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COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	25 February 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	C(2025) 1148 final - ANNEX
Subject:	ANNEX to the Commission Delegated Regulation (EU)/ amending Regulation (EU) 2019/287 of the European Parliament and of the Council as regards specific provisions contained in the Interim Trade Agreement between the European Union and the Republic of Chile

Delegations will find attached document C(2025) 1148 final - ANNEX.

Encl.: C(2025) 1148 final - ANNEX

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Commission Delegated Regulation (EU) .../...

amending Regulation (EU) 2019/287 of the European Parliament and of the Council as regards specific provisions contained in the Interim Trade Agreement between the European Union and the Republic of Chile

ANNEX

'Interim Trade Agreement between the European Union and the Republic of Chile

Date of Application	01/02/2025
Bilateral safeguard clauses and/or other mechanisms	Chapter Five Trade Remedies, Section C Bilateral Safeguard Measures
Provision(s) contained in the Agreement	Article 5.9(b) '(b) 'transition period' means: (i) a period of seven years from the date of entry into force of this Agreement; or (ii) for any good for which the schedule in Annex 2 of the Party applying a bilateral safeguard measure provides for a tariff elimination period of seven years, the tariff elimination period for that good plus two years.'
	Article 5.10.2(b)(ii) '(ii) the applied most-favoured-nation rate of customs duty on the good in effect on the day immediately preceding the date of entry into force of this Agreement.'
	Article 5.11.1(c) '1. A bilateral safeguard measure shall not be applied:
	(c) beyond the expiration of the transition period as defined in subparagraph (b) of Article 5.9.'
	Article 5.11.2 '2. When a Party ceases to apply a bilateral safeguard measure, the rate of customs duty shall be the rate that would have been in effect for the good in accordance with its schedule in Annex 2.'
	Article 5.11.3 '3. In order to facilitate adjustment of the industry concerned in a situation where the expected duration of a bilateral safeguard measure exceeds one year, the Party applying the measure shall progressively liberalise it at regular intervals during the period of application.'
	Article 5.14. '1. A Party shall not apply a bilateral safeguard measure as referred to in this Section to the import of a good that has previously been subject to such a measure, unless a period of time equal to half of the time during which the safeguard measure was applied for the immediately preceding period has elapsed. A bilateral safeguard measure that has been applied more than once on the same good may not be extended by another two years as provided for in subparagraph (b) of Article 5.11(1). 2. A Party shall not apply, with respect to the same good and during the same period: (a) a bilateral safeguard measure or a provisional bilateral safeguard measure under this Agreement; and (b) a global safeguard measure pursuant to Article XIX of GATT 1994 and the Safeguards Agreement.'

Article 5.15

'Outermost regions¹ of the European Union

- 1. If any good originating in Chile is being imported into the territory of one or more of the outermost regions of the European Union in such increased quantities and under such conditions as to cause or threaten to cause serious deterioration in the economic situation of the outermost region concerned, the European Union, after having examined alternative solutions, may exceptionally apply bilateral safeguard measures limited to the territory of the region concerned.
- 2. For the purposes of paragraph 1, 'serious deterioration' means major difficulties in a sector of the economy producing like or directly competitive goods. The determination of serious deterioration shall be based on objective factors, including the following:
- (a) the increase in the volume of imports, in absolute terms or relative to domestic production and to imports from other sources; and
- (b) the effect of the imports referred to in paragraph 1 on the situation of the industry or economic sector concerned, including on the levels of sales, production, financial situation and employment.
- 3. Without prejudice to paragraph 1, other provisions of this Section applicable to bilateral safeguard measures are also applicable to any safeguard measures adopted under this Article. Any reference to 'serious injury' in other provisions of this Section shall be understood as 'serious deterioration' when applied in relation to outermost regions of the European Union.'

Article 5.17.2

'2. The application shall be considered to have been made by or on behalf of the domestic industry if it is supported by domestic producers whose collective output constitutes more than 50 % of the total domestic production of the like or directly competitive goods produced by the portion of the domestic industry expressing either support for or opposition to the application. However, a competent investigating authority shall not initiate an investigation if the domestic producers expressing support for the application account for less than 25 % of the total domestic production of the like or directly competitive goods produced by the domestic industry.'

Article 5.18.3(a)

'(a) evidence of serious injury or threat thereof caused by increased imports of a good originating in the other Party as a result of the reduction or elimination of a customs duty under this Agreement; the investigation shall demonstrate, on the basis of objective evidence, the existence of a causal link between the increased imports of the good concerned and the

¹ On the date of entry into force of this Agreement, the outermost regions of the European Union are: Guadeloupe, French Guiana, Martinique, Réunion, Mayotte, St. Martin, the Azores, Madeira and the Canary Islands. This Article also applies to a country or an overseas territory that changes its status into that of an outermost region by way of a decision of the European Council in accordance with the procedure set out in Article 355(6) of the Treaty on the Functioning of the European Union, as from the date of adoption of that decision. In the event that an outermost region of the European Union, following that procedure, ceases to be an outermost region, this Article shall cease to be applicable to that country or overseas territory as from the date of the decision of the European Council in that regard. The European Union shall notify Chile of any change in the territories considered as outermost regions of the European Union.

serious injury or threat thereof; known factors other than the increased imports shall also be examined to ensure that the serious injury or threat thereof caused by those other factors is not attributed to the increased imports;'

Article 5.18.5

'5. Each Party shall ensure that its competent investigating authority completes any investigation pursuant to this Article within 12 months of the date of its initiation.'

Article 5.19.2

'2. Interested parties providing confidential information are requested to furnish non-confidential summaries thereof or, if such parties indicate that the information cannot be summarised, the reasons therefor. The summaries shall be sufficiently detailed to permit a reasonable understanding of the substance of the information submitted in confidence. However, if the competent investigating authority finds that a request for confidentiality is not warranted and if the interested party concerned is either unwilling to make the information public or to authorise its disclosure in generalised or summary form, the competent investigating authority may disregard such information, unless it can be demonstrated to the satisfaction of that authority, in view of information from appropriate sources, that the information is correct.'

Article 5.22

'In order to facilitate the submission of documents in safeguard procedures, the competent investigating authority of the Party in charge of the procedure shall accept documents submitted in English by interested parties, provided that those parties submit later, within a longer deadline set by the competent authority, a translation of the documents into the language of the safeguard procedure.'