

Lessons learned in the negotiation of the Pacific Alliance on IRC.



DIRECON
Ministerio de
Relaciones Exteriores

Gobierno de Chile

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Chile

Agenda

GENERAL CONTEXT

TRADE PROTOCOL

REGULATORY COOPERATION / SECTORIAL ANNEXES

LESSONS / OUTCOMES



General Context

REGIONAL ECONOMIC INTEGRATION PROCESS

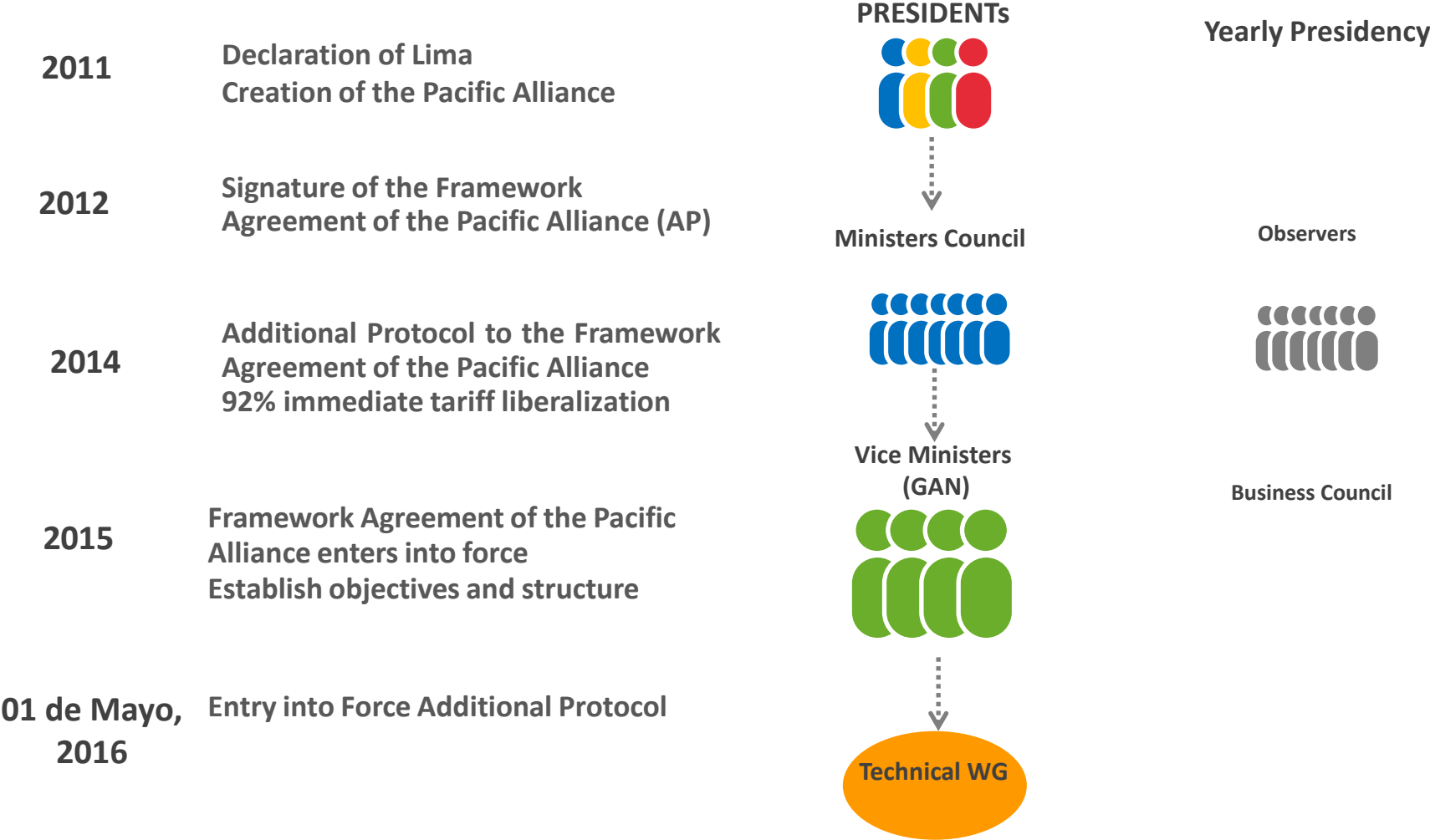
OBJECTIVES

:

- Free flow of goods
- Services
- Capital
- People

REGIONAL CONVERGENCE PROCESS THAT AIMS TO INCREASE PRODUCTIVITY AND BE A GLOBAL PLAYER IN THE COMPETITIVE WORLD

General Context



Chile's Trade Policy

87%

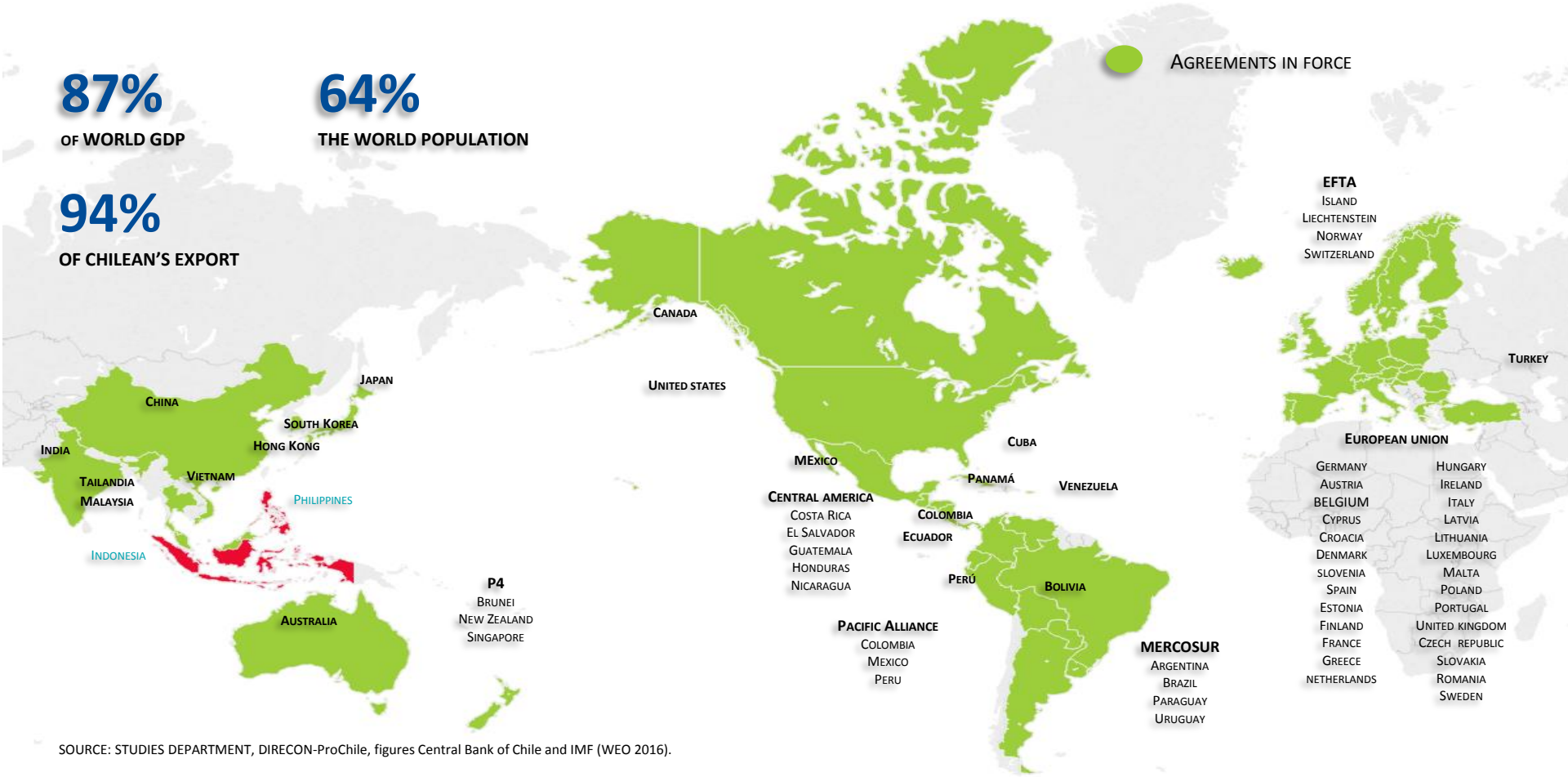
OF WORLD GDP

64%

THE WORLD POPULATION

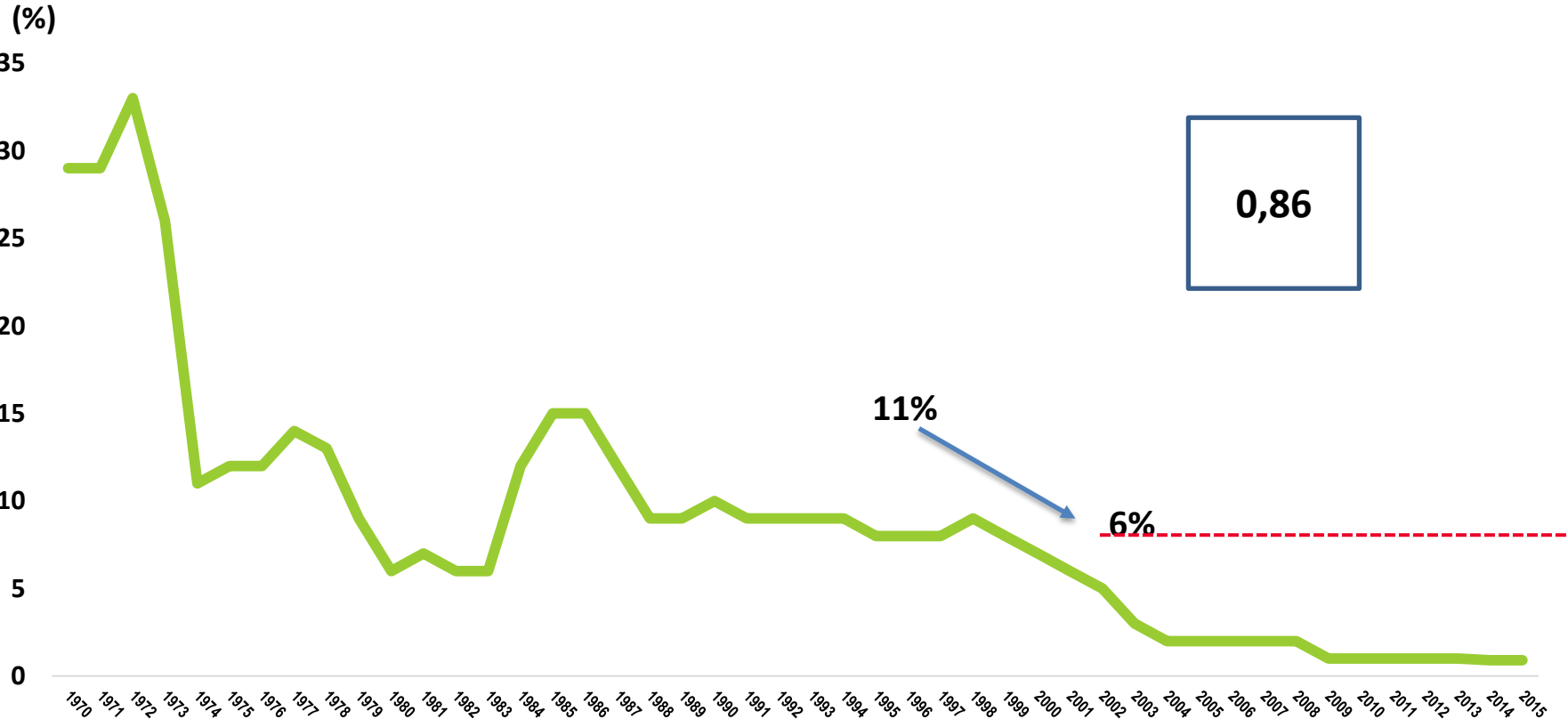
94%

OF CHILEAN'S EXPORT



SOURCE: STUDIES DEPARTMENT, DIRECON-ProChile, figures Central Bank of Chile and IMF (WEO 2016).

Chile's Customs Duty Rate (%)



SOURCE: STUDIES Department, DIRECON-ProChile.

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Trade Protocol

□ TBT Chapter

- Chapter 30 of HS Pharmaceutical Products
- Category A: Customs duties on originating goods, established in the tariff lines of this category, will be completely eliminated in 2014.

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Regulatory Cooperation / Pharmaceutical products

At the 7th Summit of the PA in Cali in 2013, the ***"Inter-institutional Cooperation Agreement from the Health Authorities of the Pacific Alliance"***

1. Speed up the granting of medical records of medicines
2. Obtain certification Level IV OPS / WHO

Result of the regulatory cooperation WG on TBT

Strong stakeholders engagement

Trade Protocol

2016	Importa desde el Mundo	Importa de AP	Participación %
Chile	1.189.672	71.460	6%
Colombia	2.108.504	116.607	6%
México	4.142.681	33.892	1%
Perú	771.679	125.825	16%
