



Asia-Pacific Economic Cooperation

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Panel: 11

## **Chile's experience on services sectors**

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Conference

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# Chile's experience with regional services agreements

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# Unilateral opening

**Change  
national  
economic  
policy**

**Change in  
economic  
foreign policy**

**Goods**

**Services**

# Pillars of economic transformation in services

Privatization State  
owned enterprises

Regulatory reforms

FDI attraction

Telecom, energy,  
sanitary, financial

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graph LR; A[Privatization State owned enterprises] --> D[Telecom, energy, sanitary, financial]; B[Regulatory reforms] --> D; C[FDI attraction] --> D;
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## Why negotiate services in FTA's?

- FTAA uncertainty
- Open new services market
- Attract FDI
- Improve local quality of services
- Reduce cost of production
- Creation of services clusters
- Follow economic tendency
- Chile becomes into a Capital platform for L.A

## **Modes of supply**

1. From the territory of one Member into the territory of any other Member
2. In the territory of one Member to the service consumer of any other Member
3. By the service supplier of one Member, through commercial presence in the territory of any other Member
4. By a service supplier of one Member, through presence of natural persons of a Member in the territory of any other Member

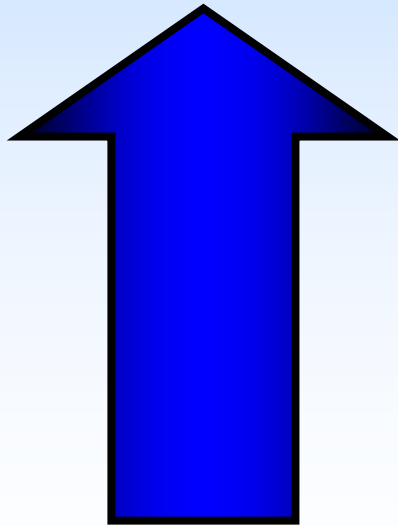
# Services Classification

- 1. Business Services
- 2. Communication Services
- 3. Construction and related engineering Services
- 4. Distribution Services
- 5. Educational Services
- 6. Environmental Services

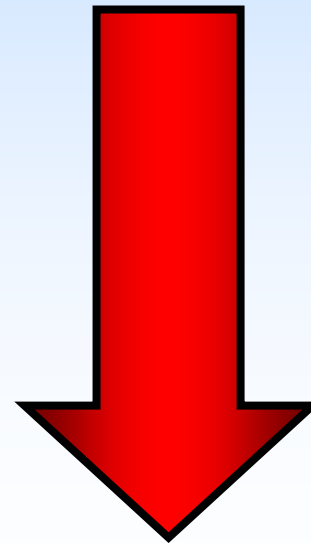
- 7. Financial Services
- 8. Health related and social Services
- 9. Tourism and Travel Services
- 10. Recreational, cultural and sporting Services
- 11. Transport Services
- 12. Other Services N.I.E

## FTA's signed by Chile

Positive list  
(GATS, EU, EFTA)



Negative List  
(US, MX, CAN, KR, C.A)



# Services Chapter Disciplines

- Market Access
- Local Presence
- Domestic Regulations
- Mutual Recognition

# Investment Chapter Disciplines

- Minimum Standard of Treatment
- Performance Requirements
- Senior Management and Board of Directors
- Transfers
- Expropriation: Direct or Indirect
- Compensation

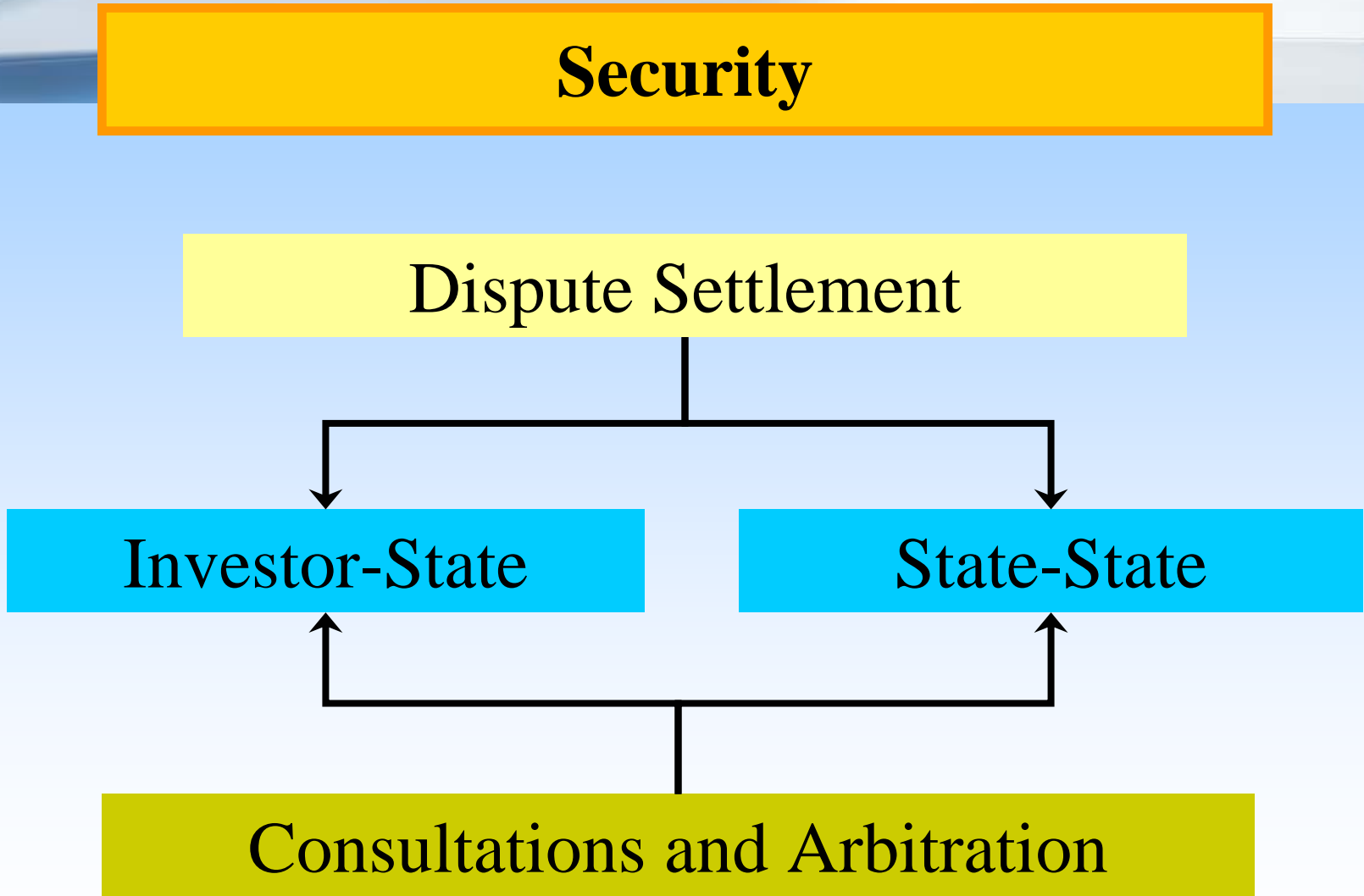
# Security

Dispute Settlement

Investor-State

State-State

Consultations and Arbitration



## **FTA's effects**

- **Greater transparency**
- **Stable rules**
- **Legal certainty**
- **More liberal and less burden regulations, rules or laws**

## **New steps**

- **Look into region**
- **Finalize existing PTA's**
- **Implementation of FTA's**
- **Keep working at WTO**

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