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ORGANIZATION

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CHILE

Conditional Revised Offer

The following revised offer was received from the delegation of Chile on 29 June 2005 with the request that it be circulated to Members of the Council for Trade in Services.

INTRODUCTION

1. Pursuant to paragraph 1(e) of the General Council Decision on the Doha Work Programme (WT/GC/W/535) concerning Members' commitment to submit a conditional revised offer for the negotiations provided for in Article XIX of the General Agreement on Trade in Services (GATS), Chile hereby submits its conditional revised offer of specific commitments in services.

2. By means of this offer, Chile reiterates its WTO commitment to achieving a progressively higher level of liberalization and delivering effective access to its services markets.

3. Given that Chile's offer takes the concepts set forth in Article I.3 of the GATS into account, the attached offer does not include services supplied in the exercise of governmental authority.

4. Furthermore, pursuant to Article VI of the GATS, Chile reserves the right to establish, maintain and fully exercise its national legislation in order to achieve legitimate policy objectives in areas such as consumer protection, health and the environment. Likewise, Chile reserves the right to revise, conduct technical reviews of or amend this offer in the light of the outcome of the work of the subsidiary bodies of the Council for Trade in Services.

HORIZONTAL COMMITMENTS

5. Chile's revised offer includes new horizontal Mode 3 commitments. The revised offer has also given Chile the opportunity to clarify information regarding this mode of service supply.

6. Chile's commitments concern foreign investment entering the country under the regulations of the Central Bank of Chile. These regulations form an open and non-discriminatory system for the entry of capital into the country. The Foreign Investment Statute (Decree Law 600 of 1974) establishes a special and voluntary system for investing in Chile, which is implemented through the signing of a foreign investment contract between the investor and the State of Chile, once the Foreign Investment Committee has approved an investment application.

7. Service providers are not obliged to sign such contracts in order to locate in Chile and can always choose to bring in their capital through the Central Bank's open system.

8. This revised offer reflects Chile's intention to achieve further liberalization of trade in services in keeping with the bilateral trade policy which the country has developed in recent years within the framework of its trade agreements.

9. Pending the outcome of the negotiation of Article XV disciplines relating to subsidies, Chile has introduced, under the market access column of its Schedule of Horizontal Commitments, a limitation for all modes of service supply. Accordingly, all references to subsidies, which had appeared in Chile's initial offer, and to successive documents on this matter, have been withdrawn.

SPECIFIC COMMITMENTS

10. This contribution by Chile is additional to those made in its initial offer and includes new service sectors and/or subsectors. Chile has included the following sectors and subsectors in this revised offer: foreign law, arbitration and conciliation services, advisory and consultative engineering services, veterinary services for pet animals, other veterinary services, systems and software consulting services, systems analysis services, systems design services, programming services, systems maintenance services, input preparation services, data processing and tabulation services, time-sharing services, other data processing services, database services, research and development services (on natural sciences, social sciences and humanities), sale or leasing services of advertising space or time, planning, creating and placement services of advertising, market research services, public opinion polling services, building-cleaning services, photographic services, packaging services, convention services and public relations consultancy services.

11. This Schedule of Specific Commitments contains no changes or amendments to financial services or telecommunications.

12. In this revised offer, Chile has once again drawn up its Schedule of Commitments, insofar as was possible, on the basis of the Services Sectoral Classification List (MTN.GNS/W/120) and in accordance with the definitions in the United Nations' Provisional Central Product Classification (Provisional CPC). However, it should be noted that in the legal services sector, Chile has followed the classification guidelines laid down in document TN/S/W/37. As regards the energy services sector, Chile has followed the "Proposed Guide for Scheduling Commitments on Energy Services in the WTO" (JOB(03)/89).

13. In order to bring its Schedule of Commitments further into line with the guidelines set forth in document S/CSC/W/30, Chile has replaced the term "no consolidado" with the term "sin consolidar" ("unbound"). Moreover, and solely for the purpose of order, each sector or subsector has been listed in accordance with the structure of the Services Sectoral Classification List (MTN.GNS/W/120).

MFN EXCEPTIONS

14. Chile is maintaining its exceptions to this principle at this stage of the negotiations, but is keeping them under constant review with a view to moving towards their elimination.

15. In conclusion, Chile hereby expresses its willingness to comment on or clarify any doubts concerning its conditional initial offer.

CHILE – CONDITIONAL REVISED OFFER

Modes of supply: (1) C	ross-border supply (2) Consumption	abroad (3) Commercial present	(4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE	 (1), (2), (3) and (4) Unbound in respect of measures adopted or to be adopted by the Central Bank of Chile, under its constitutive law, amendments thereto or other legislation. The commitments in this Schedule extend only to service suppliers who operate in Chile through a commercial presence, are established as a foreign investment and governed by the rules and legal procedures in force on direct foreign investment. The commercial presence covered by this Schedule is that effected solely through the Foreign Investment Statute and financed by external capital. Authorization to deliver services through a commercial presence may take into account the following criteria: 	 (3) Foreign investors may transfer their capital abroad three years from the date of its entry. Real-estate acquisitions and the performance of other legal acts in border areas must comply with the provisions of the relevant legislation, which is unbound for the purposes of this Schedule. The border area is defined as land within a distance of 10 km. from the border and 5 km. from the coast and province of Arica. With regard to services that fall under the heading "professional services", at least 85 per cent of the staff employed by a service supplier established in Chile must be Chilean. 	
	 (a) The effect of the commercial presence on economic activity, including its effect on employment, on the use of parts, components and services produced in Chile and on exports of services; 	As regards all other services listed in this Schedule, at least 85 per cent of the staff employed by a service supplier established in Chile must be Chilean, except in the case of enterprises with fewer than 15 employees.	

Modes of supply:	(1) Cross-border supply (2) Consumption	abroad (3) Commercial prese	nce (4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
	 (b) The effect of the commercial presence on productivity, industrial efficiency, technological development and product innovation in Chile; 		
	 (c) The effect of the commercial presence on competition in the sector in question and other sectors, on consumer protection, on the smooth functioning, integrity and stability of the market, and on the national interest; 		
	(d) The contribution of the commercial presence to Chile's integration into world markets.		
	For greater certainty, the Foreign Investment Committee of Chile, or its successor, has the right to reject investment applications under the Foreign Investment Statute (Decree Law 600) and Law 18.657. Moreover, the Foreign Investment Committee of Chile, or its successor, has the right to regulate the terms and conditions of foreign investment under Decree Law 600 and Law 18.657. Pursuant to Decree Law 600, foreign investors may transfer abroad capital previously transferred to Chile under a foreign investment contract, three years after bringing it into the country.		

