

**TRADE AGREEMENT BETWEEN THE
GOVERNMENT OF INDIA AND THE
GOVERNMENT OF CHILE**
Santiago, 10 March 1960

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 I

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 II

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 III

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 IV

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

Provisions of Article IV 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 Pakistan, Nepal and Burma in the case of India, and Argentina, Peru and Bolivia in the case of Chile, 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 VI

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 VII

Subject to the laws of Chile in regard to ratification of agreements, this Agreement shall come into force from the 1st January, 1960 and shall remain valid up to the 31st December, 1962. 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 and Spanish languages, both documents being authentic, in Santiago de Chile, on the 10th March, 1960.

For the Government of the
Republic of Chile :

For the Government of India :

Sd/- GERMAN VERGARA DONOSO.

Sd/- R.S. MANI.

GOVERNMENT OF REPUBLIC OF CHILE

Santiago the 10th March, 1960

Mr. AMBASSADOR,

With reference to Article I of the Trade Agreement signed to-day, 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.

2. It was also agreed that the two Governments pledge mutual assistance for the promotion of Indo-Chilean trade, and that they would consider sympathetically the difficulties and problems of the exporters in the two countries in extending the exports of the products of each country.
3. The Chilean Government considered, in particular, that there was scope for enlarging imports of Chilean Nitrate into India and would like the Indian Government to provide facilities for much larger imports of this commodity. In deference to these views of the Chilean Government, you stated that the Government of India agreed to step up imports of Chilean Nitrate and to provide facilities for the import of 75,000 tons over a period of three years as compared to 60,000 tons in the last Agreement. You added that the Government of India was aware that the Chilean Government would like to step up even further the import of this commodity; and that the Government of India was naturally willing to endeavour to increase the imports further up to 90,000 tons, if, in the meanwhile, increased imports from India were facilitated, and mutual co-operative arrangements were worked out between the Indian State Trading Corporation and the Chilean Nitrate Corporation for mutual exchange of goods.
4. I should be grateful if you would confirm that the above correctly sets out the understanding reached between us.

I avail myself of this opportunity to renew to your Excellency the assurances of my highest consideration.

Sd/- GERMAN VERGARA DONOSO.

Chile

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EMBASSY OF INDIA

Santiago (Chile)

March, 10, 1960

EXCELLENCY,

I write to acknowledge the receipt of your Excellency's letter of to-day's date the translation of which is as follows :

(Not printed)

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

I avail myself of this opportunity to renew to your Excellency the assurances of my highest consideration.

Sd/- R.S. MANI.

Ambassador of India to Chile.

His Excellency,
Senor D. GERMAN VERGARA DONOSO,
Ministre de Belaciones Exteriores.

SCHEDULE 'A'

COMMODITIES AVAILABLE FOR EXPORT FROM INDIA TO CHILE

1. Animals, living including wild animals
2. Frozen fish
3. Fruits, dried
4. Cashew kernels
5. Walnuts
6. Rum
7. Jams, chutneys and pickles
8. Hydrogenated oils
9. Pepper
10. Cumin seeds
11. Spices
12. Tea
13. Coffee
14. Unmanufactured tobacco.
15. Tobacco manufactures, such as cigarettes and cigars
16. Mica
17. Asbestos
18. Soapstones
19. Chrome ore
20. Ilmenite

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21. Kyanite ore
22. Manganese ore
23. Magnesite
24. Shellac
25. Gums and resins
26. Goat and sheep skins, raw
27. Vegetable oils (non-essential)
28. Cashew shell oil
29. Essential oils
30. Turpentine oil, crude
31. Cotton, raw
32. Hemp, raw
33. Silk and wool waste
34. Kapok
35. Coir manufactures, such as coir yarn, coir mats, mattings and carpets
36. Palm fibre and yarn
37. Sundry timbers
38. Animal bristles and hair
39. Vegetable fibres for brushes and brooms
40. Horns
41. Crushed bones
42. Tanning substances, such as myrobalan, myrobalan extracts and catechu
43. Chemicals
44. Glycerine, crude and pharmaceutical
45. Naphthalene
46. Paraffin wax
47. Drugs, medicines and medicinal herbs
48. Hides and skins, tanned
49. Leather and leather manufactures
50. Cotton piecegoods
51. Jute yarn and fabrics
52. Jute bags, jute wool sack and other jute products
53. Silk fabrics
54. Art silk fabrics
55. Woollen fabrics
56. Cordage and ropes
57. Other textile products
58. Linoleum
59. Films, exposed
60. Pearls, polished
61. Precious and semi-precious stones, cut and polished including diamonds
62. Handicrafts and cottage industry products, such as handloom (cotton and silk), artistic silver, brass and bidri products, ivory articles, wood carvings etc.
63. Printed matters, including books and periodicals
64. Sports goods
65. Light engineering goods, *e.g.* bicycles, sewing machines
66. Pig iron
67. Electric motors and pumps
68. Steel furniture
69. Storage and dry batteries
70. Hosiery, cotton, woollen and art silk.

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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
 15. Newsprint.
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