

**UPDATED TEXT OF
THE AGRICULTURE
AND LIVESTOCK
SERVICE ORGANIC
LAW N° 18.755
DATED JANUARY 7,
1989,
AS AMENDED PURSUANT TO LAW
N° 19.283 OF JANUARY 5, 1994**



GOBIERNO DE CHILE
SERVICIO AGRICOLA Y GANADERO
SAG

Web Site: <http://www.sag.gob.cl>

***This legal text has been prepared
by this Agriculture and Livestock Service.***

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FOREWORD

While in strict sense the Organic By-laws of an Institution are intended to establish its executive organs and their relevant powers, the Agriculture and Livestock Service Organic Law has a greater scope as it provides for the exercise of supervisory and disciplinary authority in matters within the competence of the Service.

This is due to the fact that the Service is a Chilean State agency of authority and, consequently, empowered to establish regulations, supervise the due observance thereof and punish those who infringe them.

As provided for under its Organic Law, the Service is a public law entity, fully authorized to assume obligations and to exercise rights, with own assets, its National Director being its Senior Officer and representative for all legal purposes.

Pursuant to law, the Service has been entrusted with the protection of agricultural activities by promoting among people patterns of behavior that prevent degradation of renewable natural resources essential for agriculture, spreading of pest and diseases, fraudulent supply of certain agricultural inputs to farmers, and unfair competition regarding some specific products.

The Service is a functionally decentralized and non-concentrated institution from the territorial point of view. In addition to the duties entrusted to the Regional Directors by the Organic Law, the National Director is empowered to delegate duties to both Regional Directors and Heads of the Central Departments, that exercise a regulatory and supervisory control of the Service activities at the national and international level regarding plant and animal health issues, food safety and quality, and environmental protection in favor of sustainable agriculture.

Without prejudice to the powers conferred upon the Service by the Organic Law, this institution is vested with all the powers provided for under a series of substantive laws, including, but not limited to, Forest Law, Hunting Law, Animal Health Law, Agriculture Protection Law, Seed Law, Plant Variety Law, Alcoholic Beverages, Spirits and Vinegar Law and Meat Law.

It should be further pointed out that there is an important group of provisions in various regulations, which include, among others, Livestock Shows, Forage, Veterinary Medicinal Products, Livestock Transport and Slaughterhouse Regulations.

This Service is responsible for establishing regulations for the import of goods or products that could carry agents inciting plant pests or transmissible animal diseases, and it supervises the import of these goods to protect plant and animal health resources.

Likewise, the Service is responsible for issuing plant and animal health certificates evidencing compliance with the requirements established by export's countries of destination.

Finally, it should be pointed out that the Agriculture and Livestock Service is the Administrative Authority regarding the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Washington Convention (1940) for the Protection of the Flora, Fauna and Natural Scenic Beauty of the Western Hemisphere. It is member, among others, of the International Vineyard and Wine Office, the FAO International Plant Protection Convention, the Office International des Epizooties, the Codex Alimentarius and the Union for the Protection of New Plant Varieties (UPOV). This Service is the official agency in matters related to bilateral and multilateral agreements within its scope of activities.

LORENZO CABALLERO URZÚA
NATIONAL DIRECTOR

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TITLE I AGRICULTURE AND LIVESTOCK SERVICE

PART I SERVICE SCOPE, PURPOSE AND AUTHORITIES

SECTION 1

The Agriculture and Livestock Service shall be a functionally decentralized and perpetual service with legal existence and own assets, fully empowered to contract, exercise rights and bind itself. It shall be supervised by the President of the Republic through the Ministry of Agriculture and shall be seated in Santiago, without prejudice to other special offices that may be established.

Hereinafter, the Agriculture and Livestock Service¹ shall be referred to as “the Service.”

SECTION 2

The Service is intended to contribute to the agricultural and livestock development of the country by protecting,

¹ *Amended as shown, according to Section 1, Nº 1, Law Nº 19.283.*

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maintaining and improving plant and animal health, protecting and preserving renewable natural resources that have a bearing on the country agricultural and livestock production, and controlling agricultural and livestock inputs and products subject to statutory and regulatory provisions.²

SECTION 3

In order to achieve its purpose, the Service shall have the following duties and powers:

- a) to enforce and supervise compliance with statutory and regulatory provisions intended to prevent, control and eradicate plant pests and transmissible animal diseases. It shall further hear and punish any violation of such statutory or regulatory provisions;³
- b) to maintain, within the country, a surveillance and diagnosis system with respect to existing or potential forest, plant and animal diseases that, at its discretion, are relevant to national production, and formulate the corresponding action plans;
- c) to take measures intended to prevent the introduction into the country of pest and diseases that may affect plant and animal health;

² Replaced as shown, according to Section 1, Nº 2, Law Nº 19.283.

³ Replaced as shown, according to Section 1, Nº 3, letter a), of Law Nº 19.283.