Modes of supply: Sector or subsector	(1) Cross-border supply (2) Consumption Limitations on market access	abroad (3) Commercial present	ce (4) Presence of natural persons Additional commitments
	 This Schedule applies only to the following types of commercial presence for foreign investors: open and closed corporations, private-limited companies, and subsidiaries (which, under Chilean legislation, are the equivalent of corporation agencies). For greater transparency, the foreign investor may opt for any of these types of legal incorporation, unless the State of Chile, by law, requires one type in particular. (1), (2), (3) and (4) Unbound with respect to any type of subsidy. Also limits national treatment. 		
	 (4) Unbound, except for transfers of natural persons within a foreign enterprise established in Chile, in accordance with (3) commercial presence, senior and specialized personnel who have been in the employ of the organization for a period of at least two years immediately preceding the date of their application for admission performing the same type of duties as in the parent company of their country of origin. In any case, in accordance with (3) commercial presence, foreign natural persons may not make up more than 15 per cent of the total staff employed in Chile. 	(4) Unbound, except for the categories of natural persons listed under market access.	

(1) Cross-border supply (2) Consumption	abroad (3) Commercial prese	(4) Presence of natural persons
Limitations on market access	Limitations on national treatment	Additional commitments
The category of senior and specialized personnel does not include members of the board of directors of a company established in Chile.		
For all legal purposes, senior and specialized personnel must establish domicile or residence in Chile.		
Senior personnel are executives who come under the direct supervision of the board of directors of the enterprise established in Chile and who, <i>inter alia</i> :		
- direct the management of the organization or one of its departments or subdivisions;		
- supervise and control the work of other supervisory, professional or managerial employees;		
- are personally authorized to hire and dismiss, recommend hiring and dismissal and take other personnel actions.		
	Limitations on market access The category of senior and specialized personnel does not include members of the board of directors of a company established in Chile. For all legal purposes, senior and specialized personnel must establish domicile or residence in Chile. Senior personnel are executives who come under the direct supervision of the board of directors of the enterprise established in Chile and who, <i>inter alia</i> : - direct the management of the organization or one of its departments or subdivisions; - supervise and control the work of other supervisory, professional or managerial employees; - are personally authorized to hire and dismiss, recommend hiring and dismissal and take other personnel	Limitations on market access Limitations on national treatment The category of senior and specialized personnel does not include members of the board of directors of a company established in Chile. For all legal purposes, senior and specialized personnel must establish domicile or residence in Chile. Senior personnel are executives who come under the direct supervision of the board of directors of the enterprise established in Chile and who, <i>inter alia</i> : - direct the management of the organization or one of its departments or subdivisions; - supervise and control the work of other supervisory, professional or managerial employees; - are personally authorized to hire and dismissal and take other personnel -

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
	Specialized personnel are highly qualified persons who are indispensable to the supply of the service because of their professional knowledge or:		
	- possession of qualifications for a particular type of work or activity requiring specialized technical expertise;		
	 proprietary knowledge of the organization's services, research equipment, techniques or management; and 		
	- the non-availability of such specialized personnel in Chile.		
	Service providers The senior and specialized personnel described above are admitted into Chile temporarily for a period of two years which can be extended for a further two years. Personnel admitted under these conditions will be subject to the labour and social security legislation in force.		

ross-border supply (2) Consumption	abroad (3) Commercial preser	(4) Presence of natural persons
Limitations on market access	Limitations on national treatment	Additional commitments
NTS		
Without prejudice to what is established in Section I (Horizontal Commitments), suppliers of the professional services included in this Schedule may be subject to assessment by the competent authorities in connection with which they must show that they fulfil the requirements designed to ensure that they perform competently in the sector.		
If professional advisory services involve an appearance or formal procedures before a Chilean court of justice or administrative body then this appearance shall be made or this procedure executed by a professional recognized in Chile.		
 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section. 	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section. 	
	 Without prejudice to what is established in Section I (Horizontal Commitments), suppliers of the professional services included in this Schedule may be subject to assessment by the competent authorities in connection with which they must show that they fulfil the requirements designed to ensure that they perform competently in the sector. If professional advisory services involve an appearance or formal procedures before a Chilean court of justice or administrative body then this appearance shall be made or this procedure executed by a professional recognized in Chile. (1) Unbound None (2) Unbound None (3) None (4) Unbound, except as indicated in the 	NTS Without prejudice to what is established in Section I (Horizontal Commitments), suppliers of the professional services included in this Schedule may be subject to assessment by the competent authorities in connection with which they must show that they fulfil the requirements designed to ensure that they perform competently in the sector. If professional advisory services involve an appearance or formal procedures before a Chilean court of justice or administrative body then this appearance shall be made or this procedure executed by a professional recognized in Chile. (1) Unbound None (1) Unbound None (2) Unbound None (3) None (3) None (4) Unbound, except as indicated in the (4) Unbound, except as indicated in the

¹ Refers solely and exclusively to matters relating to public international law **and foreign law**. If an advisory service involves an appearance before a Chilean court of justice or administrative body, then this must be conducted by a lawyer authorized to practise in Chile who fulfils the requirement of being a Chilean national. The same requirement must be fulfilled whenever there is a need for a written instrument to be *submitted* or a formal procedure *carried out before the above-mentioned court or administrative body*. *by a professional recognized in Chile*. The provision of advisory services does not confer the right to use the title of Attorney and therefore does not include representation *or advisory* services in contentious or non-contentious matters.

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Modes	οι	supp	IY:

(2) Consumption abroad

(3) Commercial presence

ector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Arbitration and mediation/conciliation services (86602)	 None, except for arbitration proceedings which, under Chilean legislation, fall within the sole jurisdiction of the national arbitration courts or may be heard by legal arbitrators. None, except for arbitration proceedings which, under Chilean 	 None, except for arbitration proceedings which, under Chilean legislation, fall within the sole jurisdiction of the national arbitration courts or may be heard by legal arbitrators. None, except for arbitration proceedings which, under Chilean legislation for the ratio of the ratio 	
	legislation, fall within the sole jurisdiction of the national arbitration courts or may be heard by legal arbitrators.	legislation, fall within the sole jurisdiction of the national arbitration courts or may be heard by legal arbitrators.	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
b. Accounting, auditing and bookkeeping services ² : Accounting and auditing			
Financial auditing services	(1) Unbound	(1) Unbound	
(86211)	(2) Unbound	(2) Unbound	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Accounting review services	(1) Unbound	(1) Unbound	
(86212)	(2) Unbound	(2) Unbound	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	

² Financial statements must be endorsed by a professional legally authorized to practise in Chile.

