

ANNEX X

(referred to in Article 132)

SCHEDULES OF SPECIFIC COMMITMENTS ON ESTABLISHMENT

PART A

COMMUNITY'S SCHEDULE

Introductory Note

1. The specific commitments in this schedule apply only to the territories in which the Treaties establishing the Community are applied and under the conditions laid down in these Treaties. These commitments apply only to the relations between the Community and its Member States on the one hand, and non-Community countries on the other. They do not affect the rights and obligations of Member States arising from Community law.

2. The following abbreviations are used to indicate the Member States:

A	Austria
B	Belgium
I	Italy
D	Germany
IRL	Ireland
DK	Denmark
L	Luxembourg
E	Spain
NL	The Netherlands
F	France
FIN	Finland
P	Portugal
GR	Greece
S	Sweden
UK	United Kingdom

“Subsidiary” of a legal person means a legal person which is effectively controlled by another legal person.

“Branch” of a legal person means a place of business not having legal personality which has the appearance of permanency, such as the extension of a parent body, has a management and is materially equipped to negotiate business with third parties so that the latter, although knowing that there will if necessary be a legal link with the parent body, the head office of which is abroad, do not have to deal directly with such parent body but may transact business at the place of business constituting the extension.

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1. HORIZONTAL COMMITMENTS	
ALL SECTORS INCLUDED IN THIS SCHEDULE	
	a) Treatment accorded to subsidiaries (of Chilean companies) formed in accordance with the law of a Member State and having their registered office, central administration or principal place of business within the Community is not extended to branches or agencies established in a Member State by a Chilean company. However, this does not prevent a Member State from extending this treatment to branches or agencies established in another Member State by a Chilean company or firm, as regards their operation in the first Member State's territory, unless such extension is explicitly prohibited by Community law.
	b) Treatment less favourable may be accorded to subsidiaries (of Chilean companies) formed in accordance with the law of a Member State which have only their registered office or central administration in the territory of the Community, unless it can be shown that they possess an effective and continuous link with the economy of one of the Member States.
	<u>Formation of Legal Entity</u> A: Without prejudice to existing treaties, foreign natural persons may exercise a business on equal terms as Austrian nationals. However, evidence has to be presented to the competent authority that Austrian natural persons are in no way discriminated in the exercise of the relevant business in the foreigner's home country. If this evidence cannot be presented the foreign natural person has to apply formally for equal status with nationals. If the holder of a business permit is not a permanent resident of Austria, the appointment of a professional representative ("gewerberechtlicher Geschäftsführer") permanently residing in Austria is necessary. In order to acquire a business permit, foreign juridical persons or partnerships must set up an establishment and appoint a professional representative permanently residing in Austria. Without prejudice to existing treaties a foreign professional representative has to apply for equal status with nationals. FIN: At least half of the founders of a limited company need to be natural persons residing within EEA (European Economic Area) or juridical persons having their domicile in one of the EEA countries, unless the Ministry of Trade and Industry grants an exception. S: A limited liability company (joint stock company) may be established by one or several founders. A founding party shall either reside within the EEA (European Economic Area) or be an EEA legal entity. A partnership can only be a founding party if each partner resides within the EEA¹. The managing director and at least 50 per cent of the members of the board shall reside within the EEA (European Economic Area). Corresponding conditions prevail for establishment of other types of legal entities.
	<u>Law on Foreign Companies' Branches</u> S: A foreign company (which has not established a legal entity in Sweden) shall conduct its commercial operations through a branch, established in Sweden with independent management and separate accounts. Building projects with a duration of less than a year are exempted from the requirements of establishing a branch or appointing a resident representative. S: The managing director of a branch shall reside within the EEA (European Economic

¹ Exceptions from these requirements may be granted, if it can be proved that residency is not necessary.

² Exceptions from these requirements may be granted, if it can be proved that residency is not necessary.