- d) to determine the measures that parties concerned should take to prevent, control, fight and eradicate such pests and diseases as are declared under compulsory control;
- e) alternatively, to execute, directly or indirectly, actions aimed at fulfilling the above-mentioned measures in the case of pests or diseases that, due to their importance or dangerousness, may, at the Service's discretion, considerably affect domestic forest, agricultural or livestock production;
- f) to maintain relations and enter into cooperation agreements with national and international organizations regarding matters covered by this law, without prejudice to the power and authorities vested in the Ministry of Foreign Affairs.

The Service shall further see to the compliance with international conventions subscribed by Chile on matters under its jurisdiction, and shall act as the administrative and scientific or technical authority with regard thereto;⁴

- g) to make the necessary studies and statistics. For this purpose, the Service can make specific studies and land surveys to know the extent and condition of renewable natural resources within the agricultural and livestock sector, and establish technical rules applicable to national

⁴ Sentence 2 added under Section 1, Nº 3, letter b) of Law Nº 19.283.

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soil map studies. The Service may also collect and classify information and develop diffusion and training programs, as far as it may be necessary to achieve its goals. In the discharge of its duties, the Service should act in coordination with State agencies to compile studies and make land surveys, in particular with those involved in the same class of activities;⁵

- h) to develop educational and training programs in plant and animal health, preferably through agreements with the private sector;
- i) to make efforts to eliminate sanitary trade barriers imposed to Chilean forest, agricultural and livestock products by foreign countries or markets if, at the Service's discretion, such barriers affect the national interests;
- j) to propose to the Ministry of Agriculture the promulgation of such statutory, regulatory and technical provisions and resolutions as may be necessary to achieve the goals of the Service;
- k) to enforce and supervise compliance with statutory and regulatory provisions applicable to hunting, livestock production and genealogical registration, apiculture, defense of soil and agricultural use thereof, pollution of agricultural and livestock resources, land development,

⁵ *Modified as shown under Section 1, Nº 3, letter c) of Law Nº 19.283.*

protection of flora in the agricultural and livestock environment, and protection of land wild animals the habitat of which is rivers and lakes;⁶

- l) to promote measures attempting to ensure soil and water preservation, avoid erosion and improve fertility and drainage. The Service shall further promote initiatives to preserve water and improve extraction, carrying and use of water for agricultural purposes. In addition, it shall govern and manage incentive plans to facilitate the incorporation of preservation practices related to the use of water, soil and vegetation;⁷

- m) to enforce and supervise compliance with statutory and regulatory provisions regarding production and trade in seeds, pesticides, fertilizers, forage, ethylic alcohol, alcoholic beverages and vinegar; livestock shows, livestock grading and carcass classification, meat cut nomenclature, and other matters, as well as to make bacteriological, nutritional and other relevant studies, and certify that agricultural primary products for export are fit for human consumption;⁸

- n) regarding animal health, to determine sanitary conditions required to establish and operate slaughter-houses, means of transport, meat processing plants and other business activities according to law or regulations thereof; to su-

⁶ Added as shown, according to Section 1, N° 3, letter d) of Law N° 19.283.

⁷ Added as shown, according to Section 1, N° 3, letter d) of Law N° 19.283.

⁸ Added as shown, according to Section 1, N° 3, letter d) of Law N° 19.283.

- pervise due observance of such laws and perform veterinary inspection of animals and meat, without prejudice to the authority of the Health Services;⁹
- ñ) to perform sanitary inspection and control of pharmaceuticals intended for veterinary use only and report infringements to the Public Health Institute;¹⁰
- o) to give direct or indirect technical assistance and render services without charge or for valuable consideration, in accordance with its programs, and collect the relevant rates and fees if applicable;¹¹
- p) to execute any kind of legal acts regarding matters proper to the Service, with authority to make the corresponding contributions, and to participate in the incorporation of non-profit private law entities governed by the Civil Code, Title XXXIII, Book I, and¹²
- q) to restrict, in accordance with applicable laws, by a well-founded Resolution of the National Director, the use or application of agrochemicals within specific areas of agroecological regions of the country whenever such use or application has adverse effects on plant or animal health or the preservation of renewable natural resources.¹³

⁹ Added as shown, according to Section 1, N° 3, letter d) of Law N° 19.283.

¹⁰ Added as shown, according to Section 1, N° 3, letter d) of Law N° 19.283.

¹¹ Added as shown, according to Section 1, N° 3, letter d) of Law N° 19.283.

¹² Added as shown, according to Section 1, N° 3, letter d) of Law N° 19.283.

¹³ Added as shown, according to Section 1, N° 3, letter d) of Law N° 19.283.

SECTION 4

In the exercise of his authority in the sanitary field, as provided for in the above Section, the National Director may propose to the Ministry of Agriculture the officially qualified ports of entry into the country of forest, agricultural and livestock products; he may also establish routes and special measures regarding packaging and transport of in-transit merchandise, seasons or time limits for its transport, as well as the maximum period of time that such merchandise may stay within the national territory; prescribe treatments that ensure destruction or safety of pest or disease agents and, in general, adopt any other compulsory control measure intended to prevent the introduction and spreading of plant and animal pests and diseases within the country.