(2) Consumption abroad

(3) Commercial presence

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Taxation services (863)	 (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal section. 	 (1), (2) and (3) None/Chile may grant preferential subsidies to Chilean nationals. (4) Unbound, except as indicated in the horizontal section/Chile may grant preferential subsidies to Chilean nationals. 	
d. Architectural services			
Advisory and pre-design architectural services (86711)	 Unbound None Unbound None Unbound None None Unbound ,except as indicated in the horizontal section. 	 Unbound None Unbound None Unbound None None Unbound , except as indicated in the horizontal section. 	
Architectural design <i>services</i> (86712)	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section. 	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section. 	
e. Engineering services:			
Advisory and consultative engineering services (86721)	 None None None Unbound, except as indicated in the horizontal section 	 None None None Unbound, except as indicated in the horizontal section 	
Engineering design services for industrial processes and production (<i>part of CPC</i> 86725)	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section 	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section 	

ector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Engineering design services relating	(1) Unbound None	(1) Unbound None	
to sanitary works	(2) Unbound None	(2) Unbound None	
(part of CPC 86726)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Mechanical engineering design	(1) Unbound None	(1) Unbound None	
services	(2) Unbound None	(2) Unbound None	
(part of CPC 86726)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Electrical engineering design services	(1) Unbound None	(1) Unbound None	
(part of CPC 86726)	(2) Unbound None	(2) Unbound None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Chemical and process engineering	(1) Unbound None	(1) Unbound None	
design services	(2) Unbound None	(2) Unbound None	
(part of CPC 86726)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Environmental engineering design	(1) Unbound None	(1) Unbound None	
services	(1) Unbound None	(1) Unbound None	
(part of CPC 86726)	(3) None	(2) Choose (3) None	
	(4) Unbound, except as indicated in the	(4) Unbound, except as indicated in the	
	horizontal section	horizontal section	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
f. Integrated engineering services:			
Integrated engineering services for energy services (86733) ³ i. Veterinary services	 None-Unbound None None-Unbound Unbound, except as indicated in the horizontal section. 	 (1), (2) and (3) Unbound for anthropological, archaeological and palaeontological studies, research or any other activity conducted in the 200-nautical-mile maritime zone under national jurisdiction and studies in border areas. Chile may grant preferential subsidies to Chilean nationals. (4) Unbound, except as indicated in the horizontal section, in which case the restrictions for Modes 1, 2 and 3 apply. Chile may grant preferential subsidies to Chilean nationals. 	
		(1) Non-	
Veterinary services for pet animals (93201)	 None None None Unbound, except as indicated in the horizontal section 	 None None None Unbound, except as indicated in the horizontal section 	
Other veterinary services (93209)	(1) None(2) None	(1) None(2) None	
×2	 (3) None (4) Unbound, except as indicated in the horizontal section 	 (3) None (4) Unbound, except as indicated in the horizontal section 	

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 $^{^{3}}$ As in document JOB(03)/89.

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
 Computer and related services 			Additional communctits
. Computer and related services			
		(1) (2)	
a. Consultancy services related to the installation of computer		(1), (2) and (3) None/Chile may grant preferential subsidies to Chilean	
hardware:		nationals.	
		-(4) Unbound, except as indicated in the horizontal section/Chile may grant	
		preferential subsidies to Chilean	
		nationals.	
Consultancy services related to the	(1) None	(1) None	
installation of computer hardware (8410)	(2) None	(2) None	
(0410)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
b. Software implementation		norizontal section	
services:			
Systems and software consulting	(1) None	(1) None	
services (8421)	(2) None	(2) None	
(8421)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
	norizontai section		
Systems analysis services	(1) None	(1) None	
(8422)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the	(4) Unbound, except as indicated in the	
	horizontal section	horizontal section	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Systems design services	(1) None	(1) None	
(8423)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Programming services	(1) None	(1) None	
(8424)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Systems maintenance services	(1) None	(1) None	
(8425)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
c. Data processing services, (for the purposes of the entire section, other than data-processing services for financial services) (843)			
Input preparation services	(1) Unbound	(1) Unbound	
(8431)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Data processing and tabulation	(1) Unbound	(1) Unbound	
services	(2) None	(2) None	
(8432)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Time-sharing services	(1) None	(1) None	
(8433)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Other data processing services	(1) Unbound	(1) Unbound	
(8439)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
<i>d.</i> Database services, (<i>for the purposes of the entire section</i> , other than database services for financial services) (843)			
Database services	(1) Unbound	(1) Unbound	
(844)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
C. Research and development services			
a. Research and development services on natural sciences	(1) and (3) None, except:	(1) and (3) None, except:	
(part of CPC 851)	The Directorate of Borders and Frontiers	Foreign natural or legal persons who	
(part of CPC 853)	may stipulate that an expedition include	wish to carry out research in the 200-	
(part of CPC 86751)	one or more representatives of relevant	nautical-mile maritime zone under	
	Chilean activities. These representatives	national jurisdiction must obtain the	
	would participate in and learn about the studies and their scope.	authorization of the Hydrographic Institute of the Chilean Navy, under the	
	studies and then scope.	terms of the respective regulations.	
		terms of the respective regulations.	
		The Directorate of Borders and	
		Frontiers may authorize or refuse	
		geographical explorations in Chile of	
		any kind planned by foreign legal or	
		natural persons.	
	(2) None	(2) None	
	(4) Unbound, except as indicated in the	(4) Unbound, except as indicated in the	
	horizontal section	horizontal section	
Research and development services	(1) None	(1) and (3) except for:	
on social sciences and humanities	(2) None	Foreign natural or legal persons who	
(part of CPC 852)	(3) None	wish to carry out excavations, explorations, surveys and/or collect	
(part of CPC 853)		anthropological, archaeological and	
		palaeontological materials must apply	
		to the National Monuments Council of	
		Chile for a permit.	
		Permits may be granted to foreign	
		researchers who have received	
		recognized technical training in	
		archaeology, anthropology or	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
		palaeontology and who have a suitable research project and solvent institutional support, provided that the person in charge of the research works in collaboration with a Chilean state scientific institute or university.Only curators, museum directors (recognized by the National Monuments Council), professional archaeologists, anthropologists or palaeontologists and members of the Chilean Archaeological Society are authorized to carry out salvage work.	
	(4) Unbound, except as indicated in the horizontal section.	 Salvage operations are understood to be the urgent recovery of data or archaeological or palaeontological species that are under imminent threat of loss or extinction. (2) None (4) Unbound, except as indicated in the horizontal section 	
Interdisciplinary research and development services (part of CPC 851) (part of CPC 852) (part of CPC 853) (part of CPC 86751)	(1) None	(1) and (3) None, except: Foreign natural or legal persons who wish to carry out research in the 200- nautical-mile maritime zone under national jurisdiction must obtain the authorization of the Hydrographic Institute of the Chilean Navy, under the terms of the respective regulations.	
	 (2) None (3) None (4) Unbound, except as indicated in the horizontal section 	 (2) None (4) Unbound, except as indicated in the horizontal section 	

