

**MEMO# 12944**

December 19, 2000

## **TRADE NEGOTIATORS SEEK INDUSTRY PRIORITIES FOR US-CHILE FREE TRADE AGREEMENT**

[12944] December 19, 2000 TO: INTERNATIONAL COMMITTEE No. 45-00 RE: TRADE NEGOTIATORS SEEK INDUSTRY PRIORITIES FOR US-CHILE FREE TRADE AGREEMENT On December 14, 2000, the Office of the United States Trade Representative (USTR) published a notice of intent to conduct negotiations with the Republic of Chile on a bilateral free trade agreement.<sup>1</sup> USTR seeks assistance regarding the specific negotiating objectives for particular sectors, including asset management. In practice, the Chilean government generally permits US firms to manage mutual funds and pension assets; Chile, however, has not entered into any trade agreements that contain market access commitments for asset management. In other words, because of the lack of binding commitments in the context of a trade agreement, Chile has not provided a measure of legal certainty to US firms doing business in that country and may diminish market access levels in the future. The negotiation of a US-Chile free trade agreement provides an opportunity to assure that Chile commits to eliminating any barriers that prevent foreign firms from establishing and operating wholly owned affiliates and that it does not impose regulatory requirements that serve to deny effective market access to US firms. To this end, we need your help in identifying market access barriers in Chile and have attached a questionnaire intended to obtain a current assessment of remaining and/or unidentified barriers in asset management. Comments are due to USTR on January 29, 2001. Please forward your comments to me by phone at (202) 326-5810, by fax at (202) 326- 5841, or by e-mail at [jchoi@ici.org](mailto:jchoi@ici.org) no later than Friday, January 19, 2001. Jennifer S. Choi Assistant Counsel Attachments in (.pdf format) 1 A copy of the Federal Register notice is attached.