Sector or subsector	Limitations on national treatment to establishment
	Area)². S: Foreign or Swedish citizens not residing in Sweden, who wishes to conduct commercial operations in Sweden, shall appoint and register with the local authority a resident representative responsible for such activities.
	<u>Legal Entities:</u> A: Only Austrian nationals or legal entities and enterprises having their seat in Austria may be shareholders of the Oesterreichische Nationalbank (Austrian National Bank). Members of the management must be Austrian nationals. FIN: At least half of the members of the board and the managing director shall reside within the EEA (European Economic Area) unless the Ministry of Trade and Industry grants an exception to the company. FIN: Acquisition of shares by foreign owners giving more than one third of the voting rights of a major Finnish company or a major business undertaking (with more than 1000 employees or with a turnover exceeding 167 million euros or with a balance sheet total exceeding over 167 million euros) is subject to confirmation by the Finnish authorities ; the confirmation may be denied only if an important national interest would be jeopardized. A foreigner living outside the European Economic Area and carrying on a trade as a private entrepreneur or as a partner in a Finnish limited or general partnership needs a trade permit. If a foreign organization or foundation is established under the laws of and has its registered office in an EEA-country no permit is required for carrying on a business or trade by establishing a branch in Finland.
	<u>Real estate purchases:</u> A: The acquisition, purchase as well as rent or lease of real estate by foreign natural persons and juridical persons requires an authorization by the competent regional authorities (Länder) which will consider whether important economic, social or cultural interests are affected or not. DK: Limitations on real estate purchase by non-resident physical and legal entities. Limitations on agricultural estate purchased by foreign physical and legal entities. E: Reservation to the purchase of real estate by governments, official institutions and public enterprises originating in non-Community member countries. GR: According to Law No. 1892/90, as amended by Law 1969/91, acquisition of real estate in the border regions either directly or through equity participation in a company which is not listed in the Greek Stock Exchange and which owns real estate in those regions or any change in the persons of the stockholders of such company are subject to a permit issued by the competent authorities (Ministry of Defense in the case of non-EU natural or legal persons). IRL: Prior written consent of the Land Commission is necessary for the acquisition of any interest in Irish land by domestic or foreign companies or foreign nationals. Where such land is for industrial use (other than agricultural industry), this requirement is waived subject to a certificate to this effect from the Minister for Enterprise and Employment. This law does not apply to land within the boundaries of cities and towns. I: Unbound for purchase of real estate. FIN (<u>Åland Islands</u>): Restrictions on the right for natural persons who do not enjoy regional citizenship in Åland, and for legal persons, to acquire and hold real property on the Åland Islands without permission by the competent authorities of the islands. FIN (<u>Åland Islands</u>): Restrictions on the right of establishment and the right to provide services by natural persons who do not enjoy regional citizenship in Åland, or by any legal person, without permission by the competent authorities of the Åland Islands.
	<u>Investments:</u> E: Investment in Spain by foreign government and foreign public entities (which tends to imply, besides economic, also non-economic interests to entity's part), directly or through companies or other entities controlled directly or indirectly by foreign governments, need prior authorization by the government.

