

- the fight against all forms of terrorism and the commitment to establish effective international instruments to ensure its eradication;
- the desirability of a cultural dialogue in order to achieve a better mutual understanding between the Parties, and to foster the existing traditional, cultural and natural links between the citizens of both Parties;
- the importance of the Cooperation Agreement between the European Community and Chile of 20 December 1990 and of the Framework Cooperation Agreement in sustaining and fostering the implementation of these processes and principles,

The parties have decided to conclude this agreement:

PART I : GENERAL AND INSTITUTIONAL PROVISIONS

TITLE I : NATURE AND SCOPE OF THE AGREEMENT

Article 1

Principles

1. Respect for democratic principles and fundamental human rights as laid down in the United Nations Universal Declaration of Human Rights and for the principle of the rule of law underpins the internal and international policies of the Parties and constitutes an essential element of this Agreement.

2. The promotion of sustainable economic and social development and the equitable distribution of the benefits of the Association are guiding principles for the implementation of this Agreement.

3. The Parties reaffirm their attachment to the principle of good governance.

Article 2

Objectives And Scope

1. This Agreement establishes a Political and Economic Association between the Parties, based on reciprocity, common interest and on the deepening of the relationship in all areas of application.

2. The Association is a process that will lead to a growing relationship and cooperation between the Parties structured around the bodies created in this Agreement.

3. This Agreement covers in particular the political, commercial, economic and financial, scientific, technological, social, cultural and cooperation fields. It may be extended to other areas to be agreed upon by the Parties.

4. In accordance with the objectives defined above, this Agreement provides for the following:

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- (a) the enhancement of political dialogue on bilateral and international matters of mutual interest, which will be conducted through meetings at different levels;

(b) the strengthening of cooperation in the political, commercial, economic and financial, scientific, technological, social, cultural and cooperation fields, as well as other areas of mutual interest;

(c) the upgrading of the participation of each Party in the framework programmes, specific programmes and other activities of the other Party, insofar as permitted by each Party's internal procedures governing access to the programmes and activities concerned, in accordance with Part III; and

(d) the expansion and diversification of the Parties' bilateral trade relation in conformity with WTO provisions and with the specific objectives and provisions set out in Part IV.

TITLE II : INSTITUTIONAL FRAMEWORK

Article 3

Association Council

1. An Association Council is hereby established, which shall supervise the implementation of this Agreement. The Association Council shall meet at ministerial level at regular intervals, not exceeding a period of two years, and extraordinarily whenever circumstances so require, if the Parties so agree.

2. The Association Council shall examine any major issue arising within the framework of this Agreement, as well as any other bilateral, multilateral or international question of common interest.

3. The Association Council shall also examine proposals and recommendations from the Parties for the improvement of this Agreement.

Article 4

Composition And Rules Of Procedures

1. The Association Council shall be composed, on the one hand, of the President of the Council of the European Union, assisted by the Secretary General/High Representative, the incoming Presidency, other Members of the Council of the European Union or their representatives and Members of the European Commission, and, on the other hand, of the Minister of Foreign Affairs of Chile.

2. The Association Council shall establish its own rules of procedure.

3. Members of the Association Council may arrange to be represented, in accordance with the conditions laid down in its rules of procedure.

4. The Association Council shall be chaired in turn by a Member of the Council of the European Union and by the Minister of Foreign Affairs of Chile, in accordance with the provisions laid down in its rules of procedure.

Article 5

Decision-Making Powers

1. In order to attain the objectives of this Agreement, the Association Council shall have the power to take decisions in the cases provided for in this Agreement.

2. The decisions taken shall be binding on the Parties, which shall take all the measures necessary to implement them in accordance with each Party's internal rules.

3. The Association Council may also make appropriate recommendations.

4. The Association Council shall adopt decisions and recommendations by mutual agreement between the Parties.

Article 6

Association Committee

1. The Association Council shall be assisted in the performance of its duties by an Association Committee composed of representatives of the Members of the Council of the European Union and of the Commission of the European Communities, on the one hand, and representatives of the Government of Chile, on the other, normally at senior officials level.

2. The Association Committee shall be responsible for the general implementation of this Agreement.

3. The Association Council shall establish the rules of procedure of the Association Committee.

4. The Association Committee shall have the power to take decisions in the cases provided for in this Agreement or where such power has been delegated to it by the Association Council. In this event the Association Committee shall take its decisions in accordance with the conditions laid down in Article 5.