SECTION 5

The parties concerned shall be bound to comply, at their expense, with all plant and animal health control measures prescribed under this law. If they are unwilling or unable to comply with them, or do not take them in due time or with due care and diligence, such measures shall be applied on behalf of the persons concerned by the Agriculture and Livestock Service with the assistance of law enforcement officials if necessary. The Service shall deter-

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○ mine the relevant costs by a well-founded Resolution that shall be enforceable.¹⁴

Notwithstanding the provisions of the first sentence herein, the Service, through a well-founded Resolution, may exempt the parties involved from paying, in whole or in part, the costs referred to therein, considering their financial standing and the diligence shown in adopting measures to prevent pest or disease outbreak or spreading.

¹⁴ See Single Section of Law 18,782 dated February 9, 1989, according to which the Service is empowered to order immediate enforcement of Resolutions demanding application of sanitary measures:

SINGLE SECTION

The National Director or, if applicable, the Regional Directors of the Agriculture and Livestock Service shall be empowered to order that such Resolutions to fight and prevent pest and diseases which are subject to approval by the Comptroller's Office of the Republic of Chile be enforced before obtaining such approval provided that measures adopted therein become unsuitable if they are not applied immediately.

In any case, the National Director and the Regional Directors, as applicable, shall submit the corresponding Resolution to the Comptroller's Office within fifteen days from the taking of the relevant measures and, thereupon, it may not be withdrawn.

PART II
ORGANIZATION AND ADMINISTRATION

SECTION 6

The management, organization and administration of the Agriculture and Livestock Service shall be entrusted to the National Director, who shall be the Service's Chief Officer and representative in and out of court.

For the organization and proper operation of the Agriculture and Livestock Service, the National Director may draw up the necessary rules to establish such departments as he may deem appropriate and to fix their duties and powers, and he shall be authorized to cancel or merger such departments or change the name thereof, as provided for under Law N^o 18.575.

SECTION 7

The National Director shall have the following duties and powers:

- a) to formulate the Service's general policies, prepare and amend technical programs of general or particular nature and draw up budgets therefor, according to the guidelines laid down by the Ministry of Agriculture;

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- b) to assist and inform both the Minister and the Undersecretary of Agriculture in or about matters proper to the Service;
- c) to acquire in any way, lease, or obtain the use of any kind of goods under a franchise or commodatum agreement or otherwise, and execute the relevant contracts;
- d) to be aware of and adopt resolutions regarding all matters related to the purposes and interests of the Service, with authority to take all such steps and enter into all such agreements that may be necessary or that may directly or indirectly be in furtherance of the goals of the Service;
- e) to formulate the annual budget project of the Service and submit it to the Ministry of Agriculture for approval;
- f) to enforce statutory and regulatory provisions the application of which is within the competence of the Service;
- g) to approve balance sheets and activities of the Service;
- h) to enter into any kind of legal acts that may affect the Service's own properties and resources, the resources managed by the Service according to law, and the assets acquired out of them. However, the approval of the Ministry of Agriculture shall be required to acquire, dispose of, donate or encumber land property;

to lease, hire or obtain the use of personal or real property under a commodatum agreement;

- i) to grant subsidies and make contributions approved by the Budget Law;
- j) to indemnify, upon the approval of the Ministry of Agriculture according to an executive decree bearing also the signature of the Ministry of Finance, owners against the necessary elimination or destruction of their safe or uncontaminated goods or products and for the restrictions on the use of farms imposed by the Service to prevent, control or eradicate pests or diseases. Indemnities shall only cover actual property damages;
- k) to assign the Service's staff members as inspectors and officials acting as commissioners for oaths to certify the Service's acts;¹⁵
- l) to employ the Service's staff and all such personnel as may be necessary out of the funds budgeted for that purpose. He may further retain temporary services rendered by professionals, technicians and experts on a fee basis, as well as workers, provided that the duties to be performed may not be discharged by the Service's staff. The relevant employment contracts shall be governed by the provisions of the Civil Code or the Labor Code, as applicable;¹⁶

¹⁵ Replaced as shown, according to Section 1, N° 4, letter a), of Law N° 19.283.

¹⁶ Replaced as shown, according to Section 1, N° 4, letter b), of Law N° 19.283.

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- m) to retain, for fees or other valuable consideration, out of the funds budgeted therefor, individuals, companies, and domestic and foreign public or private entities, to render services, make studies, carry out research or perform work related to the Service activities;

- n) to enter into any kind of agreements with domestic or foreign individuals or legal entities of private or public law, in order to develop work programs within the purposes of the Service, him being authorized to make all the relevant contributions;

- ñ) to suggest rates and fees for the Service's inspection work and services; such rates and fees shall be fixed by executive decree issued by the Ministry of Agriculture and bearing further the signature of the Ministry of Finance, and shall be competitive and consistent with the market values. The National Director may authorize the exemption from rates and fees in case of inspection of properties to be used for research or other scientific purposes;¹⁷

- o) to authorize the execution of special tasks or inspection work outside the normal business hours, provided that the users shall pay the additional rates;