ector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
D. Real-estate services			
Real-estate services involving own or leased property (821)	 Unbound Unbound Unbound None 	(1), (2) and (3) None/Chile may grant preferential subsidies to Chilean nationals.	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section/Chile may grant preferential subsidies to Chilean nationals.	
		 Unbound Unbound Unbound None Unbound, except as indicated in the horizontal section. 	
Real-estate services on a fee or contract basis (822)	 Unbound Unbound Unbound None Unbound, except as indicated in the horizontal section. 	 (1), (2) and (3) None/Chile may grant preferential subsidies to Chilean nationals. (4) Unbound, except as indicated in the horizontal section/Chile may grant preferential subsidies to Chilean nationals. 	
		 Unbound Unbound Unbound None Unbound, except as indicated in the horizontal section. 	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
F. Other business services			
a. Advertising services:			
Sale or leasing services of	(1) None	(1) None	
advertising space or time	(2) None	(2) None	
(8711)	(3) None	(3) None	
	(4) Unbound, except as indicated in the	(4) Unbound, except as indicated in the	
	horizontal section.	horizontal section.	
Dianaina areatina and ale comont	(1) Nama	(1) Norre	
Planning, creating and placement services of advertising	(1) None(2) None	(1) None(2) None	
(8712)	(2) None (3) None	(2) None (3) None	
	(4) Unbound, except as indicated in the	(3) None(4) Unbound, except as indicated in the	
	horizontal section.	(4) Onbound, except as indicated in the horizontal section.	
b. Market research and public			
opinion polling services:			
Market research services	(1) None	(1) None	
(86401)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the	(4) Unbound, except as indicated in the	
	horizontal section.	horizontal section.	
Public opinion polling services	(1) None	(1) None	
(86402)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
I. Building-cleaning services	(1) Unbound*	(1) Unbound*	
(874)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
m. Photographic services	(1) None	(1) None	
(875),	(2) None	(2) None	
(other than CPC 87504)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
n. Packaging services	(1) Unbound*	(1) Unbound*	
(876)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
p. Convention services	(1) Unbound*	(1) Unbound*	
(877)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Management Consulting Services			
General management consulting	(1) Unbound None	(1) Unbound None	
services	(2) Unbound None	(2) Unbound None	
(86501)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	

(2) Consumption abroad

(3) Commercial presence

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Financial management consulting services (86502)	 (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal section. 	 Unbound Unbound Unbound None Unbound, except as indicated in the horizontal section. 	
Marketing management consulting services (86503)	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section. 	 Unbound None Unbound None Unbound, except as indicated in the horizontal section. 	
Production management consulting services (86505)	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section. 	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section. 	
Human resources management consulting services (86504)	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section. 	 Unbound None Unbound None Unbound None None Unbound, except as indicated in the horizontal section. 	
Public relations services (86506)	 None None None None Unbound, except as indicated in the horizontal section. 	 None None None Unbound, except as indicated in the horizontal section. 	
Management consulting services for energy services (865)	 (1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section. 	 (1), (2) and (3) None Chile may grant preferential subsidies to Chilean nationals. (4) Unbound, except as indicated in the horizontal section/Chile may grant preferential subsidies to Chilean nationals. 	

Modes of supply: (1) Cr	00000000000000000000000000000000000000	abroad (3) Commercial presence	e (4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Services related to management consulting for energy services (86601) ⁴	 None Unbound None None Unbound, except as indicated in the horizontal section. 	 (1), (2) and (3) None Chile may grant preferential subsidies to Chilean nationals. (4) Unbound, except as indicated in the horizontal section Chile may grant preferential subsidies to Chilean nationals. 	
LEASING SERVICES (WITHOUT OPERATOR)			
Leasing or rental services concerning private cars (without operator) (83101)	 Unbound Unbound None Only legal persons established in Chile as open corporations. Unbound, except as indicated in the horizontal section. 	 Unbound Unbound None Unbound, except as indicated in the horizontal section. 	

⁴ As in document JOB(03)/89.

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Leasing or rental services concerning aircraft (without operator) (83104)	 Unbound Unbound None Only legal persons established in Chile as open corporations. Unbound, except as indicated in the horizontal section. 	 Unbound Unbound Unbound None Unbound, except as indicated in the horizontal section. 	
Leasing or rental services concerning agricultural machinery and equipment (without operator) (83106)	 Unbound Unbound None Only legal persons established in Chile as open corporations. Unbound, except as indicated in the horizontal section. 	 Unbound Unbound None Unbound, except as indicated in the horizontal section. 	
Leasing or rental services concerning construction machinery and equipment (without operator) (83107)	 Unbound Unbound None Only legal persons established in Chile as open corporations. 	 (1) Unbound (2) Unbound (3) None 	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
COMMUNICATIONS SERVICES			
Telecommunications services	In the case of private services the purpose of which is to meet the specific telecommunications needs of particular enterprises, entities or persons by prior agreement, the supply of these services does not give access to traffic from or to public telecommunications network users.		
BASIC TELECOMMUNICATION SERVICES			
Telecommunications services consist of the transport of electromagnetic signals (sound, data, image and any combination thereof), regardless of the type of technology used.			
This definition does not cover the economic activity consisting of the provision of a service the content of which requires the use of telecommunications services for its transport. The provision of a service the content of which is transported via telecommunications services is subject to the terms and conditions established for that sector, subsector or activity in Chile's Schedule of Specific Commitments.			
Chile's Schedule of Commitments excludes basic local telecommunications services, one-way satellite transmissions of Direct-to-Home and Direct-Broadcast- Satellite television services and digital audio services. It also excludes free reception broadcasting services.			

