

Authors' Response to Commentary Generated by Iterim Report

In response to your request based on the comments from Ottawa, we are pleased to submit the answers as follows:

General

1. Chile's exchange controls are unlikely to pose an obstacle to NAFTA accession. First, these controls are very minor. Second, they are expected to be dismantled gradually, as it has been happening recently.
2. A document containing the structure of Chile's Government will be provided to you separately.

Legal issues

3. It is in the legal tradition of Chile to publish laws and regulations with due opportunity for comment and to inform about administrative and judicial review procedures.

Trade rules and procedures

12. Tables 2.3 and 2.4 provide examples of products enjoying compensatory measures. Not all products in each category, however, enjoy these measures. For example, compensatory measures have applied to butter, powder milk and cheeses among milk products; to shirts, overcoats, pants, and sweaters among apparel. And so on.

Standards

2. Each ministry has tuition over its own sector (e.g., standards related to construction of houses are declared binding by the Ministry of Housing, whereas those related to construction of roads are declared binding by the Ministry of Public Works).
3. The National Institute of Standards develops some standards, while others are developed by specialized technical institutions or industry associations. Tests performed by these institutions can be as binding as those of the NIS if these institutions are accredited by the respective ministries.

Procurement

6. Chile does not use procurement contracts as a tool of either policy or performance requirements.
8. So far, the bid challenge procedures used in Chile have been considered reasonably effective by international bidders.