



European
Commission

**Consultation strategy
linked to
Impact Assessment on a possible modernisation of the trade part
of the EU-Chile Association Agreement**

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Trade

[A] Consultation scope and objectives

In 2013¹, the EU and Chile decided jointly “to explore the options to modernize the Association Agreement after 10 years of Association”. In 2014², the EU and Chile have agreed to “move forward in the process towards the modernisation of the Association Agreement through the establishment of a Joint Working Group, with relevant sub-groups, to assess the added value that the modernisation process could bring and to explore its scope and ambition.”

The European Commission intends to carry out an impact assessment in order to identify the main options for modernising the trade provisions of its Association Agreement with Chile, as well as to examine the potential impacts of those options. As part of preparations for that impact assessment, the Commission has prepared the present consultation strategy.

Further details about the proposed initiative, including the initial assessment of impacts, can be found in the [Inception Impact Assessment](#).

Stakeholder consultation should ensure that all relevant parties have an opportunity to express their opinion, especially: those who will be directly, indirectly or potentially impacted by a decision to proceed with the initiative; those who will be involved in implementing the initiative if adopted; and those with a stated interest in the area covered by the initiative. Special efforts should be made to identify and facilitate participation of target groups that run the risk of being excluded; and of non-organised interests.

The EU’s overall objective for the consultation linked to its proposal for possible modernisation of the EU’s existing trade agreement with Chile is therefore to ensure that across a series of consultation activities in both the EU and Chile, all relevant stakeholders will have been given an opportunity to express their views on all elements relevant for the impact assessment which should accompany any recommendation by the Commission to launch the negotiations to modernise the agreement.

During the impact assessment process, stakeholders will have the opportunity to express their views on all key elements of the impact assessment, in particular: on the problem to be addressed; on the objectives of EU policy intervention; on the

¹ See paragraph 22 of the EU-CELAC Santiago Declaration available: http://www.eeas.europa.eu/la/summits/docs/2013_santiago_summit_declaration_en.pdf

² See paragraph 6 of the Joint Statement of the 6th EU-Chile Association Council available at:

<http://www.consilium.europa.eu/en/press/press-releases/2015/04/21-sixth-eu-chile-association-council/>

available policy options; and on the potential impacts linked to the main policy options, including economic, social, environmental, and human rights related impacts³.

The stakeholder consultation will focus on collecting views and opinions and on testing ideas for further analysis.

Factual information and data will be collected via the external study which will be launched in early 2016 and should also feed into the impact assessment.

[B] Mapping Stakeholders

Identified stakeholder categories in both the EU and Chile, with indications of the level of likely interest in the initiative:

Stakeholders directly affected by the EU-Chile Agreement

- Economic operators and their organisations, associations by sector: farming and fisheries, agro-industry, workers representatives and trade unions (very high interest); other manufacturers, service providers, traders (**high interest**);
- Business organisations, cluster organisations, associations, chambers of commerce at the EU, sectoral, Member State or local level in the EU, and at federal and state level in Chile (**high interest**);
- Businesses and business organisations, associations by type: SMEs, larger business organisations, multi-national companies operations in the EU or in Chile (**high interest**);
- Citizens/individuals, workers, consumers in the EU and Chile (**moderate to high interest**);

Stakeholders involved in the implementation of the EU-Chile Agreement

- Public authorities: at EU, Member State and local level in the EU, and at state, regional and local level in Chile (**high interest**);
- Industry, business organisations, NGOs and other civil society organisations, including trade unions and organisations representing consumer, environmental, social, and human rights issues, in both the EU and Chile (**high interest**);

Stakeholders interested in trade policy

- Academia, research institutions, experts, think-tanks, consultancies (**moderate interest**);

³ Taking into account the fact that the negotiations of trade agreements fall in the area of the EU exclusive competence according to Article 207 of the Treaty on the Functioning of the European Union (TFEU), the issue of subsidiarity is not expected to raise any concerns.

Stakeholders running the risks of being unaware of the public consultation

- Actors not organised to actively defend their views (**moderate interest**);

The launch of the on-line public consultation will be announced on social networks and the questionnaire will be published on the EU survey website (where RSS feeds allow website subscribers to receive notification of new consultations automatically, without having to check for new content).

[C] Consultation methods and activities

An open public on-line consultation will invite stakeholders to express their views regarding the impact of a possible modernisation of the agreement. It will be published on “Your voice in Europe” platform. The consultation will focus on:

- the need for an upgrading of the existing FTA between EU and Chile;
- the degree of ambition sought by stakeholders with respect to modernisation, and the expected scope of any revised agreement ;
- specific issues or barriers to trade affecting, amongst others:
 - trade in goods
 - customs procedures and trade facilitation
 - Non-Tariff Measures, including Technical Barriers to Trade and Sanitary and Phytosanitary Matters
 - trade in services;
 - Foreign Direct Investments
 - Intellectual Property Rights, including Geographical Indications
 - public procurement
- Specific concerns of stakeholders – or potential impacts of a revised Free Trade Agreement – relating to various areas, such as:
 - competition policy (including state aid and state-owned enterprises)
 - Innovation
 - SMEs
 - Consumers
 - Social issues
 - Labour and human rights
 - Environmental issues

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The open online consultation should be launched by mid-2016. It will be announced and promoted via a press release and webpage announcement.

It could also be complemented by targeted consultations of government representatives and other key stakeholders in both EU and Chile selected on their interest in (the effects of) the possible modernisation of the EU-Chile Agreement, their willingness to actively participate in the study, but also on the first results of the economic impact (for example, specific sectors or social, environmental or human rights issues that come out as highly relevant).

[D] Consultation webpage

A specific online consultation will be established on DG TRADE's website.

The Inception Impact Assessment for the initiative as well as the consultation strategy will be published on this webpage.