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	F: Foreign purchases exceeding 33,33 per cent of the shares of capital or voting rights in existing French enterprise, or 20 per cent in publicly quoted French companies, are subject to the following regulations: - after a period of one month following prior notification, authorization is tacitly granted for other investments unless the Minister of Economic Affairs has, in exceptional circumstances, exercised its right to postpone the investment. F: Foreign participation in newly privatized companies may be limited to a variable amount, determined by the government of France on a case by case basis, of the equity offered to the public. F: For establishing in certain commercial, industrial or artisanal activities, a specific authorization is needed if the managing director is not holder of a permanent residence permit I: Exclusive rights may be granted or maintained to newly-privatized companies. Voting rights in newly privatized companies may be restricted in some cases. For a period of five years, the acquisition of large equity stakes of companies operating in the fields of defence, and energy may be subject to the approval of the Ministry of Treasury. P: Foreign participation in newly privatized companies may be limited to a variable amount, determined by the Government of Portugal on a case by case basis, of the equity offered to the public.
	<u>Residency requirements</u> A: Managing directors of branches and juridical persons have to be resident in Austria; natural persons responsible within a juridical person or a branch for the observance of the Austrian Trade Act must be resident in Austria. A: All foreigners are subject to the provisions of the Foreigners's Act and the Residence Act concerning entry, stay and work. In addition, foreign workers, including key personnel and investors, except for EEA-nationals, are subject to the provisions of the Foreign Labour Act including the labour market test and the quota system. If an investor commits an investment which has a positive effect on the entire Austrian economy or a whole sector of the Austrian economy, the labour market test can be dropped for him and for individual cases of essential key personnel. Investors who furnish proof that they hold at least 25 per cent in a partnership ("Personengesellschaft") or a public limited company ("Gesellschaft mit beschränkter Haftung") and that they exert a decisive influence on that company are exempted from the Foreign Labour Act.

Sector or subsector	Limitations on national treatment to establishment
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2. SECTOR-SPECIFIC COMMITMENTS (based on UN ISIC rev.3 classification)	
A. AGRICULTURE, HUNTING, FORESTRY	
1. Agriculture, hunting excluding services 2. Forestry, logging excluding services	A: Reservation. F: Reservation on the establishment of agricultural enterprises by nationals of countries that are not members of the Community and the acquisition of vineyards. IR: reservation on the acquisition by non-Community nationals of land for agricultural purposes, unless an authorisation is granted; Investment by non-Community residents in flour milling activities.
B. FISHING	
5. Fishing, operation of fish hatcheries and fish farms; excluding services.	A: acquisition of 25% or more of vessels registered in Austria. B: Reservation on the acquisition of Belgian flag vessels by shipping companies not having their principal office in Belgium. DK: Reservation on the ownership by non-EC residents of one-third or more of a business engaged in commercial fishing; ownership of flag vessels by non-EC residents except through an enterprise incorporated in Denmark. F: reservation on the settling of non-Community nationals or non-EFTA nationals on the maritime State property for fish/shallfish/algae farming. FIN: Reservation on the ownership of Finnish flag vessels, including fishing vessels, except through an enterprise incorporated in Finland. F: reservation on the ownership after acquisition of more than 50 per cent of a French flag vessel, unless the vessel concerned is entirely owned by enterprises having their principal office in France. D: Sea fishing licence granted only to vessels entitled to fly the flag of Germany. These are fishing vessels of which the majority of shares is owned by Community citizens or companies established in accordance with Community rules and that have their principal place of business in a Member State. The use of the vessels must be headed and supervised by persons residing in Germany. In order to obtain a fishing licence, all fishing vessels must register with the relevant coastal states in which the ships have their homeports. GR: ownership of a vessel under the Greek flag is limited to 49 per cent for non-EU natural or legal persons. IR: reservation on the acquisition by non-Community nationals of sea fishing vessels registered in Ireland. I: reservation on the purchase by foreigners other than Community residents of a majority interest in Italian flag vessels or of a controlling interest in ship owning companies having their headquarters in Italy; purchase of Italian flag vessels used to fish in Italian territorial waters. NL: reservation on the ownership of Netherlands flag vessels, unless the investment is made by shipping companies incorporated under Netherlands law, established in the Kingdom and having their actual place of management in the Netherlands. P: reservation on the ownership of Portuguese flag vessels other than through an enterprise incorporated in Portugal. S: reservation on the acquisition of 50 per cent or more of Swedish flag vessels, except through an enterprise incorporated in Sweden; establishment of, or acquisition of 50 per cent or more of shares in firms engaged in commercial fishing activities in Swedish waters, unless an authorisation is granted. Restrictions on the right of fishing and limitations on which fishing-vessels may obtain a license and become a part of the Swedish fishing-fleet are found in the Swedish fisheries legislation. UK: reservation on the acquisition of UK flagged vessels, unless the investment

