



**Asia-Pacific
Economic Cooperation**

2017/SOM3/DIA/013

Lessons Learnt from Regional Trade Agreements and Free Trade Agreements and Impact Assessments

Submitted by: Chile



**Dialogue on Regional Trade Agreements and Free
Trade Agreements
Ho Chi Minh City, Viet Nam
27 August 2017**



Lessons learnt from RTAs/FTAs and Impact Assessments

MARCELA OTERO

SOM of CHILE



CHILE'S TRADE POLICY

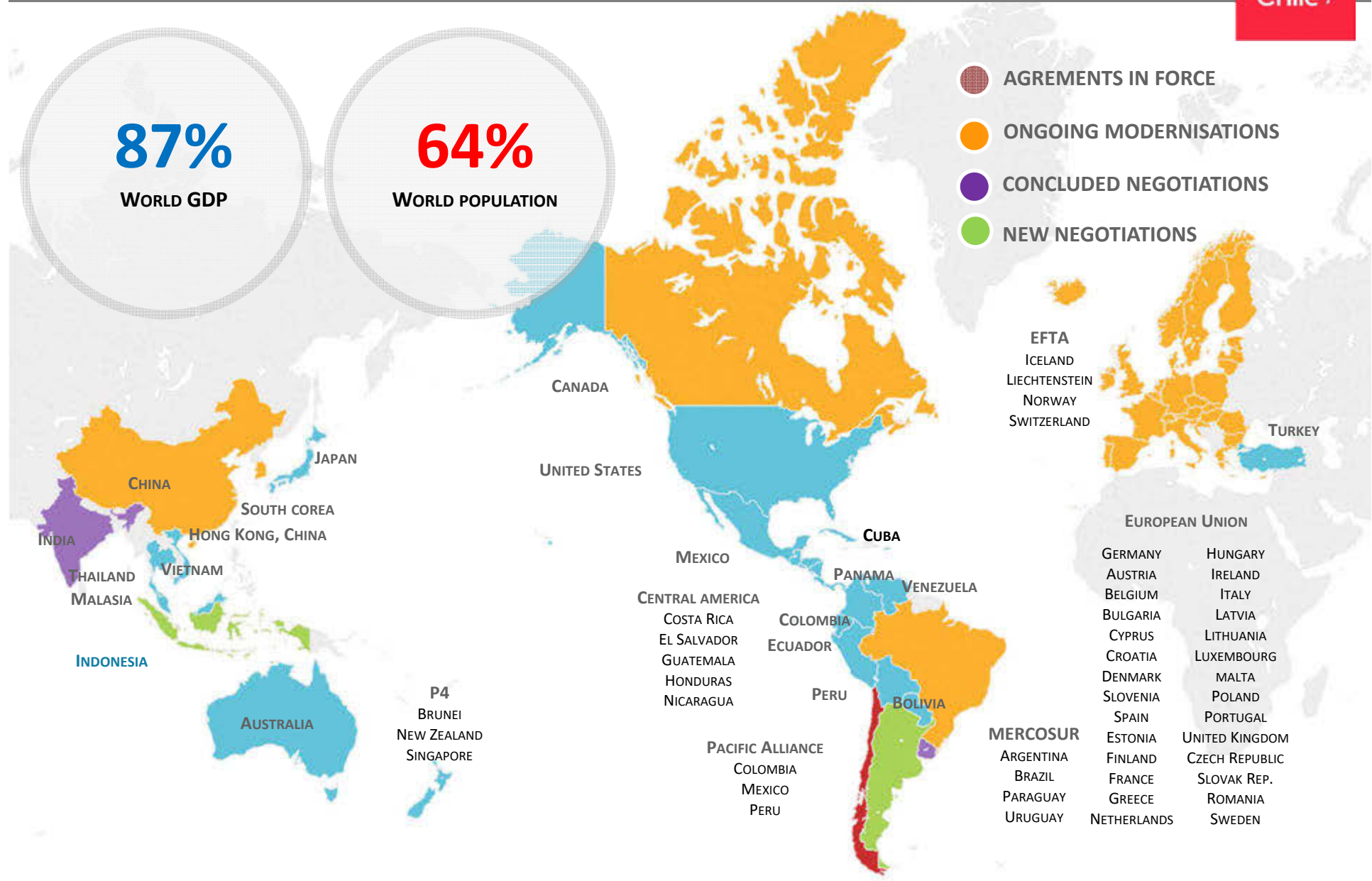
26 FREE TRADE AGREEMENTS WITH 64 ECONOMIES



