**Draft**

**DECISION No … OF THE EU-CHILE ASSOCIATION COMMITTEE**

**of**

**amending article 12 of Title III of Annex III to the Association Agreement between the European Union and the Republic of Chile concerning direct transport**

THE ASSOCIATION COMMITTEE,

Having regard to the Agreement establishing an association between the European Union and the Republic of Chile, and in particular Article 38 of Annex III;

Whereas:

(1) Article 12 of Title III of Annex III establishes that preferential treatment applies only to goods satisfying the requirements of Annex III which are transported directly between Chile and the European Union,

(2) Chile and the European Union have concluded numerous agreements with trade content since the entry into force of the Association Agreement between the European Union and the Republic of Chile, which gave economic operators the possibility to adapt their export strategy in order to save costs and better respond to market demand,

(3) Chile and the European Union have agreed to amend the provisions of article 12 of Title III of Annex III, in order to allow for more flexibility for economic operators.

HAS DECIDED AS FOLLOWS:

*Article 1*

Article 12 of Title III of Annex III concerning direct transport is replaced with the text set out in the Annex to this Decision.

*Article 2*

This Decision shall enter into force ninety (90) days after the day of the last notification on which the Parties communicate the completion of the necessary domestic legal procedures.

Done at…

*For the Association Committee*

*The President*

Annex

*Article 12*

**Direct Transport**

1. The preferential treatment provided for under this Agreement applies only to products, satisfying the requirements of this Annex, which are transported directly between the European Union and Chile. However, products may be transported through other territories with transhipment or temporary warehousing in such territories provided that they remain under the surveillance of the customs authorities in the country of transit or warehousing and do not undergo operations other than adding or affixing marks, labels, seals, unloading, reloading, splitting of consignments or any operation designed to preserve them in good condition.

2. Compliance with paragraph 1 shall be considered as satisfied unless the customs authorities have reason to believe the contrary; in such cases, the customs authorities may require the importer to provide evidence of compliance, which shall be given by any appropriate means, such as contractual transport documents such as bills of lading or factual or concrete evidence based on marking or numbering of packages or any evidence related to the goods themselves.