Sector or subsector	Limitations on national treatment to establishment
	is at least 75% owned by British citizens and/or by companies which are at least 75% owned by British citizens, in all cases resident and domiciled in the UK. Vessels must be managed, directed and controlled from within the UK
C. MINING AND QUARRYING	
10. Mining of coal and lignite; extraction of peat 11. Extraction of crude petroleum and natural gas; excluding services 12. Mining of uranium and thorium ores 13. Mining of metal ores 14. Other mining and quarrying	GR: The right of exploration and exploitation of all minerals, except hydrocarbons, solid fuels, radioactive minerals and geothermal potential is subject to a concession by the Greek State, after approval of the Council of Ministers. E: Reservation on investment originating in non-Community member countries in strategic minerals. F: Establishment by a non resident in extractive industries must be carried out in the form of a French or European subsidiary, whose manager must be resident in France or other country and declare his place of residence to the local prefet authorities. EC: Reservation on prospection, exploration and exploitation of hydrocarbons: In accordance with Directive 94/22/EC of 30 May 1994 (OJ no L 164 of 30/06/94), whenever it appears that a third country is not granting Community entities as regards access to and exercise of these activities treatment comparable to that which the Community grants entities from that country, the Council could, on a proposal of the Commission, authorise a Member State to refuse authorisation to an entity which is effectively controlled by the third country concerned and/or by nationals of that country (reciprocity)
D. MANUFACTURING	
15. Manufacture of food products and beverages 16. Manufacture of tobacco products 17. Manufacture of textiles 18. Manufacture of wearing apparel; dressing and dyeing of fur 19. Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear 20. Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials 21. Manufacture of paper and paper products 22. Publishing, printing and reproduction of recorded media 23. Manufacture of coke, refined petroleum	none

Sector or subsector	Limitations on national treatment to establishment
products and nuclear fuel 24. Manufacture of chemicals and chemical products 25. Manufacture of rubber and plastics products 26. Manufacture of other non-metallic mineral products 27. Manufacture of basic metals 28. Manufacture of fabricated metal products, except machinery and equipment 29. Manufacture of machinery and equipment n.e.c. 30. Manufacture of office, accounting and computing machinery 31. Manufacture of electrical machinery and apparatus n.e.c. 32. Manufacture of radio, television and communication equipment and apparatus 33. Manufacture of medical, precision and optical instruments, watches and clocks 34. Manufacture of motor vehicles, trailers and semi-trailers 35. Manufacture of other transport equipment 36. Manufacture of furniture; manufacturing n.e.c. 37. Recycling	
OTHER MANUFACTURING	A: Production of non-military arms and ammunitions are subject to EEA-nationality requirement. Production of military arms and ammunitions are subject to an Austrian nationality requirement. Juridical persons and partnerships: Registered office or head office in Austria. The company's professional representative or managing partners empowered to act on its behalf must be EEA-nationals.
E. ELECTRICITY, GAS AND WATER SUPPLY	
40. Electricity, gas steam and hot water supply.	A: unbound. F: Concessions and authorizations in hydroelectricity can be given only to French

Sector or subsector	Limitations on national treatment to establishment
	nationals or to nationals from the Community, as well as to nationals of third countries, with which reciprocity agreements have been concluded with respect to exploitation of hydroelectricity. FIN: Reservation on investment in an enterprise engaged in activities involving nuclear energy or nuclear matter. GR: Solid fuels, radioactive minerals and geothermal energy: An exploration licence may not be granted to non-Community natural or legal persons. The right of exploitation is subject to a concession by the Greek State, after approval by the Council of Ministers. P: Reservation on investment in an enterprise engaged in the import, transport and supply of natural gas. The Portuguese Government is competent to define the conditions to be fulfilled by enterprises wishing to perform those activities

