

EU/Chile Interim Agreement on Trade

2023/0259(NLE) - 14/12/2023 - Legislative proposal

PURPOSE: to conclude, on behalf of the European Union, the Interim Agreement on Trade (ITA) between the European Union and the Republic of Chile.

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: in accordance with a Council Decision, the Interim Agreement on Trade between the European Union and the Republic of Chile was signed, subject to the conclusion of the Agreement at a later date.

In accordance with that Decision, the Joint Statement by the European Union and the Republic of Chile on the Provisions on Trade and Sustainable Development contained in the Interim Agreement on Trade between the European Union and the Republic of Chile, attached to the Agreement, was approved on behalf of the Union.

It is appropriate to authorise the Commission to approve on the Union's behalf certain modifications to the Agreement that are to be adopted by a simplified procedure and by a body set up by the Agreement. The Agreement does not confer rights or impose obligations on persons, other than those created between the Parties under public international law.

It is now necessary to approve the Agreement on behalf of the Union.

CONTENT: the purpose of the draft Council Decision is to approve on behalf of the Union, the Interim Agreement on Trade (ITA) between the European Union and the Republic of Chile.

The updated Interim Agreement on Trade:

- broadens the scope of the current bilateral trade framework and adjusts it to the new political and economic global challenges;
- creates a coherent, comprehensive, up-to-date legally binding framework for the EU's relations with Chile. It will foster trade and investment by contributing to the expansion and diversification of economic and trade relations;
- includes a civil society consultation mechanism extended to the whole Agreement to allow the civil society on both sides to be heard on all the provisions in the Agreement;
- improves market access for agricultural and fisheries exports and improved rules;
- incorporates the Agreement on Trade in Wines and the Agreement on Trade in Spirits and Aromatised Drinks;
- simplifies the Rules of Origin to take into consideration the need of industry, for example, for key industrial products such as cars or pharmaceuticals;

- simplifies border procedures;
- ensures fair trade and business conditions;
- includes a fully-fledged ambitious Trade and Sustainable Development chapter as well as a dedicated Chapter on Trade and Gender Equality;
- focuses on SMEs and encourages investment and innovation;
- ensures safe and sustainable trade in agri-food products.

Lastly, the proposal clarifies the institutional structure of the ITA which will be composed of a Trade Council, a Trade Committee and a number of Sub-Committees.