87%
WORLD GDP

64%
WORLD POPULATION

- AGREEMENTS IN FORCE
- ONGOING MODERNISATIONS
- CONCLUDED NEGOTIATIONS
- NEW NEGOTIATIONS



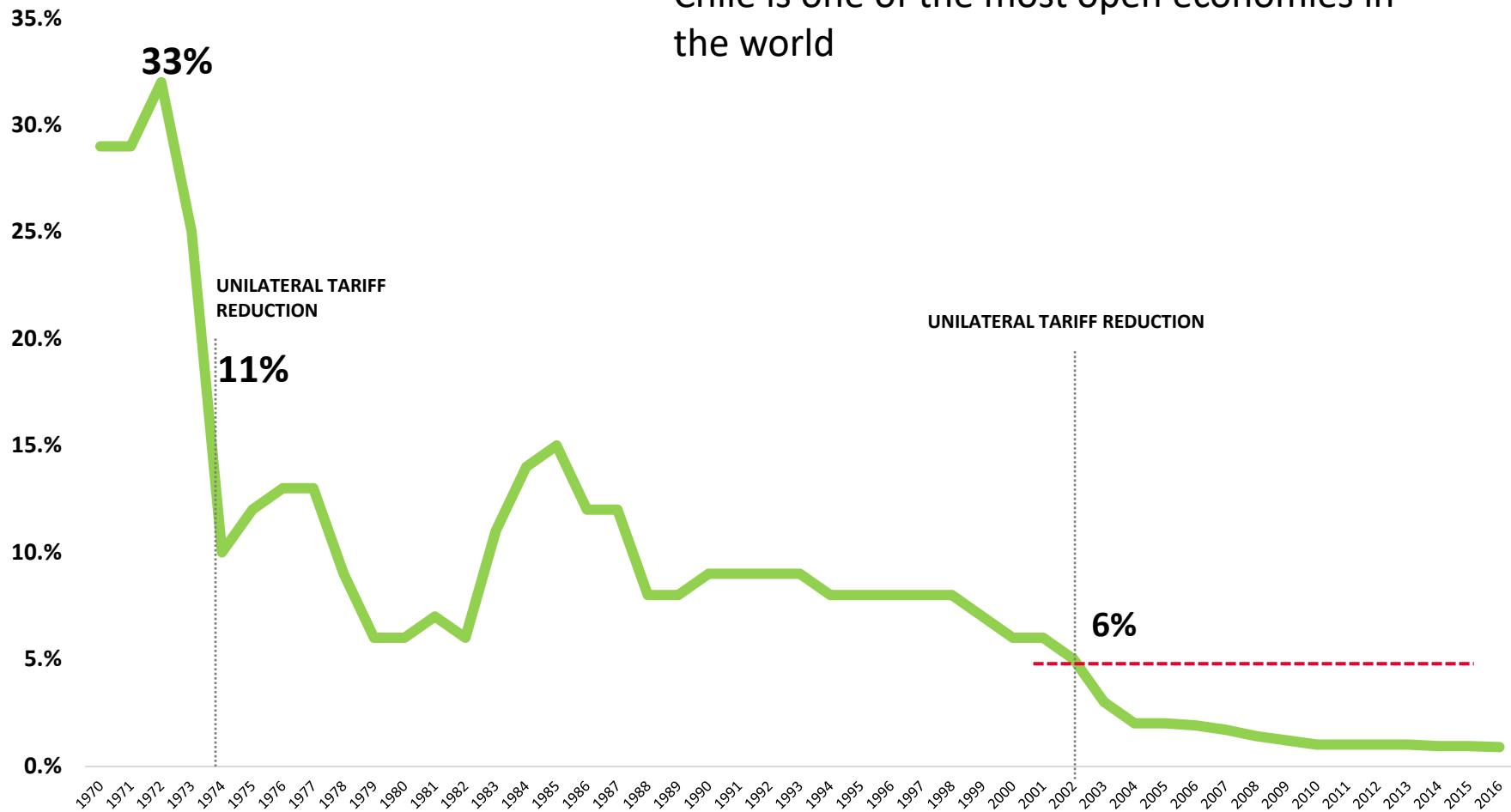
Source: Departamento Estudios, DIRECON-ProChile, con cifras del Banco Central de Chile y FMI (WEO abril 2017).