- p) to accept, for the Service's benefit, donations, devises and inheritance with the benefit of inventory; to compromise and settle in and out of court, enter into the agreements provided for under the Bankruptcy Law and make

¹⁷ Replaced as shown, according to Section 1, Nº 4, letter c) of Law Nº 19.283.

arrangements; in the event of international agreements, to confer upon an arbiter the powers of an arbitrator regarding proceedings and award. Further, he shall be the Service's representative in and out of court and shall be vested with the powers provided for under Section 7 of the Code of Civil Procedure, him being entitled to appoint an attorney-in-fact;

- q) to elect special domiciles of the Service;
- r) to adopt such resolutions of general or particular nature that may be necessary to exercise the powers conferred upon him according to this Section, or to fulfill the purposes of the Service; and
- s) to authorize, according to the rules, the taking of insurance policies to cover claims that may be incurred by employees or officers discharging high-risk tasks in Service's laboratories or in the field.¹⁸

SECTION 8

There shall be a Regional Director in each region of the country.

Regional Directors shall formulate and lead the implementation of the regional plans and programs to control and supervise enforcement of statutory and regulatory

¹⁸ Letter added according to Section 1, NP 4, Letter d), of Law NP 19.283.

provisions with respect to the duties referred to under Section 3 of this Law, and shall participate in the implementation of the corresponding national plans and programs.

Regarding sanitary matters, Regional Directors may, in accordance with the policies adopted by the National Director, determine or establish areas subject to sanitary control, quarantines, sanitary barriers, isolation, summer pastures or use restrictions; grant authorization for animal movement; order vaccination and diagnosis tests, analysis and reaction tests, slaughter, destruction or return of animal and plants, products, by-products and derivative products affected or allegedly affected by pests or diseases.¹⁹

SECTION 9

Regarding administrative matters, each Regional Director shall have the following duties:

- a) to organize and manage the Office of the Regional Director and implement the policies adopted for the relevant Region;
- b) to advise the relevant Regional Ministerial Secretary of Agriculture, and assist him in the coordination of the corresponding State agencies;

¹⁹ Replaced as shown, according to Section 1, N° 5, of Law N° 19.283.

- c) to administer assets and resources at their disposal, according to the general instructions given by the National Director;
- d) to formulate, according to applicable rules, the regional budget of the Service and submit it to the National Director for approval, upon authorization of the relevant Regional Ministerial Secretary of Agriculture;
- e) to second personnel and assign duties; regarding regional office personnel, authorize leave of absence with or without pay;
- f) to admit entitlement to family allowance and medical leave and authorize vacation leave regarding personnel reporting to him;
- g) to institute administrative inquiries or summary proceedings with respect to the Service Regional Office personnel and apply the corresponding disciplinary measures;
- h) to perform such acts and enter into such agreements, at a regional level, that may be necessary to discharge the duties of the Service, out of the budget funds appropriated for the Regional Office spending; and
- i) to discharge such additional duties as the National Director may delegate to each of them.

PART III ASSETS

SECTION 10

The assets of the Service shall consist of the following properties and resources:

- a) contributions according to the Budget Law;
- b) all real and personal property owned by the Service as of the date of publication of this Law, and those that it may in any way acquire in the future;
- c) natural and civil fruits of its own properties or of assets managed by the Service, including, but not limited to, the rights agreed upon with third parties regarding their use and exploitation;
- d) the fruits or proceeds of goods contributed by private persons by virtue of agreements, if so provided for therein;
- e) the proceeds of the sale of real and personal properties, books or publications, whether with scientific or diffusion purposes, or other goods;
- f) the proceeds of supervision and inspection work rates, and other revenues raised in the discharge of its duties; and
- g) the proceeds of any confiscation.

PART IV PROCEDURE AND PENALTIES

SECTION 11

The procedure described under this Part shall be generally applied to hear reports of violation of the statutory or regulatory provisions referred to in Section 2, and shall replace any other procedure provided for therein. Each Regional Director shall, within his jurisdiction, be empowered to hear cases of violations of such laws and regulations and to impose penalties.

Each Regional Director may delegate the above-mentioned power to officials reporting to him.

SECTION 12

The Service shall be empowered to file actions for violations referred to in the foregoing Section, on behalf of public interests.

Each Regional Director shall, by resolution, appoint officials to act as Service's Inspectors, who shall report any violations of regulations, the enforcement of which is within the competence of the Service.

Violations reported by the Service's Inspectors or officials of "Carabineros de Chiles" shall be presumed

violations actually committed.

In the event that a violation of law is reported to “Carabineros de Chile”, the Head of the relevant police station shall inform the Service of the infringement.

SECTION 13

In the discharge of their supervisory duties, the Service’s Inspectors shall be empowered to enter public or private premises, buildings or facilities where goods or products subject to inspection may be kept, cropped, produced, stored, deposited, processed or sold, and to search vessels, aircraft, train carriages, vehicles, persons, animals, boxes, packages or containers. Those being inspected shall be cooperative in order to facilitate the discharge of the Inspectors’ duties.