Modes of supply: (1) Cr	oss-border supply (2) Consumption	abroad (3) Commercial presence	ee (4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
It includes only international and domestic long-distance basic telecommunications services:			
(a) Voice telephone services	(1) None	(1) None	
(CPC 7521)	(2) None	(2) None	
(b) Packet-switched data transmission services	(3) Subject to a concession, licence or permit from the Undersecretariat for Telecommunications (SUBTEL).	(3) None	
(CPC 7523**)			
(c) Circuit-switched data transmission services	A supplier providing a (domestic and international) long-distance telephone service must be an open corporation.		
(CPC 7523**)	To promote free competition, for a		
(d) Telex services (CPC 7523**)	period of four years from 27 August 1994, participation in the market by suppliers of domestic long-distance services shall be limited		Additional commitments concerning regulatory aspects (see attached note)
(e) Telegraph services (CPC 7522)	to a maximum percentage of the total taxable minutes for domestic long- distance telephone services established		
(f) Facsimile services (CPC 7521** + 7529**)	by law.		
(g) Private leased circuit services(CPC 7522** + 7523**)	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Other:			
Domestic and international satellite services and satellite links/capacity.			
Mobile/cellular services: personal communications services, paging services, mobile data transmission services.			

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Modes	of	supply:	
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(2) Consumption abroad

(3) Commercial presence

(4) Presence of natural persons

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
VALUE-ADDED SERVICES			
On-line information retrieval	(1) None	(1) None	
Electronic mail	Subject to a correspondent agreement with an international services concessionaire.		
Facsimile	(2) Unbound(3) Subject to obtaining a permit. Contract	(2) Unbound(3) None	
Data processing	with a public service concessionaire. Complementary service authorization from the Undersecretariat for Telecommunications (SUBTEL).		
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
PRIVATE LEASED CIRCUITS			
Voice telephone service	(1) Unbound *	(1) Unbound *	
	(2) Unbound	(2) Unbound	
Data transmission	(3) Subject to the granting of limited service.	(3) None	
Electronic mail	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	

Financial services sector:

- 1. The Chilean financial services sector is partially compartmentalized, that is to say, domestic and foreign institutions authorized to operate as banks may not encroach directly on the insurance or securities business and vice versa. However, subject to authorization from the Banking and Financial Institutions Supervision Department (SPIF), domestic and foreign banks operating in Chile may set up subsidiaries, with their own capital, to supply other financial services in addition to their main line of business. The main business of banks is accepting or receiving money from the public on a regular basis and granting money credits represented by securities or negotiable instruments or any other credit instrument.
- 2. The subsectors and services in this Schedule are defined in accordance with the relevant Chilean legislation.

Modes of supply:	(1) Cross-border supply (2) Consumption	abroad (3) Commercial presen	(4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
FINANCIAL SERVICES	 (1), (2), (3) and (4) Unbound in respect of measures adopted or to be adopted by the Central Bank of Chile under its constitutive law (Law No. 18,840) and other legislation in order to ensure currency stability and normal domestic and foreign payment operations. For this purpose, the Bank is empowered to regulate the supply of money and credit and international credit and exchange operations and to issue regulations governing money, credit, finance and international exchange. Such measures include, <i>inter alia</i>, the establishment of restrictions or limitations on payments and transfers to or from Chile, as well as related transactions, such as the requirement that deposits, investments or credits from or intended for a foreign country be subject to a reserve requirement. (3) In addition to the horizontal measures in Section I of Chile's Schedule of Commitments which affect all sectors, a supplier of financial services operating through a commercial presence may be subject to an economic needs test. 	 (3) Foreign investors who participate in the financial services sector may transfer their capital abroad two (2) years from the date of its entry. 	

Modes of supply: (1) C	ross-border supply (2) Consumption	abroad (3) Commercial presence	e (4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
	 That is to say, prior authorization to start up, suspend or terminate operations is required from the Banking and Financial Institutions Supervision Department (SBIF), for banking services, or from the Securities and Insurance Supervision Department (SVS), for securities and insurance services. Authorization to supply financial services through a commercial presence will be granted in so far as the applicant undertakes to ensure the proper functioning, integrity and stability of the market, fulfils the legal requirements and serves the national interest. In addition, there may be non-discriminatory restrictions or provisions regarding the type of commercial presence that must be adopted by firms operating in the securities or insurance sectors in Chile. 		
 (a) <u>Banking services</u>: (a.1)Core banking services: Acceptance of deposits (includes only current bank accounts, sight acceptances, term acceptances, savings accounts, financial instruments with repurchase undertaking and deposits for the issue of bank guarantee vouchers) 	 Unbound Unbound Foreign banking institutions must be companies legally constituted in their country of origin and must put up the capital required by Chilean law. 	 (1) Unbound (2) Unbound (3) None 	

(2) Consumption abroad

(3) Commercial presence

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Lending (includes only current loans, loans in letters of credit, endorsable mortgage loans, the purchase of financial instruments with resale undertaking, credit for the issue of bank guarantee vouchers or other types of financing, the issue and negotiation of letters of credit for imports and exports, and the issue and confirmation of stand-by letters of credit)	 Foreign banking institutions may only operate: (i) Through shareholdings in Chilean banks established as corporations; (ii) by becoming established as a corporation in Chile; (iii) as branches of foreign corporations, in which case the legal personality in the country of origin is recognized. The capital considered for the purposes of foreign bank branch operations in Chile is that effectively invested in Chile, not that of the parent company. Prior authorization from the SBIF is required for the modification or transformation of the type of commercial presence of a foreign bank operating in Chile. 		
Purchase of publicly offered securities (includes only the purchase of bonds and letters of credit and the underwriting thereof)	No national or foreign natural or legal person may acquire directly or through third parties shares in a bank which, alone or added to the shares such a person already possesses, represent more than 10 per cent of the bank's capital without having first obtained the authorization of the SBIF. Likewise, the partners or shareholders of a financial institution may not transfer a percentage of rights or shares in the company in excess of 10 per cent without having obtained authorization from the SBIF.		