CHILE'S TRADE POLICY

EFFECTIVE TARIFF RATE



With an effective tariff rate of less than 1%, Chile is one of the most open economies in the world



Source: Departamento de Estudios DIRECON-ProChile, con cifras del Servicio Nacional de Aduanas.



INCREASED PARTICIPATION IN WORLD EXPORTS:

Year 2000

0,31%

of world exports



Year 2016

0,4%

of world exports

US\$ 19.210

Millions

(Chilean Exports)

US\$ 59.884

Millions

(Chilean Exports)

SERIOUS Y DEPENDABLE



CHILE IS A MEMBER OF THE **ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD)**

THE ECONOMY RANKS 24 OUT OF 176 ECONOMIES IN THE "**CORRUPTION PERCEPTION INDEX 2016**" PUBLISHED BY TRANSPARENCY INTERNATIONAL.

Source: <http://www.transparency.org/country/#CHL>



CONNECTED TO THE WORLD



26 TRADE AGREEMENTS SIGNED WITH

64 ECONOMIES – AND OTHERS

CURRENTLY UNDER NEGOTIATION –

ACCOUNTING FOR **64%** OF THE WORLD'S

POPULATION AND **86%** OF GLOBAL GDP



Nº1 | in Latin America

☐ 2017 INDEX OF ECONOMIC FREEDOM WORLD:

10 OUT OF 180 HERITAGE FOUNDATION

☐ 2016 GLOBAL CONNECTIVITY INDEX WORLD:

23 OF 50 HUAWEI.COM

☐ 2016 GLOBAL COMPETITIVENESS REPORT WORLD:

36 OUT OF 61 INTERNATIONAL INSTITUTE FOR MANAGEMENT DEVELOPMENT



Nº1 | in Latin America

☐ 2016 GLOBAL FOOD SECURITY INDEX WORLD:

24 OUT OF 113 EIU

☐ 2016 GLOBAL INFORMATION TECHNOLOGY REPORT WORLD:

38 OUT OF 139 WORLD ECONOMIC FORUM





Nº1 | En América Latina

☐ 2016 CITIES IN MOTION INDEX WORLD:

80 OUT OF 181 IESE BUSINESS SCHOOL, NAVARRA UNIVERSITY

☐ 2017 GLOBAL INNOVATION INDEX WORLD:

46 OUT OF 127, WWW.GLOBALINNOVATIONINDEX.ORG

☐ 2016-2017 GLOBAL COMPETITIVENESS INDEX WORLD:

33 OUT OF 138, WORLD ECONOMIC FORUM

Nº1 | En América Latina

❑ 2016 LEADING ADVENTURE TOURISM DESTINATION

WINNER IN SOUTH AMERICA CATEGORY

WWW.WORLDTRAVELAWARDS.COM

❑ 2016 REFUGEES WELCOME INDEX

SCORE 59 OUT OF 85 AMNESTY INTERNATIONAL

TOPLINE REPORT FROM GLOBESCAN





1

**WORLD'S
LARGEST
EXPORTER**

FRESH BLUEBERRIES

FRESH GRAPES

DEHYDRATED APPLES

FROZEN SALMON FILLET

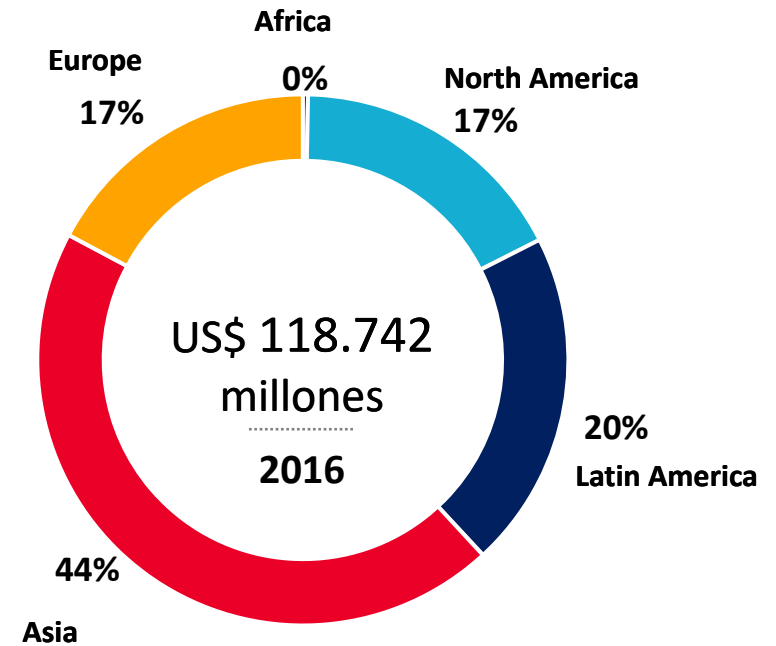
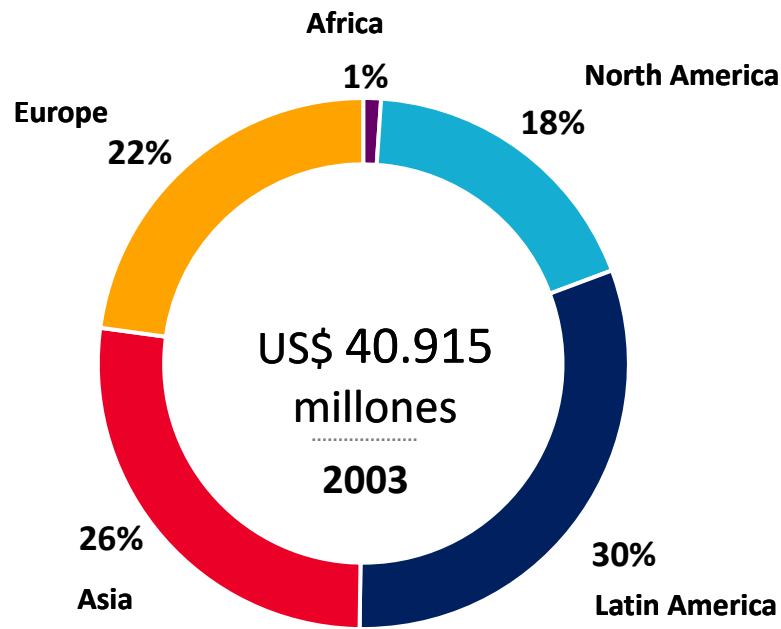
CANNED MUSSELS