5. The Association Committee shall generally meet once a year for an overall review of the implementation of this Agreement, on a date and with an agenda agreed in advance by the Parties, in Brussels one year and in Chile the next. Special meetings may be convened, by mutual agreement, at the request of either of the Parties. The Association Committee shall be chaired alternately by a representative of each of the Parties.

Article 7

Special Committees

1. The Association Council shall be assisted in the performance of its duties by the Special Committees established in this Agreement.

2. The Association Council may decide to set up any Special Committee.

3. The Association Council shall adopt rules of procedure which determine the composition and duties of such committees and how they shall function, insofar as not provided for by this Agreement.

Article 8

Political Dialogue

The political dialogue between the Parties shall be conducted within the framework provided for in Part II.

Article 9

Association Parliamentary Committee

1. An Association Parliamentary Committee is hereby established. It shall be a forum for members of the European Parliament and the Chilean National Congress (Congreso Nacional de Chile) to meet and exchange views. It shall meet at intervals which it shall itself determine.

2. The Association Parliamentary Committee shall consist of members of the European Parliament, on the one hand, and of members of the Chilean National Congress (Congreso Nacional de Chile), on the other.

3. The Association Parliamentary Committee shall establish its rules of procedure.

4. The Association Parliamentary Committee shall be chaired in turn by a representative of the European Parliament and a representative of the Chilean National Congress (Congreso Nacional de Chile), in accordance with the provisions to be laid down in its rules of procedure.

5. The Association Parliamentary Committee may request of the Association Council relevant information regarding the implementation of this Agreement, and the Association Council shall supply the Committee with the requested information.

6. The Association Parliamentary Committee shall be informed of the decisions and recommendations of the Association Council.

7. The Association Parliamentary Committee may make recommendations to the Association Council.

Article 10

Joint Consultative Committee

1. A Joint Consultative Committee is hereby established with the task of assisting the Association Council to promote dialogue and cooperation between the various economic and social organisations of civil society in the European Union and those in Chile. Such dialogue and cooperation shall encompass all economic and social aspects of the relations between the Community and Chile, as they arise in the context of implementation of this Agreement. The Committee may express its view on questions arising in these areas.

2. The Joint Consultative Committee shall be composed of an equal number of members of the Economic and Social Committee of the European Union, on the one hand, and of members of the corresponding institution dealing with economic and social matters in the Republic of Chile, on the other.

3. The Joint Consultative Committee shall carry out its activities on the basis of consultation by the Association Council or, for the purposes of promoting the dialogue between various economic and social representatives, on its own initiative.

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4. The Joint Consultative Committee shall adopt its rules of procedure.

Article 11
Civil Society

The Parties will also promote regular meetings of representatives of the European Union's and the Chilean civil societies, including the academic community, social and economic partners and non-governmental organisations in order to keep them informed of the implementation of this Agreement and gather their suggestions for its improvement.

PART II : POLITICAL DIALOGUE

Article 12
Objectives

1. The Parties agree to reinforce their regular dialogue on bilateral and international matters of mutual interest. They aim at strengthening and deepening this political dialogue with a view to consolidating the Association established by this Agreement.

2. The main objective of the political dialogue between the Parties is the promotion, dissemination, further development and common defence of democratic values, such as the respect for human rights, the freedom of the individual and the principles of the rule of law as the foundation of a democratic society.

3. To this end, the Parties shall discuss and exchange information on joint initiatives concerning any issue of mutual interest and any other international issue with a view to pursuing common goals, in particular, security, stability, democracy and regional development.

Article 13
Mechanisms

1. The Parties agree that their political dialogue shall take the form of:

(a) regular meetings between Heads of State and Government;

(b) periodic meetings between Foreign Ministers;

(c) meetings between other Ministers to discuss matters of common interest in cases in which the Parties consider that such meetings will result in closer relations;

(d) annual meetings between senior officials of both Parties.

2. The Parties shall decide on the procedures to be used for the abovementioned meetings.

3. The periodic meetings of Foreign Ministers referred to under paragraph 1(b) shall take place either within the Association Council established by Article 3, or on other agreed occasions of an equivalent level.

4. The Parties shall also make maximum use of diplomatic channels.

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Article 14
Cooperation In The Field Of Foreign And Security Policy

The Parties shall, as far as possible, coordinate their positions and undertake joint initiatives in the appropriate international fora, and cooperate in the field of foreign and security policy.