

ARTICLE XXVIII:5 NEGOTIATIONS

Schedule VII – Chile

Addendum

The following communication, dated 22 August 2001, has been received from the Permanent Mission of Chile.

I refer to the negotiations and related consultations held by Chile in connection with its notification, circulated in document G/SECRET/12 of 1 November 2000, in which it is proposed to increase the bound rates on specific products listed in Schedule VII, by virtue of Article XXVIII of the GATT 1994.

Pursuant to paragraph 5 of the Guidelines on *Procedures for Negotiations under Article XXVIII* (documents C/113 and Corr.1 of 10 November 1980), and with reference to the Decision on *Procedures for Modification and Rectification of Schedules of Tariff Concessions* (Decision of 26 March 1980, document L/4962), the following documents are attached:

- (i) Joint letter, signed by Chile and Argentina, which concludes the bilateral negotiation;
- (ii) report (attached to the above letter), which sets out the results of the negotiation on the lines of the model in Annex B referred to in paragraph 5 of the Guidelines;
- (iii) final report, drafted along the lines of the model in Annex C referred to in paragraph 6 of the Guidelines, as required upon completion of all the negotiations under paragraph 1 of Article XXVIII.

Annex A

SECRET

Mr. Mike Moore
Director-General
World Trade Organization
Geneva

Negotiations on Schedule VII of the Republic of Chile

The delegations of Chile and Argentina have concluded their negotiations under Article XXVIII of the GATT 1994 for modification of the concessions provided for in Schedule VII annexed to the General Agreement on Tariffs and Trade, in respect of tariff items 1701.1100, 1701.1200, 1701.9100 and 17.01.9900, under the terms set forth in the report attached as Annex B.

Signed by the Chilean delegation

Signed by the Argentine delegation

Annex B

SECRET

Results of the Negotiations under Article XXVIII

Changes to Schedule VII - Chile

A. CONCESSIONS TO BE WITHDRAWN

None.

B. BOUND RATE TO BE INCREASED

Tariff Code	Description	Present bound rate	Proposed bound rate
1701.1100	Raw cane sugar	31.5%	98%
1701.1200	Raw beet sugar	31.5%	98%
1701.9100	Other sugars, containing added flavouring or colouring matter	31.5%	98%
1701.9900	Other	31.5%	98%

C. REDUCTION IN BOUND RATES IN THE EXISTING SCHEDULES

Tariff Code	Description	Present bound rate	Proposed bound rate
1701.9900	Other	31.5%	0% for an annual tariff quota of 60,000 tons*

* Tariff quota allocation.

Country	Tons
Argentina	21,000
Guatemala	16,700
Brazil	9,700
Other	12,600
Total	60,000

D. NEW CONCESSIONS FOR TARIFF LINES NOT LISTED IN THE SCHEDULES

None.

Annex C

SECRET

Negotiations under Article XXVIII

Report by the Chilean delegation on the negotiations under Article XXVIII of the GATT 1994 for modification of the concessions provided for in Schedule VII annexed to the General Agreement on Tariffs and Trade, in respect of tariff items 1701.1100, 1701.1200, 1701.9100 and 1701.9900.

1. The negotiations resulted in agreements with:

Argentina (as a party recognized as having a principal supplying interest in items 1701.1100, 1701.1200 and 1701.9900).

2. No agreement was reached with:

None.

3. Consultations were held with:

- Brazil (as a party having a substantial supplying interest in items 1701.1100 and 1701.9900);
 - Colombia (as a party having a substantial supplying interest in item 1701.1100);
 - Guatemala (as a party having a substantial supplying interest in item 1701.9900).
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