IODO

LITHIUM

COPPER CATHODES

CHILE'S COMMERCIAL EXCHANGE BY GEOGRAPHICAL ZONE



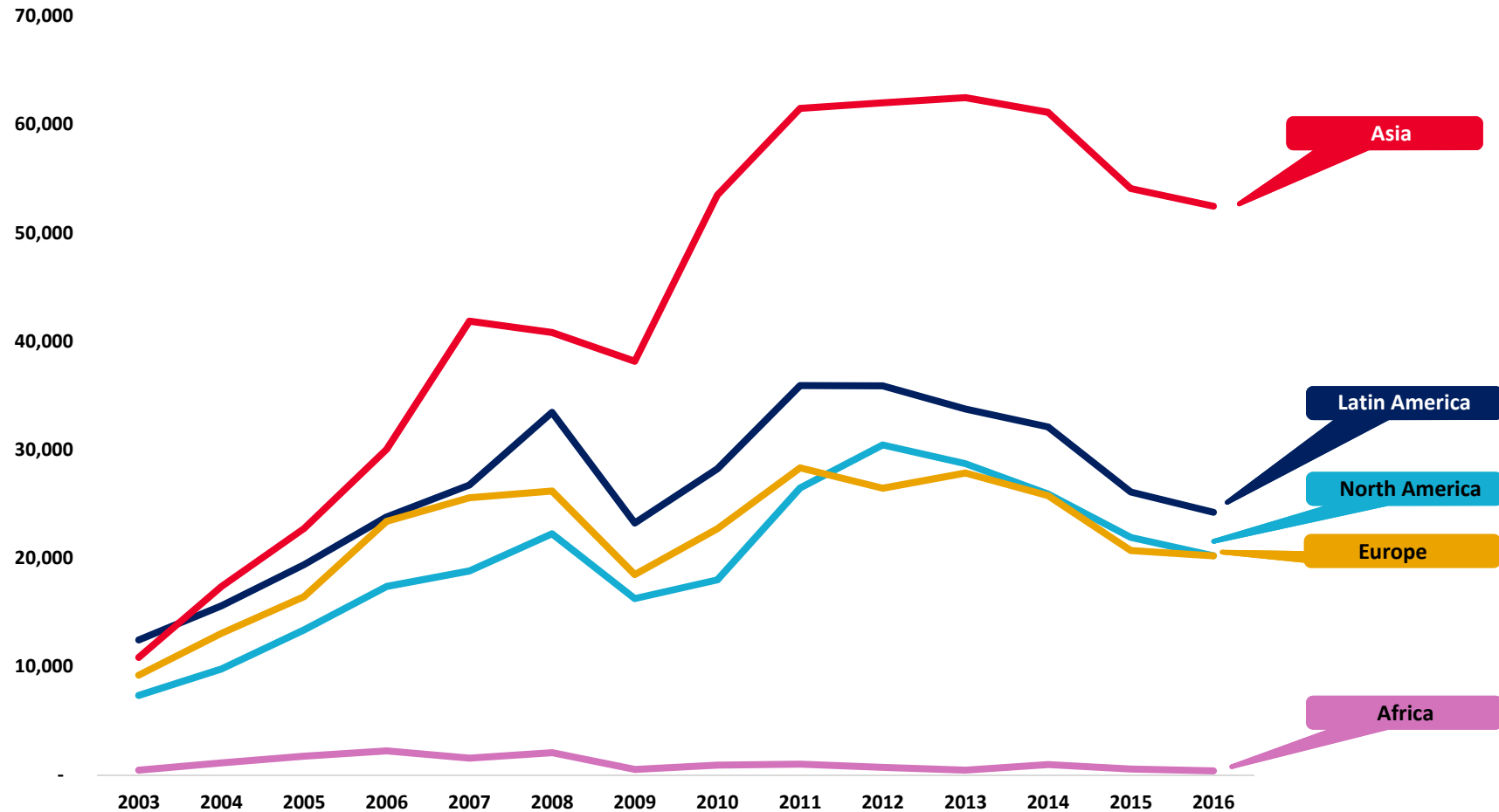
Trade has increased significantly in the past years

64% of Chile's foreign trade is directed towards **Asia** and **Latin America**, which evidences a high level of trade integration with two regions