Total	8.212.536	347.784	4%

2016	Exporta al Mundo	Exporta a AP	Participación %
Chile	166.121	32.366	19%
Colombia	426.944	103.218	24%
México	1.587.036	242.026	15%
Perú	41.496	7.914	19%
Total	2.221.597	385.524	17%

Fuente: TradeMap miles de dólares.

Regulatory Cooperation Medical Devices



In Paracas, Peru, July 2015, Presidential Mandate:

Search for new sectors TBT WG - Pacific Alliance Regulatory Cooperation (AP).

DIRECON held a Citizen Consultation between January 8 and February 6, 2015.

Business sector present a proposal on “Regulatory Cooperation for Medical Devices” by The Business Council Alliance Pacific (CEAP).

TBT WG agreed to negotiate Medical Devices Annex .

Trade Protocol

	Chile	Perú	Colombia	México
Exportaciones al Mundo	33.717	11.828	76.891	9.813.124
Exportaciones a AP (3)	5.084	1.607	47.484	23.634
	Chile	Perú	Colombia	México
Importaciones desde el Mundo	894.677	426.315	958.668	8.714.700
Importaciones desde AP (3)	40.614	16.849	17.075	6.760

Values in thousands of US dollars, 2016

Source: trademap data

Chapt. 30, 87,90,94

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Lessons / Outcomes

1. Trade Agreements new approaches from trade in goods
2. Political and technical cooperation
3. Understanding the trade costs of regulatory divergence
4. Regulatory Impact Assessment (RIA)
5. Stakeholder engagement
6. Flexibility ...
7. Benefit's for all ?

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