

FAST FACTS



Chile

Export Opportunities in Chile

In 2016, Chile ranked 23rd among U.S. export destinations and 37th among Virginia export destinations. Some of the top opportunities for U.S. exporters in Chile include:

- » Auto Parts
- » Construction
- » Electric Power Equipment
- » Environmental Technologies
- » Healthcare
- » Mining Equipment
- » Safety and Security
- » Water Resources

Map of Chile



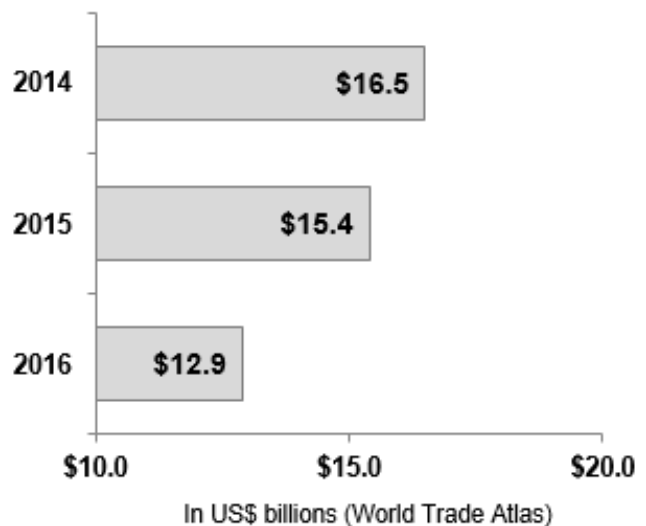
(U.S. Central Intelligence Agency)

Top Virginia Exports to Chile

Export Category	2016 Value	Change 2016/2015
All Commodity Chapter:	\$ 78.1	-17%
Vehicles, Not Railway	\$ 20.9	5%
Industrial Machinery	\$ 8.4	-36%
Plastics	\$ 7.9	34%
Paper & Paperboard	\$ 7.7	-1%
Electrical Machinery	\$ 5.8	-37%
Meat	\$ 5.4	6%
Medical Instruments	\$ 5.1	14%
Aircraft & Spacecraft	\$ 3.6	58%
Iron And Steel	\$ 1.1	-7%
Pharmaceuticals	\$ 1.1	-3%

In US\$ millions (World Trade Atlas)

U.S. Exports to Chile



In US\$ billions (World Trade Atlas)



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Opportunities in Chile for Exporters

Mining Equipment

Chile's mining project pipeline remains large, but is less certain than it was a few years ago. Chile is the number one producer of copper in the world. In 2015, the sector produced 5.75 million tons of copper. The mining sector contribution to the country's GDP is about 12%. The industry represents about 55% of the country's total exports. Top opportunities for U.S. exports include:

- » Water treatment and desalination systems
- » Underground mining technology services
- » Wear-resistant materials
- » Off-road trucks
- » Mine closure technology

Electric Power Equipment

The general consensus is that electricity demand for the next five years will grow at approximately 3% per year. At the current growth rate, Chile will require approximately 90,000 GWh of total electric energy supply by 2020. To achieve enough installed capacity to meet this projected demand, Chile would need to add approximately 500 MW per year for the next 5 years, creating opportunities for U.S. companies in the energy sector. Chile has four independent electric grids. Top prospects include:

- » Hydro and thermal generation plants
- » Clean coal technology
- » Wind generation plants
- » Solar Panels and Systems

This information is adapted from the U.S. Commercial Service. [Click here for more export opportunities.](#)

Water Resources

Chile is an important market for suppliers of different technologies to obtain clean water and reutilization of water. U.S. suppliers of water, wastewater treatment, and desalination technologies have great potential in this market. Chile is experiencing the worst water shortage in 100 years, impacting the industrial, commercial, agricultural, and individual consumers. Chile's water market is privatized with limited government regulation and strong private property rights. Top prospects for U.S. exports include:

- » Hydrodynamic separators
- » Desalination plants
- » Biological-based treatment plants
- » Reverse osmosis treatment plants

Safety and Security

The safety and security industry in Chile grew approximately 2% during 2015 and according to industry contacts, the same growth is expected for 2016. Although the incidence of terrorist activity and civil disturbance is generally considered low in Chile, security-related incidents still continue to be present. Top prospects include:

- » Access control
- » Biometric equipment
- » Fire detectors and sprinkling systems
- » Locks, safes, and sensors
- » Extrication equipment

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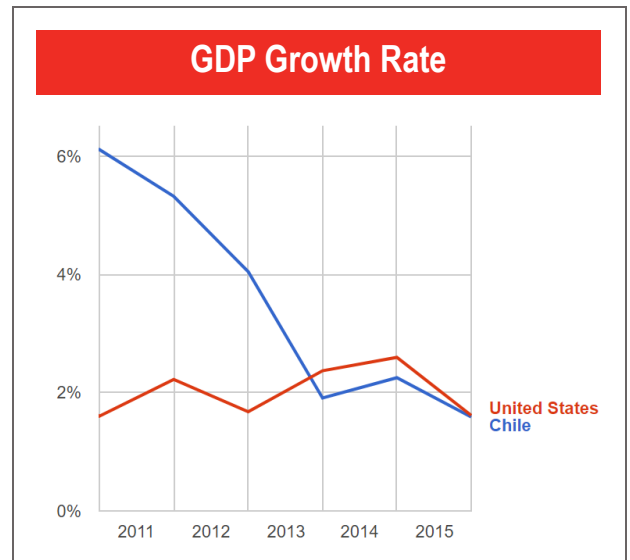
Economic Overview

Chile has a market-oriented economy characterized by a high level of foreign trade and a reputation for strong, financial institutions and sound policy that have given it the strongest sovereign bond rating in South America. Exports of goods and services account for approximately 1/3 of GDP, with commodities making up some 60% of total exports. Copper alone provides 20% of government revenue.

From 2003-2013, real growth averaged almost 5% per year, despite the slight contraction in 2009 that resulted from the global financial crisis. Growth slowed to an estimated 2.3% in 2015. A continued drop in copper prices prompted Chile to experience its second consecutive year of slow growth, high inflation, and a depreciating currency.

Chile deepened its longstanding commitment to trade liberalization with the signing of a free trade agreement with the US, which took effect on January 1st, 2004. Chile has 22 trade agreements covering 60 countries.

(U.S. Central Intelligence Agency)



Cultural Guide

- » Always use surnames and titles - wait to be invited to use someone's first name.
- » Business cards are exchanged on the initial meeting at the very start. Try and have one side translated into Spanish. Keep cards in good condition - a tatty card will reflect badly on you.
- » Chile has a relationship driven culture so initial meetings should be used to build a relationship and establish trust. Devote time to non-business discussions and wait for the other party to initiate the change in topic.
- » Meetings are not always linear in their progression. Schedules are not very structured and issues can be tackled all at the same time. It is important to be patient as time is not of the essence in Chile - meetings will last as long as they need to last. Decisions are not made at meetings so it is important to provide all necessary information during the meeting.
- » Communication styles tend to be tuned to people's feelings. Confrontation is generally avoided in order not to jeopardize another's honor or dignity, therefore, it may be necessary to read between the lines in order to fully understand what is really meant.

Chileans like an element of formality in all they do.

(Kwintessential)

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Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: ExportVirginia.org

Additional Resources: Market Reports

[Chile Country Commercial Guide](#)

[Ease of Doing Business Report](#)

[Sector Opportunities in Chile](#)

[Exporting to Chile](#)

U.S. Commercial Service

World Bank

Forbes

United Kingdom Trade & Investment

Online Resources

[Chile Overview](#)

[Taxation and Customs Union](#)

[Chile News \(English\)](#)

[Kwintessential](#)

Global Edge - Michigan State University

ICAEW-Library & Information Service

The Telegraph

Kwintessential Guide to Chile

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