For discharging the above-mentioned duties, the Service’s Inspectors may directly require the assistance of law enforcement officials from the Head of the nearest police station or other competent authority, as the case may be; if necessary, such officials may break into the premises provided that they are not a place of residence.

Regarding residences, searches referred to herein may be conducted with the assistance of law enforcement officials under a search warrant issued by a Judge of the Criminal Court of jurisdiction within the territory where the violation has been incurred. A Judge may forthwith issue a search warrant upon Service’s request.

SECTION 14

The Service's Inspectors and officials of "Carabineros de Chile" shall, after verifying a violation of the regulations referred to in Section 2, issue a complaint setting out the nature of the claim asserted, and the identity of the offenders.

The complaint shall be submitted to the Regional Director, who shall appoint an official to try the case. The official in charge shall summon the offender, as provided for under Section 19 of this Law, to appear and produce all the evidence available. He may further serve a summons under the same provisions on the complainant if he deemed it necessary. Defense shall be raised and testimony of witnesses and other evidence shall be taken at the hearing. Witnesses shall give evidence separately. The above-mentioned official shall issue a statement of the hearing with his signature and the signature of the appearing parties. If any of the appearing parties refuses to set his hand thereunto, this fact and the reasons thereof shall be recorded. Should the offender be domiciled outside the region of complaint, he may appear before the Service's Regional Office corresponding to his domicile to defend himself and produce evidence. Should it be concluded that the facts on which the complaint is based are contrary to law, the official in charge of trying the case shall issue a report and submit the relevant information to the Regional Director for a final decision.

The Regional Director, if he deems it convenient, shall return the relevant information to the official in charge of trying the case, who shall take all such actions as he may

deem necessary to adopt a resolution on the matter submitted to his decision.

The party affected or his attorney, if any, shall be served at his domicile with the corresponding acquittal or penalty.

SECTION 15

At the time of verifying a violation of law, an official in charge of trying a case may, as an injunction relief to ensure the effectiveness of the applicable penalty and result of the inquiry, require that the Regional Director orders the attachment or transfer of items, inputs or products, the freezing thereof, and the affixing of seals and binding with strappings on real or personal property.

A party affected by any of the above-mentioned measures may lodge an appeal with the National Director of the Service for annulment thereof. He shall make a decision within ten days from the date of appeal.

For the purposes of the above clause, the affected party may lodge the appeal with the Regional Office with jurisdiction over the territory where the violation has been incurred, with the Regional Office with jurisdiction over the territory where the offender's domicile is located, or with the office of the National Director.

There shall be no right of appeal against the decision of the National Director.

SECTION 16

Upon application of a penalty by the Regional Director, the affected party may, within 10 business days from the service thereof, request the National Director to review the decision imposing the penalty. In the exercise of this power, the National Director may confirm, modify or set aside the penalty applied by the Regional Director, or impose a different one.

This appeal of review shall be lodged with the Regional Office with jurisdiction over the territory where the violation has been incurred, with the office of the National Director or with the Regional Office with jurisdiction over the territory of the offender's domicile.

SECTION 17

A complaint about the penalty imposed by the National Director as provided for under the above Section may be lodged with the Judge of the competent Civil Court in the territory where the Regional Office in whose jurisdiction the violation has been incurred is located. If there are two or more courts within such territory, the court on duty shall be competent. Complaints shall be lodged not later than thirty business days after service.

A complaint shall be personally served upon the relevant Regional Director. He shall be the representative of the

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Service, which shall become party to the lawsuit. The complaint shall be answered within ten business days from the date of service. Whether or not an answer to the complaint is filed, the court shall take evidence or pronounce its final judgment, as it deems it convenient.

Evidence, if applicable, shall be given within the period of time and in the manner specified for incidental proceedings under the Code of Civil Procedure. Upon expiration of the discovery period, the court shall pronounce judgment without further actions. There shall be no right of appeal against the sentence.

SECTION 18

In the administrative and legal proceedings resulting from violations of the statutory or regulatory provisions referred to in Section 2 herein, evidence shall be weighed according to the principles on reasoned opinions or judgments.

SECTION 19

Resolutions ordering personal appearance of the offender, directing the parties to produce evidence, imposing penalties upon the offender, or acquitting a person, shall be personally served through a legal document containing a complete copy of the relevant resolution and the necessary

data for proper understanding. This document shall be served at the domicile of the person concerned or his attorney, if any, by an official of the Service or of “Carabineros de Chile”, who shall make proof of service in writing.

SECTION 20

Within ten business days from resolution becoming *res judicata*, an offender punished by fine shall provide evidence of payment before the Service; otherwise he shall be liable to be imprisoned one day for every three monthly tax units of the fine imposed; however, the term of imprisonment shall not exceed 30 days in total.

Should the offender fail to pay the fine five days after the expiration of term provided for under the above sentence, the Regional Director who has heard the case may, for enforcement purposes, require the assistance of law enforcement officials from the competent court.

The fine shall be paid at the Office of the Service or at such banking institution that the Service may determine.