Modes of supply: (1) Cre	oss-border supply (2) Consumption	abroad (3) Commercial presence	(4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Credit card issue and operations (81133) (includes only credit cards issued in Chile)	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Discounting or acquisition of bills of exchange and promissory notes			
Endorsement and guarantee of third- party liabilities in Chilean currency			
Securities custody			
a.2) Complementary banking services: Financial leasing (81120)	(1) Unbound(2) Unbound	(1) Unbound(2) Unbound	
(These companies may offer leasing contracts only for goods acquired at the client's request, i.e., they cannot acquire goods in order to stock and offer them for leasing.)	 (3) In addition to the conditions specified above, only domestic and foreign banking enterprises established in Chile can provide financial leasing services. To do so, they must establish subsidiaries with their own separate legal personality, their own capital and exclusive line of business, subject to prior authorization from the SBIF. 	(3) None	
	Financial leasing services are regarded as complementary banking services and, consequently, the SBIF is empowered to extend or restrict the operation of the financial leasing services which institutions may offer, and the latter may only offer the services expressly authorized by the SBIF.		

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Sector or subsector Advisory and other auxiliary financial services (8133) (includes only the services indicated in the banking section of this Schedule)	 Limitations on market access (4) Unbound, except as indicated in the horizontal section. (1) Unbound (2) Unbound (3) In addition to the conditions specified above, in Chile advisory and other auxiliary financial services are regarded as complementary to the services which can be provided by established banks. Consequently, domestic and foreign banks must set up subsidiaries with their own capital in order to be able to provide these services and must obtain the appropriate authorization from the SBIF. 	Limitations on national treatment (4) Unbound, except as indicated in the horizontal section. (1) Unbound (2) Unbound (3) None 	Additional commitments
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section	

(b) Insurance and reinsurance services:

1. In Chile, the insurance business is divided into two groups: the first group comprises companies that insure goods and property against the risk of loss or damage, while the second comprises those that provide personal insurance or that guarantee, within or at the end of a certain term, a capital sum, a paid-up policy or an income for the insured person or his or her beneficiaries. An insurance company may not be constituted in such a way as to cover both categories of risk.

2. Credit insurance companies, even though classified in the first group, must be established as corporations with the sole purpose of covering this type of risk, i.e., loss of or damage to the property of the insured person as a result of the non-payment of a money debt or loan; coverage of guarantee and fidelity risks is also permitted.

3. The Chilean insurance schedule does not include insurance related to the social security system.

ector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Insurance:			
Sale of direct life insurance (does not include insurance related to the social security system) (81211)	(1) Unbound(2) Unbound	(1) Unbound(2) Unbound	
Sale of direct general insurance (8129, except for 81299) (Excludes social security institutions (ISAPRES), i.e., legal persons set up for the purpose of providing health benefits to persons who opt to become members and financed by the statutory contribution of a percentage of taxable income established by law or a higher amount, as the case may be. It also excludes the National Health Fund (FONASA), a public service financed by the government and the statutory contribution of a percentage of taxable income established by law, which is jointly responsible for paying benefits under the optional health scheme which persons who are not members of an ISAPRE may join.)	 (3) Insurance services can be provided only by insurance corporations established in Chile for the exclusive purpose of developing this line of business, i.e., either direct life insurance or direct general insurance. In the case of general credit insurance (81296), companies must be established as insurance corporations with the exclusive purpose of covering this type of risk. Insurance corporations can be legally constituted only in accordance with the provisions of the Law on Corporations. Insurance may be taken out either directly or through insurance brokers who, in order to engage in such activities, must be enrolled in the Register maintained by the Securities and Insurance Supervision Department (SVS) and satisfy the legal requirements. (4) Unbound, except as indicated in the horizontal section. 	(3) None(4) Unbound, except as indicated in the horizontal section.	

(2) Consumption abroad

(3) Commercial presence

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Insurance broking (81401)	 (1) Unbound (2) Unbound (3) Must be enrolled in the SVS Register and fulfil the requirements laid down by this body. Only legal persons legally constituted in Chile for this specific line of business may provide this service. (4) Unbound, except as indicated in the borgental caption 	 (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal section 	
Reinsurance and retrocession: (including reinsurance brokers)	 horizontal section. (1) Foreign reinsurance companies and foreign reinsurance brokers must be enrolled in the SVS Register of foreign reinsurers and fulfil the requirements laid down by this body. (2) Unbound (3) Reinsurance services are provided by reinsurance corporations established in Chile in accordance with the Law on Corporations and authorized by the SVS. Insurance corporations may also provide reinsurance services as a complement to their insurance business if their articles of association so allow. Reinsurance services may also be provided by foreign reinsurers and 	 horizontal section. (1) Premiums ceded under this heading are subject to a tax of six per cent. (2) Unbound (3) None 	
	foreign reinsurance brokers enrolled in the Register maintained by the SVS.(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
(c) <u>Securities services</u> :			
or outside the exchange (sec	ay be traded by legal persons the specific line of be urities agents). These institutions must be registere es or derivatives (subscription options) on the stock	d with the Securities and Insurance Supervision D	Department (SVS). However, only
	tfolio management is to diversify investments, on b curities agents) for their clients as a complementary		s. Such services may be provided by securities
Risk Rating Agencies and an	icly offered securities are provided by rating agenc e inspected and controlled by this body. Responsib wever, falls to the Banking and Financial Institutio	pility for inspecting rating agencies offering risk ra	
activity complementary to the	f the physical safe-keeping of stocks and shares an eir sole line of business. The Chilean Schedule for ance and settlement of securities (centralized securi	r the securities sector does not include services of	
Financial advisory services, including financial advice on financing alternatives, investment appraisal, investment possibilities and debt rescheduling strategies, may be undertaken by securities intermediaries (stockbrokers and securities agents) as an activity complementary to their sole line of business.			
6. Securities services that may	be provided by banking institutions, either directly	or through subsidiaries, are listed in the banking	services section of this Schedule and excluded

Modes	of	supply:	
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(2) Consumption abroad

