canada concerning certain customs and administrative procedures. It is true that there are penalties for errors in import licences and this applies to all products; the penalties are specified in Articles 190 to 193 of the Customs Ordinance.

There is no discrimination. In any case, the situation has changed in that the penalties are applicable only for serious errors committed by the importer or where there is fraudulent intent.

There are easy procedures for correcting any minor errors that might occur.

(b) On page 3 of the above document there is a notification by the United States concerning specific charges which Chile is said to be applying to certain products. With regard to non-fat dry milk (04.02), butter (04.03) and wheat (10.01), full information will be found in GATT document L/5184, dated 18 September 1981, entitled "Chile - Specific Import Duties on Certain Dairy Products".

As to maize (10.05) and rice (10.06), there are no specific duties. Lastly, specific duties on wheat flour (11.01) were eliminated in February 1978.

It should be explained that Laws 12.858 and 16.590 expired on 31 December 1980, and that Article 4, of Law 8.094 of 1945, dealing with butter imports, was revoked with effect from 1 December 1978 by Decree-Law No. 2.398.

(c) On page 4 of the document in question, there are notifications by Canada and the United States concerning the prior deposits that must be made in the case of imports of a large number of agricultural products.

As to this matter, such deposits were eliminated with effect from ll September 1976, and at the present time Chile does not require any kind of prior deposit in respect of imports.