PART B

CHILE'S SCHEDULE

Sector	Limitations on national treatment to establishment
All sectors included in this schedule	1. Payments and transfers: Payments and capital movements made under this Chapter shall be subject to the provisions of paragraph 3 of Annex XIV. 2. The Decree Law 600 (1974), the Foreign Investment Statute, is a voluntary and special investment regime. As an alternative to the common regime for the entry of capital into Chile, potential investors may apply to the Foreign Investment Committee to be subject to the regime set out in the Decree Law 600. The obligations and commitments contained in the establishment chapter and in this Annex, do not apply to Decree Law 600, Foreign Investment Statute, Law 18.657 Foreign Capital Investment Fund Law, to the continuation or prompt renewal of such laws, to amendments to those laws or to any special and / or voluntary investment regime that may be adopted in the future by Chile. For greater certainty, it is understood that the Foreign Investment Committee of Chile has the right to reject applications to invest through Decree Law 600 and Law 18.657. Additionally, the Foreign Investment Committee has the right to regulate the terms and conditions of foreign investment under the aforementioned Decree Law 600 and Law 18.657. 3. The property or any other right over State land may only be granted to Chilean natural or juridical persons. State land for these purposes refers to State land up to a distance of 10 kilometres from the borderfront and up to a distance of 5 kilometres from the oceanfront. Corporeal immovable property situated in borderland and declared "borderland zone" by virtue of Decreto con Fuerza de Ley 4, 1967, by the Ministerio de Relaciones Exteriores may not be acquired, either as property or in another quality, by natural persons with nationality in a neighbouring country or juridical persons with its principal seat in a neighbouring country or with 40 per cent or more of its capital belonging to such natural persons or its effective control is exercised by such natural persons. 4. In the transfer or disposal of any interest in stock or asset held in an existing State-owned or Government entity, Chile reserves the right to prohibit or impose limitations on the ownership of said interest or asset, and also on the right of Community investors or investors from a Non-Party State to control any company created thereby or investments made by the same. In connection with any such transfer or disposal, Chile may adopt or maintain any measure related to the nationality of senior management and members of the Board of Directors. For this purposes: a) any measure maintained or adopted after the entry into force of this Agreement which, at the time of the transfer or disposal, prohibits or limits ownership of such interest or assets or imposes the nationality requirements set forth herein shall be considered to be a measure in force; and

Sector	Limitations on national treatment to establishment
	b) A "State owned company" shall mean any company owned or controlled by Chile by means of an interest share in the ownership thereof, and it shall include any company created after the entry into force of this Agreement for the sole purpose of selling or disposing of its interest share in the capital or assets of an existing State-owned or Government Entity. 5. Chile reserves the right to adopt or maintain any measure related to residence requirements related to the ownership of or investment in coastal lands by investors of the other Party. Any Chilean natural person or person residing in Chile or a Chilean juridical person shall be able to acquire or control lands used for agricultural activities. Moreover, Chile reserves the right to adopt or maintain any measures related to the ownership or control of such lands. In the case of juridical persons, the majority of each class of stock could be required to be held by Chilean natural persons or by persons residing in the country. A resident shall be any person residing in Chile for 183 days or more per year. 6. Chile reserves the right to adopt or maintain any measure preventing Community investors and their investments to acquire any of the rights or preferences granted to indigenous peoples.
A. Agriculture	None
B. Fishing	Subject to the provisions of the Appendix to this Annex (Protocol on Fishing enterprises): A concession or permit is required for the use of beaches, land adjacent to beaches (<i>terrenos de playas</i>), water-column (<i>porciones de agua</i>) and seabed lots (<i>fondos marinos</i>) to engage in aquaculture activities. Only Chilean natural persons or juridical persons constituted in accordance with Chilean law and foreigners with permanent residency may be holders of a permit or concession to carry out aquaculture activities. In order to harvest and to catch hydrobiological species in interior waters, in the territorial sea and Exclusive Economic Zone of Chile, a permit issued by the <i>Subsecretaría de Pesca</i> is required. Only Chilean natural persons or juridical persons constituted in accordance with Chilean law and foreigners with permanent residency may be holders of permits to harvest and to catch hydrobiological species. Only Chilean vessels are permitted to fish in interior waters, in the Territorial sea and Chile's Exclusive Economic Zone. Chilean vessels are those defined in the <i>Ley de Navegación</i>. Access to extractive industrial fishing activities shall be subject to the previous registration of the vessel in Chile. Access to industrial fisheries activities shall be subject to a previous registration of the vessel in Chile. Only a Chilean natural or juridical person may register a vessel in Chile. A juridical person must be constituted in Chile with principal domicile and real and effective seat in Chile with its president, manager and majority of the directors or administrators being Chilean natural persons. In addition, more than 50 percent of its equity capital must be held by Chilean natural or juridical persons. For these purposes, a juridical person with ownership participation in another juridical person that owns a vessel has to comply with all the aforementioned

