EU/Chile Advanced Framework Agreement

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PURPOSE: to conclude, on behalf of the European Union, the Advanced Framework Agreement between the European Union and its Member States, of the one part, and the Republic of Chile, of the other part (ACA).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: relations between the European Union and Chile are currently based on the Agreement establishing an Association (Association Agreement) between the European Community and its Member States, of the one part, and Chile, of the other part, which entered into force on 1 March 2005 (with provisional application from 1 February 2003).

The leaders of the EU and Chile agreed to examine possible options for modernising the Association Agreement, 10 years after its entry into force. On 13 November 2017, the Council adopted a decision authorising the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy to open negotiations for a modernised agreement with Chile to replace the current Association Agreement.

The negotiations were officially launched on 16 November 2017. They were conducted in consultation with the Council Working Party on Latin America and the Caribbean. The Trade Policy Committee was consulted on the trade part of the agreement. The European Parliament was informed of the outcome of the negotiations.

The EU and Chile reached a political conclusion on the negotiations on 9 December 2022 in Brussels. Since the current Association Agreement was signed 20 years ago, the world has changed considerably. The ACA responds to these changes and to new global challenges. Politically, the ACA with Chile is an important step towards **strengthening the role of the European Union in South America** on the basis of shared universal values such as democracy and human rights. It paves the way for closer political, regional and global cooperation between two partners committed to the same principles.

CONTENT: the proposal constitutes the legal instrument authorising the conclusion of the Advanced Framework Agreement between the European Union and its Member States, of the one part, and the Republic of Chile, of the other part.

The AFA creates a coherent, comprehensive, up-to-date **legally binding framework for the EU's relations with Chile**. It undertakes to establish a strengthened partnership, reinforce political dialogue and deepen and enhance cooperation on issues of mutual interest. At the same time, the AFA will foster trade and investment by contributing to the expansion and diversification of economic and trade relations.

The ACA:

- includes EU standard clauses on human rights, the International Criminal Court (ICC), weapons of mass destruction (WMD), small arms and light weapons (SALW) and the fight against terrorism;

- also covers cooperation in areas such as health, environment, climate change, ocean governance, energy, taxation, education and culture, labour, employment and social affairs, science and technology, and transport;

- also covers legal cooperation, the rule of law, money laundering and terrorist financing, organised crime and corruption.

The Trade part of the AFA broadens the scope of the current bilateral trade framework and adjusts it to the new political and economic global challenges, to the new reality of the EU-Chile partnership and to the level of ambition of recently concluded trade agreements and negotiations conducted by the EU and Chile.

The Agreement sets up an institutional framework composed of the Joint Council, Joint Committee and Sub-Committees and other bodies to assist the Joint Council. The Agreement provides for a mechanism to address failure by one of the Parties to fulfil obligations assumed under the AFA.