



## CIVIL SOCIETY DIALOGUE

# EU-CHILE TRADE NEGOTIATIONS

**Date: 29/05/2018**

**Time: 15:00-17:00**

**Location: Centre Albert Borschette, Room 0.C, Rue Froissart 36, Brussels**

### **Lead speakers:**

Mr Matthias Jørgensen, EU Chief Negotiator for trade pillar, Head of Unit – Latin America, Directorate-General for Trade, European Commission

Mr Felipe Lopeandía Wielandt, Chilean Chief Negotiator, Director of Bilateral Economic Affairs of the Directorate-General of International Economic Relations (DIRECON) Chile

### **Presentations**

Chief negotiators took the opportunity to inform about the negotiating process and content of the on-going negotiations to modernise the trade pillar of the Association Agreement.

The Commission started by highlighting the importance of trade and investment relations between the EU and Chile which is the reason why both Parties have decided to continue reinforcing these relations by launching the current negotiations in order to replace the existing EU-Chile trade agreement, in place since 2002, with a modern and ambitious one.

The Commission informed that a scoping exercise and ex ante impact assessment had been carried out before the adoption of the negotiation directives and the subsequent launch of the negotiations in November 2017. The negotiations have started very well and most of the EU textual proposals (90-95%) are already on the table. Chile has also tabled several textual proposals.

The Commission stressed the fact that Chile is a like-minded partner who attaches strong importance to the engagement with Civil Society in this negotiation process. Therefore both parties are accompanying this process with great efforts of transparency and information with the public. The negotiation directives (first time for an Association agreement), the reports of negotiations and most of the EU textual proposals are already available to the public. Moreover, both Parties have agreed to ensure Information Sessions with Civil society (CS) in the context of the negotiation rounds. Chile confirmed that they are also ensuring a great level of transparency and information and that they have published their textual proposals as well. Chile also informed that they have similar dialogues with Civil Society, the last one just before the third round in Brussels.

The Commission explained that in these negotiations it proposes a broader mechanism to consult with Civil society similar to the one included in the EU-Mexico modernised agreement. This is based

mainly in the interaction with domestic advisory groups and a Civil Society Forum. Moreover, and in parallel to the negotiation process the work has started for an independent Sustainable Impact Assessment (SIA) on these negotiations. This SIA will be conducted in regular dialogue with all relevant stakeholders and should be finalised ahead of the initialling of the Agreement. Meetings will be organised with civil society here in Brussels and in Chile.

Chile added that we still have to go through a thorough negotiation process, where substance prevails over time as both parties want a substantive and ambitious result and a balanced outcome. There has already been progress in several areas.

### Discussion Highlights / Questions and Replies

**Humane Society International/Europe (HSI)** noted that while the current Chile agreement is groundbreaking, a lot more can be achieved, especially in areas of breeding, herding, handling and transporting of farm animals. On wild life protection HSI mentioned the progressive language of the TPP-11 agreement and suggested that a number of things be replicated from there. HSI asked if issues of banning harmful fishing subsidies are discussed in the current negotiations. **Eurogroup for Animals** would like to see a separate chapter on animal welfare in the EU-Chile trade agreement, similarly to the EU-Mexico agreement. They asked if the animal organisations have approached the Chilean negotiators.

**US Dairy Export Council** raised the geographic indicators (GIs) and asked to safeguard the common food names, reminding that the negotiations have an impact on domestic industry. **International Confederation of Inspection and Certification Organizations** asked for an update on conformity assessment, related to technical barriers to trade (TBT).

**Chilean pharma representative** mentioned market access and specifically early entry of generics, noting that current proposals are unbalanced and wondering how they are benefiting the consumers.

**Transport and Environment** mentioned lithium mining and asked if energy and raw materials chapter is discussed this week. **SpiritsEUROPE** said that while business is good in Chile, customs facilitation is an issue and digitalization would be needed. They also emphasized that GIs need to be included in the current deal. **Friedrich-Ebert-Stiftung** inquired about gender and trade. **Eurocommerce** asked about the e-commerce discussions.

**European Economic and Social Committee** encouraged the negotiators to engage the civil society and reminded of importance of transparency, social justice and sustainable development issues. EESC also raised tourism industry issues asking for liberalized competition for air travel in order to develop tourism sector. EESC further reminded of importance of access to education, especially for women, and lifelong learning.

**COM** replied that on animal welfare issues it wants to go beyond the level of slaughter and that the provisions should be in the sanitary and phytosanitary (SPS) chapter. The Commission intends to present its proposal during this round and to make it available to the public after the round. On TSD, the EU will bring to the table its approach taking into account the outcome of the consultation on TSD enforcement which had resulted in the 15 points action plan on TSD. On TBT the Commission informed that this question is still to be further discussed and thus not agreed yet.

**Chile** said they are analysing the EU textual proposal on SPS. On TSD Chile is improving and raising standards in agreements. TPP is a good example e.g. on fisheries and Chile would like to see that reflected in the agreement with the EU. Animal advocacy organisations are not yet very active in Chile in this area and civil society organisations are more focused on environmental issues. On GIs,

this part of the IPR chapter under negotiations, it is too premature to anticipate the outcome of this issue. Although there are differences regarding the approach, with creativity and pragmatism we will find solutions. On TBT this is part of the issues where Chile wants to see real improvement and modernisation of the current agreement.

With regards to access to medicines **Chile** recognizes challenges and sensitivity, but aims for a balanced outcome foreseeing innovation and full access. Energy and raw materials discussion is scheduled for this round, is still at an initial phase. On trade facilitation regarding wines and spirits, **Chile** said they can go further. **COM** added that it is aware of the current updating of the list of GIs of spirits and wine and it is working closely with Chile on these. Regarding ERM **COM** underlines its hope to advance more on this issue as it is very important in terms of investment and imports/exports for both parties.

On access to medicines **COM** reminded of the broader frame, namely the Global Health Agenda and the Doha Declaration, both of which the EU is very committed to promote and support to ensure real access to medicines. **Chile** clarified that it has high level of protection of intellectual property rights (based on TRIPS agreement) there is no contradictions between access to medicines and an adequate level of protection of IPR and there are some flexibilities in the DOHA declaration which are also possible to apply

**COM** clarified that air transport is not covered by neither the existing association agreement nor the current negotiations; nevertheless in the negotiations we do cover tourism in the framework of service liberalisation. The EU textual proposal on Trade and gender is a pilot case for the EU with an objective of gender equality in trade, trying to address those barriers faced by women today to benefit from trade opportunities, building on the sustainable development goals and reaffirming commitments on international conventions. Access to education is a topic on which each party reserves its policy space but we are looking at this in the political/cooperation pillar e.g. areas of research and Erasmus Mundus. **Chile** continued that on gender they have taken important steps in their agreements with Canada, Argentina and Uruguay, where they have already gender chapters. The Chilean government is interested in facilitating women's participation in trade. Inclusive trade is also in the international agenda. The EU and Chile have the same objective and Chile has also tabled a proposal on this particular issue.

**Chile** confirmed to have experience on e-commerce in recent FTAs so it also looking to address this issue in the negotiations with the EU as both parties are interested to improve the relations in the area of digital trade.