

Investment

1. The approval process has not been eliminated because it represents an extremely useful tool for gathering statistical information about the real impact of foreign investment in Chile.

2. The approval process refers only to the inflow of foreign exchange to Chile and to the remittance of profits and capital, but not to the right of operation in specific sectors (which is guaranteed by the Constitution for all parties).

3. To the best of our knowledge, the preference for a written contract does not refer to any instability or inadequacy but rather to preference of investors for a long-term (20-30 years) stability of rules.

4. There are no specific restrictions for domestic investors and foreign investors. All investors receive the same treatment in Chile.

Dispute settlement mechanisms

3. Our claim refers to the fact that while Chile has been willing to actively participate in dispute settlement procedures, all such procedures have an administrative "cost". In the case of NAFTA, the number of commissions and working groups is large and therefore the cost will be proportionately high.

Forestry

2. The US\$71 million of subsidies under DL 701 represents the accumulated amount from 1974 to 1982 (See Eladio Susaeta, "The Chilean Market for Canadian Goods and Services in the Forestry Sector", December 1992)