

**TRADE AGREEMENT<sup>1</sup> BETWEEN THE  
GOVERNMENT OF INDIA AND  
THE GOVERNMENT OF THE  
REPUBLIC OF CHILE  
New Delhi, 16 October 1956**

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The Government of India and the Government of the Republic of Chile, animated by the desire to develop and strengthen the trade between the two countries and to promote closer economic relations, have agreed as follows :

*Article 1*

The Government of India and the Government of the Republic of Chile shall, subject to their respective import export, foreign exchange and other regulations, give the maximum possible facilities for import and export of commodities of interest to either party. To this end, the two Governments shall periodically exchange lists of articles available for export from either country and give wide publicity to these lists.

*Article 2*

The two Governments shall render all possible assistance in fostering contacts in various fields between traders and trading organizations of the two countries, resulting contracts being concluded directly between the parties concerned.

*Article 3*

The two Governments shall enter into consultation periodically and give full consideration to suggestions that may be made for the development and expansion of commerce and the diversification and balancing of trade between the two countries.

*Article 4*

With respect to customs duties and charges of any kind imposed on or in connection with imports or exports or on the international

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1. Came into force on signature as per Article 7.

transfer of payments for imports or exports and with respect to the method of levying such duties and charges and with respect to the rules and formalities in connection with imports and exports and with respect to the application of internal taxes to exported goods, any advantage, concessions, privilege or immunity granted by either party to any product originating in or destined for any other country, shall be accorded immediately and unconditionally to the like products originating in or destined for the territory of the other contracting party.

#### *Article 5*

Provisions of Article 4 shall not prevent either party from maintaining their respective preferential arrangements or, subject to their respective obligations under the GATT, from according advantages to adjacent countries, such as Argentina, Peru and Bolivia in the case of Chile, and Pakistan, Nepal and Burma in the case of India, including facilities for frontier traffic, or from according advantages resulting from economic integration with other countries consequent upon a customs union or a free trade area to which it may belong at present or in future.

#### *Article 6*

With respect to all other matters affecting the commercial interchange of commodities between the two countries, the two parties will also continue to adhere to the provisions of the General Agreement on Tariffs and Trade.

#### *Article 7*

Subject to the laws of Chile in regard to ratification of Agreements, this Agreement shall come into force from the date of signature and shall remain valid up to the 31st December 1959<sup>1</sup>. It may be continued for a further period of three years thereafter subject to such modifications as may be agreed upon in this behalf. The Agreement may be terminated at any time subject to six months notice being given by either party.

DONE AND SIGNED in duplicate in English, both documents being authentic, in New Delhi, on the 16th October 1956.

(Sd.) K.B. LALL,  
For the Government of India.

(Sd.) M. SERRANO,  
For the Government of the  
Republic of Chile.

1. New Agreement signed on 10 March 1960.

LETTERS

*New Delhi, the 16th October 1956*

Dear Mr. LALL,

With reference to Article 1 of the Trade Agreement signed today, we have reviewed the Possibilities of further expanding the trade between our two countries and found that there was considerable scope for further development. In particular, you considered that possibilities existed for export, amongst other things, of the commodities mentioned in Schedule 'A' from India to Chile and we believed that there was scope for expanding the export of commodities mentioned in Schedule 'B' from Chile to India. It was agreed that the two Governments would encourage and assist subject to their respective laws and regulations the firms and trading organisations on both sides to realise these possibilities and also give wide publicity to these possibilities in their respective countries.

I should be grateful if you would confirm that the above correctly sets out the understanding reached between us.

Yours sincerely,  
(Sd.) M. SERRANO.

Mr. K.B. LALL, I.C.S.,  
Joint Secretary to the Government of India,  
Ministry of Commerce and Consumer  
Industries, New Delhi.

**SCHEDULE A**

**COMMODITIES AVAILABLE FOR EXPORT FROM INDIA TO CHILE**

1. Animals, living, including wild animals.
2. Fruits, dried.
3. Walnuts and cashew kernels.
4. Rum.
5. Jams, *chutneys* and pickles.
6. Hydrogenated oils.
7. Pepper.
8. Spices.
9. Tea.
10. Coffee.
11. Unmanufactured tobacco.
12. Tobacco manufactures, such as cigarettes and cigars.
13. Mica.
14. Asbestos.

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15. Soapstones.
  16. Chrome ore.
  17. Ilmenite.
  18. Kyamite ore.
  19. Manganese ore.
  20. Magnesite.
  21. Shellac.
  22. Gums and resins.
  23. Goat and sheep skins, raw.
  24. Vegetable oil (non-essential).
  25. Cashew shell oil.
  26. Essential oil.
  27. Turpentine oil, crude.
  28. Cotton, raw.
  29. Hemp, raw.
  30. Silk waste.
  31. Kapok.
  32. Coir manufactures, such as coir yarn, coir mats, mattings and carpets.
  33. Palm fibre and yarn.
  34. Sundry timbers.
  35. Animal bristles and hair.
  36. Vegetable fibres for brushes and brooms.
  37. Horns.
  38. Crushed bones.
  39. Tanning substances, such as : myrobalan, myrobalan extracts and catechu.
  40. Chemicals.
  41. Glycerine, crude.
  42. Naphthalene.
  43. Drugs, medicines and medicinal herbs.
  44. Hides and skins, tanned.
  45. Leather and leather manufactures.
  46. Cotton piecegoods.
  47. Jute yarn and fabrics.
  48. Silk fabrics.
  49. Art silk fabrics.
  50. Wollen fabric.
  51. Cordage and ropes.
  52. Other textile products.
  53. Linoleum.
  54. Films, exposed.
  55. Pearls polished.
  56. Precious and semi-precious stones, cut and polished, including diamonds.
  57. Handicrafts and cottage industry products, such as handloom (cotton and silk), artistic silver, brass and *bidri* products.
  58. Printed matters, including books and periodicals.
  59. Sports goods.
  60. Light engineering goods.

**SCHEDULE B**

COMMODITIES AVAILABLE FOR EXPORT FROM CHILE TO INDIA

1. Pulses.
  2. Barley.
  3. Fish and dried fruits.
  4. Canned foodstuffs.
  5. Wine.
  6. Sulphur.
  7. Chilean nitrate.
  8. Iodine.
  9. Copper.
  10. Lead.
  11. Copper manufactures and semi-manufactures.
  12. Pig iron.
  13. Steel.
  14. Hard and soft timbers.
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GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE AND CONSUMER INDUSTRIES

*New Delhi, the 16th October 1956*

Dear Mr. SERRANO,

I write to acknowledge the receipt of your letter of today's date which reads as follows :

*(Not printed)*

I confirm that the foregoing correctly sets out the understanding reached between us.

Yours sincerely,  
(Sd.) K.B. LALL.

Mr. M. SERRANO,  
Leader of the Chilean Trade Delegation,  
New Delhi.