

Xinhua. 2008. "China, Chile sign free trade service trade pact". Xinhua, April 14

BEIJING, April 13 (Xinhua) -- China and Chile on Sunday signed a service trade pact supplementary to their free trade agreement (FTA), the first of its kind with a Latin American country.

According to the pact, the two nations will further open their service sectors to each other's market on the basis of their commitments to the World Trade Organization (WTO), the Ministry of Commerce said in a statement on its website on Sunday.

Altogether, 23 industries in China, including computer, management consulting, mining, sports, environment and air transport, and 37 in Chile such as law, architectural design, engineering and real estate, among others, were involved.

The two governments also agreed to hold talks on investment under the FTA at an appropriate time, the statement quoted an unnamed ministry spokesman as saying.

A work team will be set up to make it more convenient for business people to obtain visas when traveling across the two countries' borders.

Under the pact, the two countries could complement each other and sharpen their competitive edges in global service trade. It would help them improve their investment environment, create business opportunities and lower trade costs, said the ministry.

"The service trade pact is a great chance for most Chinese enterprises to further tap the Chilean and Latin American markets," said the ministry spokesman. "It also means heavier pressure from foreign competitors as well as the introduction of more advanced technologies and management."

China and Chile signed a FTA in 2005 and put it in effect in October 2006. Their bilateral trade soared 65 percent year on year to 14.7 billion U.S. dollars in 2007, up from the 23.9 billion annual growth of 2006.

Last year, Chilean exports to China surged 79 percent to 10.3 billion U.S. dollars, boosted by copper and grape wine trade. Meanwhile, Chinese exports to Chile jumped 42 percent to 4.4 billion U.S. dollars with strong growth in computers and communications technology, electronic products and automobiles.

The service trade pact was mutually beneficial, presenting China and Chile a new opportunity to develop an all-round cooperative partnership and in playing an active role in promoting Sino-Latin American relations, said the spokesman.

The two governments will try to make the pact effective from Jan. 1, 2009, according to the statement.

The pact comprised 22 articles and two attached files. It was signed by China's Commerce Minister Chen Deming and Chilean Deputy Foreign Minister Alberto Van Klaveren in Sanya on Sunday in the southern island province of Hainan. Enditem