CHILE'S COMMERCIAL EXCHANGE BY GEOGRAPHICAL ZONE



US\$ Millions



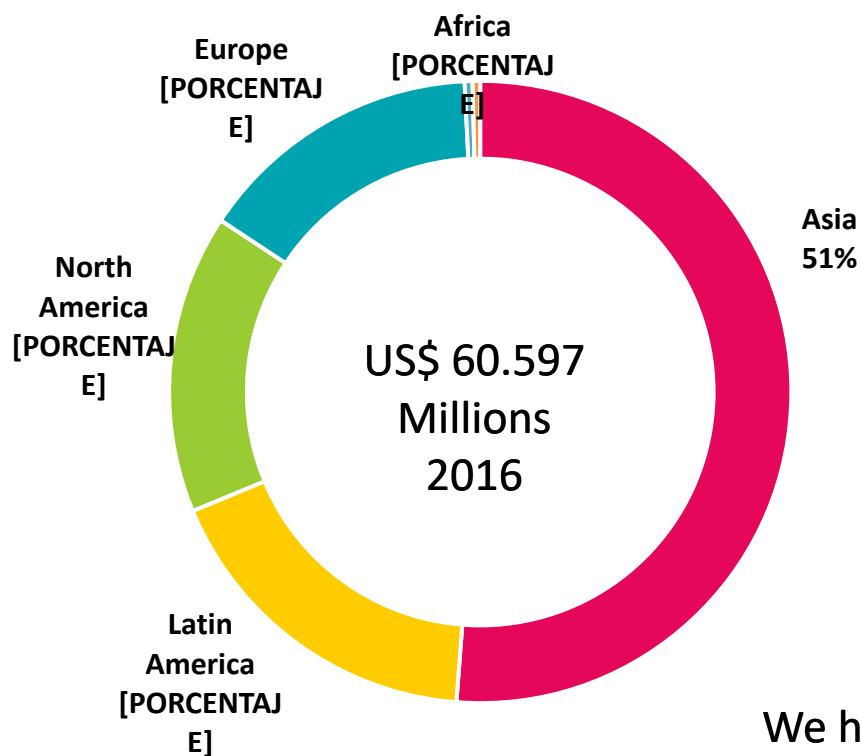
In the past 14 years, exchange with Asia grew by 13% annually

Fuente: Departamento de Estudios, DIRECON-ProChile, con cifras del Banco Central de Chile.

