

# Country Profile : CHILE

**Main cities :** Santiago (5 150 010 inhab) ; Puente Alto (824 579 inhab) ;

Vina del Mar (287 522 inhab) ; Antofagasta (402 444 inhab) ; Valparaiso (248 070 inhab) ;

San Bernardo (320 626 inhab) ; Temuco (275 617 inhab) ; Rancagua (249 668 inhab).

**Urban population :** 87.6%



Technology	Environmental	Economic issues	Political stability	Customs posture
The Chilean economy is vulnerable to insufficient R&D.	<p>Environmental factors are becoming more and more important in the choice of products. Chilean society is said to be the most environmentally friendly in South America.</p> <p>The Chilean economy is vulnerable to climatic and seismic risks.</p> <p>Very high energy prices.</p> <p>Fragility of road and energy networks.</p> <p>Chile has invested in renewable energy, which is expected to account for 20% of its 2020 energy production.</p> <p>The country mainly exports copper (50% of its exports), fruit and fishery products (which recorded the highest increase).</p>	<p>One of the fastest growing economies in Latin America in the past decade GDP: 3.5% in 2019 (IMF), the highest in the Region, but with strong inequalities. Economic recovery thanks to: Rise in consumption and private investment, higher wages, lower interest rates, confidence in the private sector, higher copper prices, increasing mining production and increased trade wholesale and commercial services.</p> <p>Chilean economy which remains vulnerable to international copper prices, to international demand (in particular from China) Inflation reaching 3% in 2019 Challenges: Overcoming its dependence on the price of copper, the production of which represents 50% of the country's exports, becoming self-sufficient in food, agriculture currently producing less than half of national needs, and increasing its productivity, in particular in the mining sector.</p> <p>Problems due to the trade war between China and the USA, which both represent the main destinations for Chilean exports: 28% and 14% of exports respectively.</p>	<p>Republic based on a parliamentary democracy, in which the president holds absolute powers.</p> <p>In the context of increased pressures resulting from the recent US / China trade war, the main problem facing the Chilean government in order to boost economic growth is to strengthen trade cooperation with new trading partners in Asia.</p> <p>BIG POLITICAL CRISIS IN CHILE.</p>	<p>Average customs duty: 6%, one of the lowest in Latin America.</p> <p>You don't need a lot of documents for the goods to enter the country.</p> <p>Many free trade agreements.</p> <p>Very open market Association agreement with the European Union lowering the costs of customs duties.</p> <p>Member of the OECD and the Pacific Alliance</p>

## Who is this country already trading with?

The main countries with which Chile trades are: China, the United States, Japan and Brazil.

## What are the main problems facing Brazil?

- Vulnerability to variations in commodity prices on international markets and dependence on Chinese imports;
- Insufficient electrical and road infrastructure compared to the length of the territory;

- Lack of skills in the workforce. The labor force participation rate is quite low, especially among women and young people;
- Persistence of economic inequalities and existence of a certain political and social tension (strikes in the mining sector).