

CHAPTER 18

ADMINISTRATION OF THE AGREEMENT

Article 18.1: The Free Trade Commission

1. The Parties hereby establish the Free Trade Commission, comprising officials referred to in Annex 18.1.1 or their designees.
2. The Parties, through the Commission, shall:
 - (a) supervise the implementation and appropriate application of the provisions of this Agreement;
 - (b) evaluate the results obtained in the course of the application of this Agreement;
 - (c) supervise the work of the committees and working groups established under this Agreement, referred to in Annex 18.1.2(c);
 - (d) ensure that, with regard to public enterprises and enterprises to which special or exclusive rights have been granted, in fulfillment of Article 14.8, following the date of entry into force of this Agreement, any measure distorting trade in goods or services between the Parties is neither enacted or maintained to an extent contrary to the Parties interests; and
 - (e) consider any other matter that may affect the operation of this Agreement, or that is entrusted to the Commission by the Parties.
3. In the fulfillment of its functions, the Commission may:
 - (a) establish and delegate responsibilities to *ad hoc* or standing committees, working groups or expert groups and assign them with tasks on specific matters;
 - (b) seek the advice of non-governmental persons or groups;
 - (c) modify, in accordance with Annex 18.1.3(c):
 - (i) the established rules of origin in Annex 4;
 - (ii) the Schedules established in Annex 3.4, in order to accelerate the tariff elimination process;
 - (iii) the Uniform Regulations; and
 - (iv) the Annexes 15.1 and 15.2 (Government procurement); and
 - (d) take such other action in the exercise of its functions, as the Parties may agree.
4. The Commission shall establish its rules and procedures. All decisions of the Commission shall be adopted by mutual agreement between the Parties.
5. The Commission shall convene at least once a year in regular session. Regular sessions of the Commission shall be chaired alternately by each Party.

Article 18.2: The Secretariat

1. Each Party hereby designates the competent national organ referred to in Annex 18.2 to serve as its Secretariat for purposes of this Agreement.

2. For purposes of this Agreement, all communication or notification to or by a Party shall be made through its Secretariat.

Annex 18.1.1
Officials of the Free Trade Commission

For purposes of Article 18.1, officials of the Commission are:

- (a) in the case of Chile, the Minister of Foreign Affairs, or her/his designees; and
- (b) in the case of Korea, the Minister for Trade, or her/his designees.

Annex 18.1.2(c)
Committees and Working Groups

1. Committees:

- (a) Committee on Trade in Goods;
- (b) Committee on Sanitary and Phytosanitary Measures;
 - (i) Sub-Committee on Animal Health;
 - (ii) Sub-Committee on Plant Protection; and
 - (iii) Sub-Committee on Food Safety;
- (c) Committee on Standards-Related Measures;
- (d) Investment and Cross-Border Trade in Services Committee; and
- (e) Committee on Telecommunications Standards.

2. Working Groups:

- (a) Temporary Entry Working Group; and
- (b) Government Procurement Working Group.

Annex 18.1.3(c)
Implementation of Decisions Adopted by the Commission

The Parties shall implement decisions of the Commission, referred to in Article 18.1.3(c), according to their respective domestic legislation and the following procedures:

- (a) in the case of Chile, by means of executive agreements, in conformity with Article 50 N°1, second paragraph of the Political Constitution of the Republic of Chile; and
- (b) in the case of Korea, in conformity with Article 60.1 of the Constitution of the Republic of Korea.

Annex 18.2
The Secretariat

For purposes of Article 18.2, the competent national organs of the Parties are:

- (a) for Chile, the General Directorate of International Economic Affairs of the Ministry of Foreign Affairs, or its successor; and
- (b) for Korea, the Multilateral Trade Bureau of the Ministry of Foreign Affairs and Trade, or its successor.