Tax unit conversion into legal currency shall be made in accordance with the tax unit value effective at the date of payment.

SECTION 21

Should the offender be a legal entity, the penalties shall be imposed upon its legal representative or individual acting on its behalf, who shall be jointly and severally liable for the payment thereof.

SECTION 22

Without prejudice to the penalties provided for under the above sections, final decisions according to which a fine is imposed shall confer the right of execution.

SECTION 23

Under special circumstances, the National Director may, upon an offender's request, determine that the fine be paid in installments.

SECTION 24

Without prejudice to the punishment by fine, a Regional Director may confiscate the items or inputs used to violate the law and the proceeds thereof, and dispose of them according to the general directions of the National Director.

A Regional Director may, with respect to a case tried by

him according to law, resolve to release such items from confiscation if the offense punished by such penalty is not serious enough to warrant such measure; if the confiscated items usually serve to a purpose other than the one assigned to them to infringe the law; if such items belong to a third party and there has been no concerted action, and if the confiscation is a much burdensome penalty considering the seriousness of the infringement and the amount of the fine imposed.

SECTION 25

In serious cases, a Regional Director may order the closure of the establishment where the infringement was committed, for up to forty-five days.

No work shall be performed therein during closure, unless authorized by the Service. The National Director or Regional Directors may release an establishment from closure at any time if reasonable.

SECTION 26

Penalties imposed under this Title shall be applied without prejudice to the offender's civil and criminal liability.

In the event that there are provisions regarding minimum and maximum fines for a violation of law, the range

between both ends shall be divided into lower and higher halves, and the fine shall be imposed according to the following criteria:

- a) the amount of a fine shall be within the higher half if a violation of law results in spreading of a plant pest or animal disease declared under compulsory control; soil and water pollution, animal or plant product contamination; a threat to public, animal or plant health, or illegal entry of plants, animals or products or by-products thereof into the country, which may carry agents inciting plant pests or animal diseases;
- b) the amount of a fine for a violation not giving rise to any of the above-mentioned issues shall be within the lower half; and
- c) in the event of violations not giving rise to any specific result, the whole penalty range may be considered to impose a fine, and its amount shall depend upon the existence or non-existence of previous penalties imposed for violations of rules within the competence of the Service, the seriousness of the damages, the measures taken to reduce damages, and the benefits obtained from the infringement by the offender.

SECTION 27

An appeal may be lodged with the court referred to in

Section 17 against the resolutions referred to in Section 5, and those on compensation for damages made pursuant to Section 7, letter (j). The court shall review the case as provided for under such section.

The Service shall have the right to proceed *in forma pauperis* in all the actions deriving from the implementation of the provisions governing matters proper to the Service, and shall be exempt from taxes, levies, rates or charges, except for the Value Added Tax imposed under Decree-Law N° 825 of 1976.²⁰

SECTION 28

Fines imposed by the Service for violation of laws referred to in Section 2 hereof shall not be subject to the surcharge provided for under Law 10.309.

SECTION 29

The proceeds of fines imposed by the Service shall be governmental revenues.

²⁰ *Sentence 2 added according to Section 1, N° 6, of Law 19.283.*

TITLE II GENERAL PROVISIONS

SECTION 30

(21)

SECTION 31

(21)

SECTION 32

All the assets, rights and obligations of the Department of Agricultural Planning are hereby transferred to the Office of the Undersecretary of Agriculture.

SECTION 33

(21)

SECTION 34

Land assignees, individuals who are members of land cooperatives, as well as beneficiaries of land assigned after the winding-up of such land cooperatives - all of which have been governed heretofore by Law N^o 16.640 which is hereby repealed - shall continue to be covered by the social security

²¹ Sections N^{os} 30, 31 and 33 were repealed according to Section 10 of Law N^o 19.147 published in the Official Gazette on July 21, 1992.

system and entitled to family allowance, under the same terms and conditions now in force.

SECTION 35

Any prohibition affecting land property evidenced by a deed of land ownership and resulting from the application of Sections 76 and 85 of Law N° 16.640 and from a farm division approval by the Ministry of Agriculture, is hereby cancelled by the operation of law, under Section 5, Law N° 17.280.

Land property registrars, upon request of the parties concerned, shall cancel prohibitions referred to in the foregoing sentence.

SECTION 36

Section 10 of Decree-Law N° 3.262 of 1980 is replaced with the following one:

«SECTION 10

The State shall not be empowered to bring an action for enforcement of a right to terminate an obligation regarding farms referred to in Section 1 hereof.

Such land property may be encumbered at the owner's discretion as provided for under common law».

SECTION 37

The provisions of Decree-Law N° 3.262 of 1980 shall not apply to farms the owners of which have paid in full the debts referred to in Section 2 hereof. The certificate of payment issued by «Servicio de Tesorerías» shall be recorded in the margin of the relevant land ownership registration.