(3) Commercial presence

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Broking of publicly offered securities, except shares (81321)	(1) Unbound(2) Unbound	(1) Unbound(2) Unbound	
(includes underwriting)	 (3) Brokerage activities must be provided through a corporation established in Chile and require prior enrolment in the SVS Register of stockbrokers and securities agents. In addition to the legal requirement concerning assets, the SVS may impose more stringent non-discriminatory provisions regarding economic solvency on intermediaries, taking into account the nature of their operations, the amounts involved, the types of instrument negotiated and the category of intermediary to which they apply. 	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Broking of publicly offered shares in corporations (81321)	(1) Unbound(2) Unbound	(1) Unbound(2) Unbound(2) N	
(includes underwriting)	 (3) In order to trade on the stock exchange, intermediaries (brokers) must be constituted as corporations in Chile. They must acquire a share in their respective stock exchange and be accepted as members of this exchange. Prior enrolment in the SVS Register of stockbrokers and securities agents is required for brokerage activities. 	(3) None	

Modes of supply: (1) C	ross-border supply (2) Consumption	abroad (3) Commercial presenc	e (4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Securities risk rating (relates solely to rating or giving an opinion on publicly offered securities)	 In addition to the legal requirement concerning assets, the SVS may impose more stringent non-discriminatory requirements regarding economic solvency on intermediaries, taking into account the nature of their operations, the amounts involved, the types of instrument negotiated and the category of intermediary to which they apply. (4) Unbound, except as indicated in the horizontal section. (1) Unbound (2) Unbound (3) Companies must be established in Chile as a company of persons. One of the specific requirements is that not less than 60 per cent of the company's capital must be held by the principal partners (natural or legal persons in this line of business holding a minimum of five per cent of the membership rights in the rating agency). Such companies must be enrolled in the SVS Register of Risk Rating Agencies and their rating board must consist of professionals with a university degree or equivalent higher education qualification and an unblemished business record, and the majority of whom must have had at least three years' work experience in the economic and financial field. (4) Unbound, except as indicated in the horizontal section. 	 (4) Unbound, except as indicated in the horizontal section. (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal section.	

Modes of supply:

(1) Cross-border supply

(2) Consumption abroad

(3) Commercial presence

(4) Presence of natural persons

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	
Securities custody undertaken by securities intermediaries (81319) (does not include services offered by suppliers who combine custody with securities clearance and settlement (custodial accounts)).	 Unbound Unbound In order to provide securities custody services, the intermediaries (brokers) must be constituted as corporations in Chile. In addition to the legal requirement concerning assets, the SVS may impose more stringent non-discriminatory provisions regarding economic solvency on the intermediaries, taking into account the nature of their operations, the amounts involved, the types of instrument negotiated, and the category of intermediary to which they apply. Unbound, except as indicated in the 	 (1) Unbound (2) Unbound (3) None (4) Unbound, except as indicated in the 		
Financial consultancy services provided by securities intermediaries (81332) (financial advisory services refer only to the securities services included in this Schedule.)	 (1) Unbound (2) Unbound (3) Financial advisory services provided by securities intermediaries established as corporations in Chile require prior enrolment in the SVS Register of stockbrokers and securities agents. In addition to the legal requirement concerning assets, the SVS may impose more stringent non-discriminatory provisions regarding economic solvency on the intermediaries, taking into account the nature of their operations, the amounts involved, the types of instrument negotiated and the category of intermediary to which they apply. 	 (1) Unbound (2) Unbound (3) None 		

ector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section		
Portfolio management by security intermediaries (This does not under any circumstances include the following: management of mutual funds, foreign capital investment funds, investment funds or pension funds.)	 Unbound Unbound Portfolio management services provided by security intermediaries established as corporations in Chile require prior enrolment in the SVS Register of stockbrokers and securities agents. In addition to the legal requirement concerning assets, the SVS may impose more stringent non-discriminatory provisions regarding economic solvency on intermediaries, taking into account the nature of their operations, the amounts involved, the types of instrument negotiated, and the category of intermediary to which they apply. 	 (1) Unbound (2) Unbound (3) None 		
General deposit warehouses (warrants) (Corresponds to merchandise warehousing services accompanied by the issue of a deposit certificate and a chattel mortgage receipt.)	 (4) Unbound, except as indicated in the horizontal section. (1) Unbound* (2) Unbound (3) Only legal persons legally established in Chile with the provision of warrant services as their sole business. (4) Unbound, except as indicated in the horizontal section. 	 (4) Unbound, except as indicated in the horizontal section. (1) Unbound* (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal section. 		

r or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
OURISM AND TRAVEL- RELATED SERVICES	The purchase of foreign exchange by Chilean nationals wishing to procure tourism services under mode of supply (2) is subject to foreign exchange control measures laid down by the Council of the Central Bank of Chile in accordance with its statutory powers.		
Hotels and restaurants	(1) Unbound *	(1) Unbound-*	
Hotel lodging	(2) None	(2) None	
(64110)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Motel lodging	(1) Unbound *	(1) Unbound *	
(64120)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Apartment-hotels	(1) Unbound *	(1) Unbound *	
(64193)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Camping services	(1) Unbound-*	(1) Unbound *	
(64195)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Aeal serving services with full	(1) Unbound *	(1) Unbound *	
estaurant service	(2) None	(2) None	
(64210)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	

or or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
Meal serving services in self-service	(1) Unbound *	(1) Unbound *	
facilities	(2) None	(2) None	
(64220)	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
Caterer services	(1) Unbound *	(1) Unbound-*	
(64230)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Bars without entertainment	(1) Unbound *	(1) Unbound *	
(64310)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Bars with entertainment	(1) Unbound *	(1) Unbound *	
(64320)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Fravel agency and tour	(1) Unbound None	(1) Unbound None	
operator services	(2) None	(2) None	
Travel agencies and tour operators (74710)	(3) None	(3) None	
(74710)	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
Tourist guide services	(1) Unbound *	(1) Unbound *	
(74720)	(2) None	(2) None	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
TRANSPORT SERVICES A. Maritime transport services (other than domestic cabotage and internal waterways transport) Passenger transportation (7211)	 (1), (2) and (3) To fly the Chilean flag, a vessel must be registered by a Chilean natural or legal person, for which the Chilean legal person must be constituted with domicile and actual principal place of business in Chile, and its president, manager and most of the directors or administrators must be Chilean natural persons. Furthermore, over 50 per cent of its equity must belong to Chilean natural or legal person. For these purposes, a legal person with an equity investment in another legal owner of a vessel must fulfil all of the above requirements. A vessel may be registered as jointly owned if most of the co-owners are Chilean and the majority of the co-ownership rights must belong to Chilean strators. For these purposes, a legal person. For these purposes, a legal person with an equity investment in another legal owner of a vessel must fulfil all of the above requirements. 	(1), (2) and (3) None/Chile may grant preferential subsidies to Chilean nationals.	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
	Special vessels belonging to foreign natural or legal persons domiciled in Chile may, under certain conditions, be registered in the country. Chile maintains its MFN exceptions. (4) Unbound.	(4) Unbound, except as indicated in the horizontal section/Chile may grant preferential subsidies to Chilean nationals.	
Freight transportation (7212)	 (1), (2) and (3) To fly the Chilean flag, a vessel must be registered by a Chilean natural or legal person, for which the Chilean legal person must be constituted with domicile and actual principal place of business in Chile, and its president, manager and most of the directors or administrators must be Chilean natural persons. Furthermore, over 50 per cent of its equity must belong to Chilean natural or legal persons. For these purposes, a legal person with an equity investment in another legal owner of a vessel must fulfil all of the above requirements. A vessel may be registered as jointly owned if most of the co-owners are Chilean and the majority of the co-ownership rights must belong to Chilean and the majority of the co-ownership rights must belong to Chilean natural or legal persons. For these purposes, a legal co-owner of a vessel must fulfil all of the above requirements to be considered Chilean. 	(1), (2) and (3) None/Chile may grant preferential subsidies to Chilean nationals.	