Sector	Limitations on national treatment to establishment
	requisites. A joint ownership (<i>comunidad</i>) may register a vessel if the majority of the joint owners are Chilean with domicile and residency in Chile. The administrators must be Chilean natural persons and the majority of the rights of the joint ownership (<i>comunidad</i>) must belong to a Chilean natural or juridical person. For these purposes, a juridical person with ownership participation in a joint ownership (<i>comunidad</i>) that owns a vessel, has to comply with all the aforementioned requisites. An owner (natural or juridical person) of a fishing vessel registered in Chile prior to June 30, 1991 shall not be subject to the nationality requirement above mentioned. Fishing vessels specifically authorised by the maritime authorities, pursuant to powers conferred by law in cases of reciprocity granted to Chilean vessels by other States may be exempted from the above mentioned requisites on equivalent terms provided to Chilean vessels by that State. Access to small scale fishing activities (<i>pesca artesanal</i>) shall be subject to registration in the <i>Registro de Pesca Artesanal</i>. Registration for small scale fishing (<i>pesca artesanal</i>) is only granted to Chilean natural persons and foreign natural persons with permanent residency, or a Chilean juridical person constituted by the aforementioned persons. Chile retains the right to control the activities of foreign fishing, including fish landings, the first landing of fish processed at sea and access to Chilean ports (port privileges). Chile reserves the right to control the use of beaches, land adjacent to beaches (<i>terrenos de playas</i>), water-columns (<i>porciones de agua</i>) and sea-bed lots (<i>fondos marinos</i>) for the issuance of maritime concessions. For greater certainty, "maritime concessions" does not include aquaculture.
C. Mining and quarrying	The State has the right of first refusal, at regular prices and market modalities, regarding mining products originating from exploitations developed in the country where thorium or uranium have a significant presence. The State may require that producers remove from mining products the portion of non-concessionable substances present in significant quantities in said products and which may economically and technically be separated for their delivery or sale on behalf of the State. For the purposes thereof, economic and technical removal implies that the costs incurred in the recovery of the substances involved, by means of the appropriate technical procedure, as well as the costs incurred in their marketing and delivery, shall be lower than the commercial value of the substance involved. The exploration, exploitation and processing of lithium, deposits of any kind existing in ocean waters subject to national jurisdiction and those totally or partially located in certain areas of importance to national security with mining effects, the classification of which shall be made exclusively by law, may be subject to administrative concessions or special operations contracts, according to the requirements and conditions that may be determined by the President of the Republic in each case by means of an Executive Order. Natural atomic materials and extracted lithium, as well as concentrates, by-products or compounds thereof, shall not be subject to any juridical act whatsoever, except when performed or entered into by or with the <i>Chilean Nuclear Energy Commission</i> or with its prior authorization. Should the Commission deem it advisable to grant such authorization, it shall also determine the operating terms and

