




**Least developed countries
(LDCs)
National Customs Service
Chile**

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Chilean Regulation

- Law No. 20.690, D.O. 28.09.2013: eliminates tariffs on the importation of goods from Least Developed Countries.
 - D. S. of the Ministry of Finance No. 1432, D.O. 28.02.2013: determines the list of Least Developed Countries, the conditions indicated for inclusion and exclusion and the operational requirements to be met by the goods for the purposes indicated.
 - D. S. of the Ministry of Finance No. 910, D.O. 29.08.2014 amending decree No. 1432 of 2013:
 - D. S. of the Ministry of Finance No. 589, D. O 08.06.2015
 - Res. Exempt No. 4522, of 07.29.2015, of the National Director of Customs: establishes the procedure for the correct implementation of the paragraph 2 of Article 11 of D.S. No. 1432, of 2013, as amended.
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Main features

- Reviewed every 3 years
 - Criteria of origin: Change of Heading (CTH) or Regional Value Content (RVC 50%).
 - Certification by an authorized entity
 - Self certification by exporter or producer.
 - Minimal operations: simple assembly or assembly, packing, fractionation in batches, parts or volumes, marking, sorting of goods or other similar operations.
 - Transit and Transshipment
 - Recordkeeping for 5 years
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Countries that have informed authorized entities for the issuance of certificate of origin

- Angola
 - Bangladesh
 - Cambodia
 - Haiti
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Use of the tariff preference established for LDCs

- In 2015, 57% of the total import income (approx. US \$ 178,548,861) was from preferential imports granted under Law 20.690.
 - Angola, Cambodia, Bangladesh and Equatorial Guinea stand out.
 - January-August 2016, 10% of the total import income (approx. US \$ 80,448,995) was from imports with preference granted under law 20.690.
 - In terms of Refund of Duties, for 2015, only 1.5% of the total income was refunded and this was to Angola & Equatorial Guinea.
 - No refund requests were made in 2016.
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Use of the self-certification mechanism

- 2015: 17 resolutions issued; 16 requested for imports from Bangladesh and 1 for imports from Equatorial Guinea.
 - January-April 2016: 17 resolutions issued; 15 requested for import operations from Bangladesh.
 - April 2016: Bangladesh informs Chile of its competent authority.
 - May 2016 – Present: no new applications for resolutions have been received.
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Improvement opportunities

- **Self certification:** D.S. Min. Hacienda No. 589 of 2015, improves the access to the tariff preferences granted by Chile, allowing the National Customs Director, to accept the presentation of a certificate of origin issued by the producer or exporter of the merchandise.

Thus far, the self-certification mechanism has functioned adequately in procedural aspects.

- **Diffusion:** The National Customs Service is constantly providing all the information in regards to LDCs, as well as the countries that have informed authorized entities for the issuance of the certificate of origin

At the request of the interested parties The National Customs Service has met with importers and customs brokers to explain the application of the regulations on LDCs.

- **New Self-certification system.**
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