SECTION 38

Statutory Decree RRA N° 16 of 1963 of the Ministry of Finance is hereby amended as follows:

- a) In Sections 13 and 14, the phrase «up to 10 monthly minimum wages» should be replaced with «from 5 to 100 monthly tax units.»
- b) In Section 15, the phrase «from one to three monthly minimum wages» should be replaced with «from 1 to 50 monthly tax units.»
- c) In Section 16, the phrase «up to three annual minimum wages» should be replaced with «from 1 to 50 monthly tax units.»

SECTION 39

In the first sentence of Section 42, Decree-Law N°3.557 of 1980, number «76» should be replaced with «5».

SECTION 40

The following statutory and regulatory texts are hereby repealed:

- a) Law N° 16.640 on Agricultural Reform.
- b) Statutory Decrees RRA N° 1, 6, 9, 11, 14, 21, and 23 of 1963, issued by the Ministry of Finance.
- c) Statutory Decree RRA N° 10 of 1963 issued by the Ministry of Finance, the revised, coordinated and standardized text of which is included in Executive Decree N° 104 of 1968 issued by the Ministry of Agriculture.
- d) Statutory Decrees N° 2 and 4 of 1967; N° 16 of 1968 and N° 278 of 1979, all of them issued by the Ministry of Agriculture.
- e) Decree-Law N° 1.600 of 1976.
- f) Executive Decree N° 44 of 1968 issued by the Ministry of Agriculture, containing the Organic Rules of the Agriculture and Livestock Service.
- g) Section 2, N° 3, of Statutory Decree N° 294 of 1960, and
- h) Any other rule according to which a farm may be expropriated for agricultural reform purposes.

SECTION 41

The Service shall be the only authority, within the whole national territory, responsible for sanitary inspection and control of pharmaceuticals intended for veterinary use only, i.e. any natural or synthetic substances, or blend thereof, administered to animals, and antigens for use in vitro.

Production, manufacturing, registration, storing distribution, sale, import and export sanitary rules as well as the veterinary pharmaceuticals shall be compiled in a code.²²

SECTION 42

The chemical composition and microbiological characteristics of the products referred to in the foregoing section shall correspond to their nomenclature and names.

The manufacture, import, possession, distribution and transfer of non-registered, contaminated, adulterated or counterfeited pharmaceuticals intended for veterinary use only is hereby prohibited. The Service shall be responsible for seeing to the due compliance with the statutory and regulatory provisions regarding pharmaceuticals intended for veterinary use only, and for punishing offenders.²³

²² Added as shown, according to Section 1, No. 7 of Law No. 19,283. -

²³ Added as shown, according to Section 1, No. 7 of Law No. 19,283. -

SECTION 43

The Service shall be responsible for controlling the use of natural or synthetic anabolics in the livestock business sector and shall ban the use of those that may be a threat to animal or human health, it being empowered to take any kind of measures, except in matters proper to the Public Health Institute as provided for under Book IV of the Sanitary Code.²⁴

SECTION 44

The Service shall be empowered to use, without charge, all national properties intended for public use, in order to install therein, only for the necessary period of time, such control posts as the National Director or the Regional Directors may determine.²⁵

SECTION 45

The Service may manage assets and funds obtained by way of agreements with third parties and apply them to the development of specific programs related to the Service's duties and purposes.

²⁴ Added as shown, according to Section 1, N^o 7 of Law N^o 19.283.

²⁵ Added as shown, according to Section 1, N^o 7 of Law N^o 19.283.

Such assets and resources shall be assigned to the relevant program and shall not become part of the Service's assets, unless otherwise provided for under the corresponding agreement.²⁶

SECTION 46

A well-founded and public report from the Service, issued within 30 days from the date of request, shall be required to change the use of land in rural areas under Section 55 of Executive Decree N° 458 of 1976 issued by the Ministry of City Planning and Housing. In addition, a certificate of due compliance with applicable regulations, which shall be issued by the Service, shall be required to subdivide rural property.²⁷

SECTION 47

No right to compensation shall arise from the application of the following measures:

- a) slaughter or destruction of products or animals illegally entered into the country or located in areas which should be cleared; under any circumstances, however, animals shall be slaughtered by means designed to spare them all avoidable suffering;

²⁶ Added as shown, according to Section 1, N° 7 of Law N° 19.283.

²⁷ Added as shown, according to Section 1, N° 7 of Law N° 19.283.

- b) slaughter or destruction of such products or animals being imported which do not comply with the sanitary requirements and which have not been re-exported within the period of time established by the Service.²⁸

SECTION 48

Temporary Section 3 of Law N^o 18.755 and any other statutory or regulatory provision contrary to the provisions of Sections 41 and 42 of Law N^o 18.755 incorporated hereunder, are hereby repealed.²⁹

SECTION 49

Without prejudice to the provisions of Part IV, Title I hereof, each Regional Director of the Service may delegate the authority to impose penalties for the illegal entry of plant or animal products that may carry agents inciting pests or diseases on staff members of the International Control Post headquarters. The National Customs Service shall be empowered to receive payment of fines imposed.

In these cases, the offender shall be entitled to appeal to the National Director against the penalty, as provided for under Section 12 hereof, provided that the full amount of the fine imposed is paid at the relevant International Control Post.³⁰

²⁸ Added as shown, according to Section 1, N^o 7 of Law N^o 19.283.