CHILE'S TRADE POLICY FROM LATIN AMERICA TO ASIA



51% of our exports go to Asia



The agreement between Chile and South Korea **was the first Transpacific FTA.**

10 of our 26 trade agreements are with Asian economies

Chile is a member of **APEC** since 1994

The agreement between Chile and China was **the first FTA signed by China**

We have agreements with **5** of the 10 **ASEAN** members

We have started negotiations with **Indonesia**

DEEPENING OUR EXISTING AGREEMENTS

NEW NEGOTIATIONS

ADDING OF NEW TRADE DISCIPLINES

FREE TRADE COMMISSIONS MEETINGS

CHILE WEEK IN CHINA





COORDINATION OF OUR POLICY IN MULTILATERAL FORA

REPRESENT AND DEFEND CHILE'S INTEREST IN MULTILATERAL ORGANISATIONS: APEC,
OECD, WTO, WIPO, AMONG OTHERS

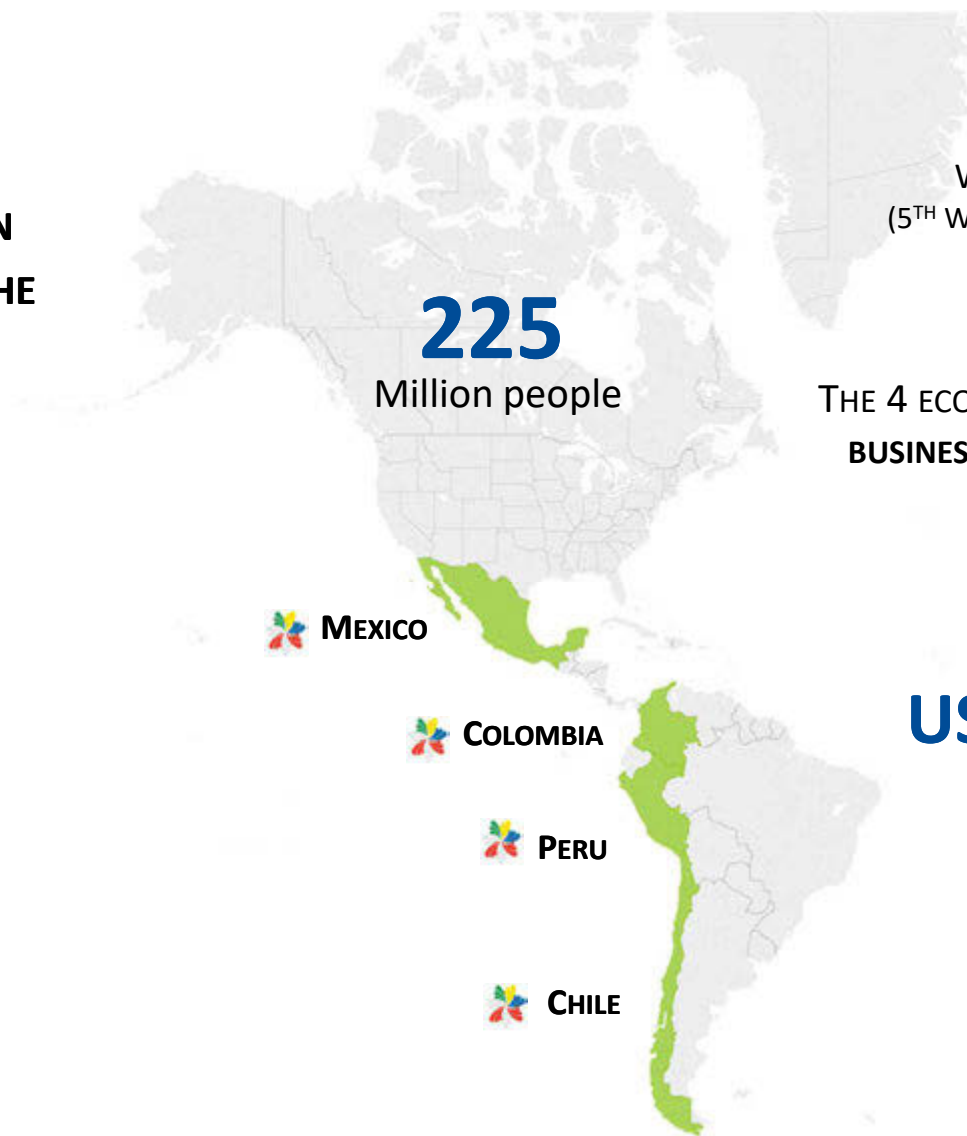


PACIFIC ALLIANCE STRUCTURE



**REGIONAL INTEGRATION
MECHANISM OPEN TO THE
WORLD**

52 OBSERVERS



225
Million people

MEXICO

COLOMBIA

PERU

CHILE

7th

WORLD ECONOMY
(5TH WORLD ECONOMY IN 2020)

THE 4 ECONOMIES WITH **BEST
BUSINESS ENVIRONMENT** IN
LATAM
(Doing Business 2016)

US\$ 16.462
GDP PPP 2015

3,9%
OF THE WORLD FDI
IN 2015

ASSOCIATED MEMBERS TO THE PACIFIC ALLIANCE

Member with which all Parties to the Pacific Alliance Framework Agreement celebrate and bring into force a binding agreement of high commercial and economic standards that contributes to the achievement of the objectives of the Pacific Alliance Framework Agreement.

Negotiations are underway to grant Australia, Canada, New Zealand and Singapore the status of ASSOCIATE MEMBER.







After two years since the beginning of negotiations, the **Pacific Alliance** and the **Union of Southeast Asian Nations (ASEAN)** adopted in September 2016 a **broad framework for cooperation between the two integration mechanisms**. The text prioritizes four areas of cooperation:

ECONOMIC

Exchange of Good Practices

Trade Promotion
Trade Facilitation
Global Value Chains
Investment
Integration to the Capital Markets
Development of MSMEs.

INNOVATION, SCIENCE AND TECHNOLOGY

Cooperation
Exchange of Scientist,
Researchers and
University teachers

SUSTAINABLE DEVELOPMENT

2030
United Nations
Development Agenda

EDUCATION AND PERSONAL CONTACTS

Promote Joint Studies
Academical Seminars
Workshops of Common Interest
Academic and Student Exchange
Cooperation between Universities
Study of the Spanish language in ASEAN
Study of the ASEAN languages in the PA
Scholarship Promotion
Sports Initiatives
Tourism Cooperation
Exchange of Good Practices in Cultural and
Creatives Industries



THANK YOU