Sector	Limitations on national treatment to establishment
	conditions. The exploration, exploitation and processing of liquid or gaseous hydrocarbons, deposits of any kind existing in ocean waters subject to national jurisdiction and those that are totally or partially located in certain areas of importance for national security with mining effects, the classification of which shall be made solely by law, may be subject to administrative concessions or special operations contracts, according to the requirements and conditions as the President of the Republic may determine in each case by means of an Executive Order. For added clarity, the term processing shall not include storage, transportation or refining of the energy material referred to in this paragraph.
D. Manufacturing	None
E. Electricity, gas and water supply	The production of nuclear energy for peaceful purposes shall only be performed by the Chilean Nuclear Energy Commission or, with its authorization, in conjunction with third parties. Should the Commission determine it is advisable to grant such authorization, it shall also establish the terms and conditions for operation.

PROTOCOL ON FISHING ENTERPRISES

1. Ownership and Control

Chile shall authorise Community legal and natural persons as defined in Article 131 to own a majority share of equity capital and to control the management of new or existing fishing enterprises in Chile, provided that Chilean legal and natural persons are equally entitled to own a majority share of equity capital and to control the management of new or existing fishing enterprises in the Member State of origin of the Community legal and natural person concerned.

A Community Member State shall authorise Chilean legal and natural persons to own a majority share of equity capital and to control the management of new or existing fishing enterprises in its territory, provided that the legislation of that Member State so allows.

2. Registration and operation of fishing vessels

Legal entities established in Chile, with a majority share of equity capital owned and whose management is controlled by Community legal and natural persons, shall be entitled to apply for, register and operate a fishing vessel under the same conditions applicable to legal entities with a majority share of equity capital owned and whose management is controlled by Chilean legal and natural persons, provided that entities established in the Member State of origin of the Community legal and natural person concerned, with a majority share of equity capital owned by and whose management is controlled by Chilean legal and natural persons are equally entitled to apply for, register and operate a fishing vessel in that same Member State.

3. Authorisation and fishing permits

Legal entities established in one Party, with a majority share of equity capital owned and whose management is controlled by a legal or natural person of the other Party, which have registered a fishing vessel, shall be entitled to apply for and obtain an authorisation for industrial fishing, including all available additional extraordinary fishing permits, and their corresponding individual quotas, under the same conditions applicable to other legal entities established in that same Party with a majority share of equity capital owned by domestic legal and natural persons. Such legal entities must comply with all regulations and conservation and management measures governing fishing activities of the Party in which they are established.

4. Transfer of authorisations and vessels

In accordance with Chilean law, new or existing fishing enterprises with a majority share of equity capital owned or controlled by Community legal and natural persons shall be entitled to receive, by means of transfer, fishing authorisations and vessels, under the same conditions as enjoyed by new or existing fishing enterprises with a majority share of capital owned or controlled by Chilean legal and natural persons, provided that, in accordance with the law applicable in the Member State of origin of the Community legal and natural person concerned, new or existing fishing enterprises with a majority share of equity

capital owned or controlled by Chilean legal and natural persons are entitled to receive by means of transfer, fishing authorisations and vessels under the same conditions as enjoyed by new or existing fishing enterprises with a majority share of equity capital owned by Community legal and natural persons.

5. Confirmation of Reciprocity conditions

Without prejudice to the dispute settlement provisions of this Agreement, at the request of either Party, the Parties shall hold consultations, make publicly available and exchange relevant information in the context of the Association Committee, in order to verify and confirm that the conditions of reciprocity as defined in paragraphs 1, 2, 3 and 4 of this Protocol are fulfilled.

Following the consultations, the Parties shall conclude jointly on whether the reciprocity conditions are fulfilled or not. They shall take action accordingly and report to the Association Committee within a maximum period of 45 days.

6. The Parties agree that the provisions of Title III, chapter III shall apply subject to the provisions of this Protocol.