²⁹ Added as shown, according to Section 1, N^o 7 of Law N^o 19.283.

³⁰ Added as shown, according to Section 1, N^o 7 of Law N^o 19.283.

TITLE III TEMPORARY PROVISIONS

SECTION 1

The authority of the «Oficina de Normalización Agrícola» (Agricultural Standardization Office) to certify, in its capacity as employer, the contractual rights and benefits of the staff members of said Office and of the «Corporación de la Reforma Agraria» (Agricultural Reform Commission), shall be assigned to the Office of the Undersecretary of Agriculture, but the financial obligations arising from such rights and benefits shall be paid out of governmental funds, as provided for under Section 4 of Decree-Law N° 2.405 of 1978.

SECTION 2

Without prejudice to the provisions under Title I, the Agriculture and Livestock Service shall enter into all such agreements and perform all such acts that may be necessary to carry into effect the agricultural reform provided for under Laws N° 15.020 and N° 16.640.

In the discharge of these duties, the Service shall be empowered:

- a) to perfect such contracts and execute such acts that may be pending and which may be required to incorporate

into its assets land properties included in the agricultural reform process by the Agricultural Reform Commission or the Agricultural Standardization Office;

- b) to cancel and clear mortgages, encumbrances and prohibitions on properties assigned or otherwise transferred by the «Caja de Colonización Agrícola» (Agricultural Settling Fund), the Agricultural Reform Commission, the Agricultural Standardization Office and the Agriculture and Livestock Service;
- c) to hold, keep and transfer to «Archivo Nacional» (National Archives), if applicable, the Registers of Deeds and Titles granted by the Agricultural Settling Fund, the Agricultural Reform Commission, the Agricultural Standardization Office and the Agriculture and Livestock Service, as well as resolutions, Council Approvals, and any other documents related to the acquisition of land property included in the agricultural reform process, and beneficiaries thereof. It shall further be empowered to issue, upon request, authenticated copies of such documents to the interested parties as far as the registers are under its custody;
- d) to supervise the winding-up process of the Agricultural Settling Cooperatives and Agricultural Reform Cooperatives, the dissolution of which was decreed prior to the date of publication of this Law. To that end, it may authorize land subdivision and disposal of assigned properties; modify approved winding-up and land

subdivision projects; verify membership and members' rights; establish liquidation committees and remove the members thereof; approve, based on available data, settlement and final account statements issued by the liquidation committees; adopt resolutions regarding application of non-distributable funds and payment to estates and absent members, and execute any other act that may be necessary to carry out the liquidation process of the above-mentioned cooperatives.

The cooperatives the winding-up of which has not been decreed shall be governed from now on by the General Law of Cooperatives;

- e) to exercise the right and fulfill the obligation to grant titles of ownership based on Deeds of Conveyance, Provisional Titles, purchase and sale agreements or deeds of transfer executed by the Agricultural Settling Fund, the Agricultural Reform Commission and the Agricultural Standardization Office, the perfection of which may be pending at the date on which this Law shall enter into force; it shall be further empowered to rectify errors therein, if any; and
- f) to dispose of personal or real property or rights obtained from the Agricultural Settling Fund, the Agricultural Reform Commission and the Agricultural Standardization Office. The Service may divide or subdivide, at its own discretion, the above-mentioned land property.

SECTION 3

Repealed.³¹

SECTION 4

Notwithstanding the provisions in Section 40, letter (a) hereof, the «Servicios de Tesorería» (Office of the Treasury) shall continue to issue Agricultural Reform Bonds to the extent necessary to pay outstanding compensations for expropriation under Law N° 15.020 and Law N° 16.640, in accordance with the provisions of the latter, which shall remain in force only for this purpose.

The President of the Republic is hereby empowered to authorize the issuance of Agricultural Reform Bonds to the extent necessary to comply with the provisions of the above sentence.

Repeal of Law N° 16.640 shall have no effect on the validity, characteristics and application of the Agricultural Reform Bonds issued.

SECTION 5

The Ministry of Finance, according to a decree issued

³¹ Repealed under Section 1, N° 7 of Law N° 19,283.

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under Section 70 of Decree-Law N° 1.263 of 1975, shall transfer the available funds allocated to the Office of Agricultural Planning to the budget of the Administration and General Secretariat of the Ministry of Agriculture.

It shall further be empowered to establish and increase in the above-mentioned budget the transfers and items authorized in the budget of the Office of Agricultural Planning.

(32)

³² *The following Section 2 is also included in Law N° 19.283 of January 5, 1994 that modifies Law N° 18.755:*

"SECTION 2

The following phrase should be added in sentence 3, Section 7, of Decree-Law N° 3.557 of 1980, replacing the period (.) with a comma (,): «as provided for under Section 47 of Law N° 18.755.»

This is a useless provision, since the reference to Section 47 of Law N° 18.755 was originally a reference to a text proposed in the Message from the Executive that in the end was not approved by the National Congress.