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
	Special vessels belonging to foreign natural or legal persons domiciled in Chile may, under certain conditions, be registered in the country. There are restrictions for vessels flying foreign flags on the routes to and from Chile and Ecuador (hydrocarbons), Mexico (vehicles, parts and components), Brazil, Bolivia and Paraguay. Chile maintains its MFN exceptions. (4) Unbound.	(4) Unbound, except as indicated in the horizontal section/Chile may grant preferential subsidies to Chilean nationals.	
AUXILIARY AIR TRANSPORT SERVICES			
1- Opening of offices	 (1) Unbound * (2) Unbound 	(1) Unbound *(2) Unbound	
	(3) None(4) Unbound, except as indicated in the horizontal section.	(3) None(4) Unbound, except as indicated in the horizontal section.	
2- Issue and sale of air-transport fares and tickets	 Unbound * Unbound None Unbound, except as indicated in the horizontal section. 	 Unbound * Unbound None Unbound, except as indicated in the horizontal section. 	

Modes of supply:(1) Cross-border supply(2) Consumption abroad(3) Commercial presence(4) Presence of natural persons					
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
3- Computer reservation systems	 (1) None (2) Unbound (3) None (4) Unbound, except as indicated in the horizontal section. 	 None Unbound None Unbound, except as indicated in the horizontal section. 			
4- Ground operation of support equipment	 Unbound * Unbound None Unbound, except as indicated in the horizontal section. 	 Unbound * Unbound Unbound None Unbound, except as indicated in the horizontal section. 			
5- Aircraft maintenance	 Unbound Unbound* Unbound Unbound None Unbound, except as indicated in the horizontal section. 	 Unbound Unbound * Unbound Unbound None Unbound, except as indicated in the horizontal section. 			

REFERENCE PAPER

Scope

The following are definitions and principles relating to the regulatory framework for basic telecommunications services.

Definitions

Users mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network or service that:

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

<u>A major supplier</u> is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.
- 1. <u>Competitive safeguards</u>
- 1.1 <u>Prevention of anti-competitive practices in telecommunications</u>

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

1.2 <u>Safeguards</u>

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidization;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which is necessary for them to provide services.
- 2. <u>Interconnection</u>

2.1 This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.

2.2 Interconnection to be ensured

Interconnection with a major supplier shall be ensured at any technically feasible point in the network. Such interconnection shall be provided:

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 <u>Public availability of the procedures for interconnection negotiations</u>

The procedures applicable for interconnection to a major supplier shall be made publicly available.

2.4 <u>Transparency of interconnection arrangements</u>

A major supplier shall make either its interconnection agreements or a reference interconnection offer publicly available.

2.5 <u>Interconnection: Dispute settlement</u>

A service supplier requesting interconnection with a major supplier shall have recourse, either:

- (a) at any time or
- (b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. <u>Universal service</u>

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations shall not be regarded as anti-competitive *per se*, provided that they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member.

4. <u>Public availability of licensing criteria</u>

Where a licence is required, the following shall be made publicly available:

- (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence, and
- (b) the terms and conditions of individual licences.

The reasons for the denial of a licence shall be made known to the applicant upon request.

5. <u>Independent regulators</u>

The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services. The decisions of and procedures used by regulators shall be impartial with respect to all market participants.

6. <u>Allocation and use of scarce resources</u>

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, shall be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands shall be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
All	Measures establishing dispute- settlement procedures contained in existing or future bilateral investment protection treaties.	All. Chile currently has agreements with Germany, Switzerland and Spain.	Subject to the duration of the treaty concerned	Promotion of investment
International maritime freight transportation	Reciprocal measures concerning access to freight by Chilean vessels.	All	Indefinite	Need to ensure market access
International maritime freight transportation	Pursuant to the 1974 bilateral convention, all freight between the two countries must be carried on vessels flying the Chilean or Brazilian flags.	Brazil	Subject to the term of the agreement	Promotion of reciprocal trade
Maritime transport	Rates, commissions or shares relating to maritime freight to or from Chilean ports and other revenue from services to vessels and cargo in national or foreign ports necessary for the purposes of such transportation are subject to a tax on the total amount of revenue derived from these operations.	All	Indefinite	Need to ensure market access
	This tax is not imposed on revenue generated by foreign vessels provided that, in their countries of registration, there is no similar tax or equivalent or similar exemptions are granted to Chilean shipping enterprises.			

CHILE - FINAL LIST OF ARTICLE II (MFN) EXEMPTIONS

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
	If a vessel is operated by or belongs to a shipping enterprise domiciled in a country that is not the country of registration, the requirement of reciprocity applies to each country.			
Maritime transport Coastal waters (cabotage)	Only for freight exceeding 900 metric tonnes. Certain foreign suppliers may be excluded from tendering.	All	Indefinite	Need to ensure market access
International land transport (freight and passengers)	National treatment is granted to suppliers from countries which have signed the 1977 International Land Transport Convention.	Argentina, Bolivia, Brazil, Paraguay, Peru and Uruguay	Subject to the term of the agreement	Promotion of regional integration
Audiovisual	National treatment is granted for co- produced cinematographic works in accordance with existing or future cinematographic co-production agreements.	All. Only one agreement, with France, exists at present.	Subject to the term of the respective agreement	Promotion of artistic and technical works.