



**APEC**  
**CHILE 2019:**  
*CONNECTING PEOPLE,  
BUILDING THE FUTURE*

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**RODRIGO YÁÑEZ**

Vice Minister of Trade of Chile  
SOM Chair APEC Chile 2019



*Santiago, August 2018*

## CHILE'S TRADE POLICY: OBJECTIVES

- To achieve international integration, combining export development with the promotion and protection of investments.
- Promote competitiveness, within a context of stable rules, fair competition, and to contribute to reduced social inequalities.
- To engage Chilean production in Global Value Chains, in a more sophisticated manner, not only as a producer of natural resources.
- To increase Chile's export diversification.



## CHILE'S TRADE POLICY

Through the last three decades Chile's economic growth model has been based on export promotion and FDI attraction and has followed four strategies:

### UNILATERAL

Unilateral tariff reduction

Export promotion policies

### BILATERAL

International Trade Agreements

### MULTILATERAL

Participation in International Organizations such as:  
WTO, OECD, LAIA and APEC

### MEGAREGIONAL AGREEMENTS

Pacific Alliance and CP-TPP



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## CHILE'S TRADE POLICY: UNILATERAL OPENING

Since 1990, there has been a marked advance in the signing of agreements with the countries of Latin America, thus complementing the unilateral opening of the external sector.

### CUSTOMS TARIFF REDUCTION IN TWO STAGES (MFN):

- **First** (1990-1994): Reduction from 15% to 11%;
- **Second** (1994-2003): Reduction from 11% to current level of 6%.

In 2013, Chile unilaterally removed tariffs on all goods originating in least developed countries (LDCs)

This reduction was based on the analysis and commitments established in the WTO, in 2005.



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## BENEFITS OF TRADE LIBERALIZATION

- Increased participation in world exports.
- Increased production and employment.
- Higher share of foreign trade in GDP.
- Higher investments in countries with reciprocal agreements.
- Improving the country's image
- Improving risk indicators, ease of doing business, competitiveness.
- Increased the supply of services.
- Development of economies of scale.
- Increased supply of international intermediate goods.
- Preferential Market Access.
- Creating dispute resolution mechanisms.
- Clear rules.





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**1st APEC Leaders' Summit**  
Blake Island, US 1993



**12th APEC Leaders' Summit**  
Santiago, Chile 2004



**20th APEC Leaders' Summit**  
Vladivostok, Russia 2012



**27th APEC Leaders' Summit**  
Santiago, Chile 2019



## FACTS AND FIGURES 2017



64% of total trade  
with the world

**59%**

of Chile's imports  
come from APEC  
member economies.

**58%**

of foreign investment in  
Chile comes from the  
APEC region

**28%**

of Chile's investment  
outflows are to APEC  
member economies

**69%**

of Chile's exports go  
to APEC member  
economies

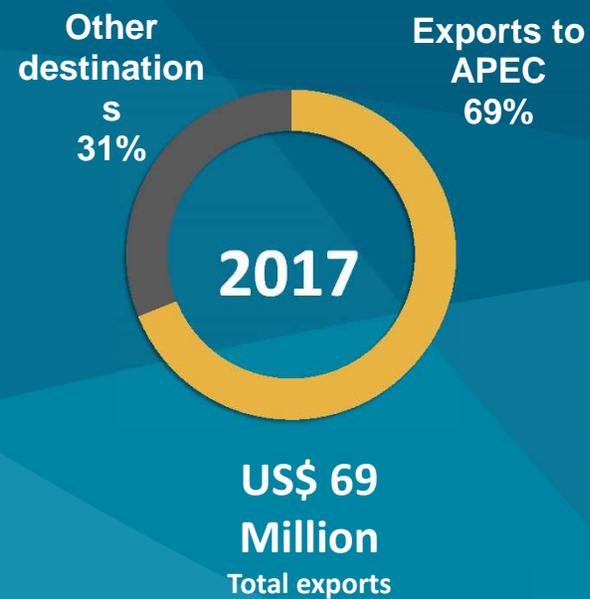
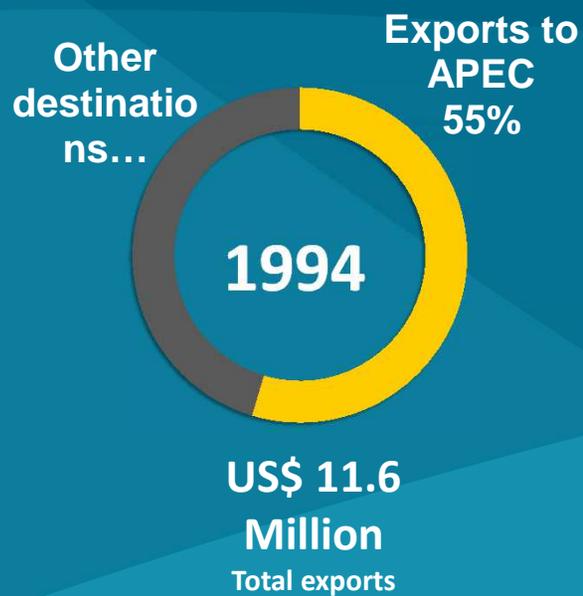


8% annual growth of  
exports to APEC  
member economies  
since 1994.



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## TRADE GROWTH BETWEEN CHILE – APEC

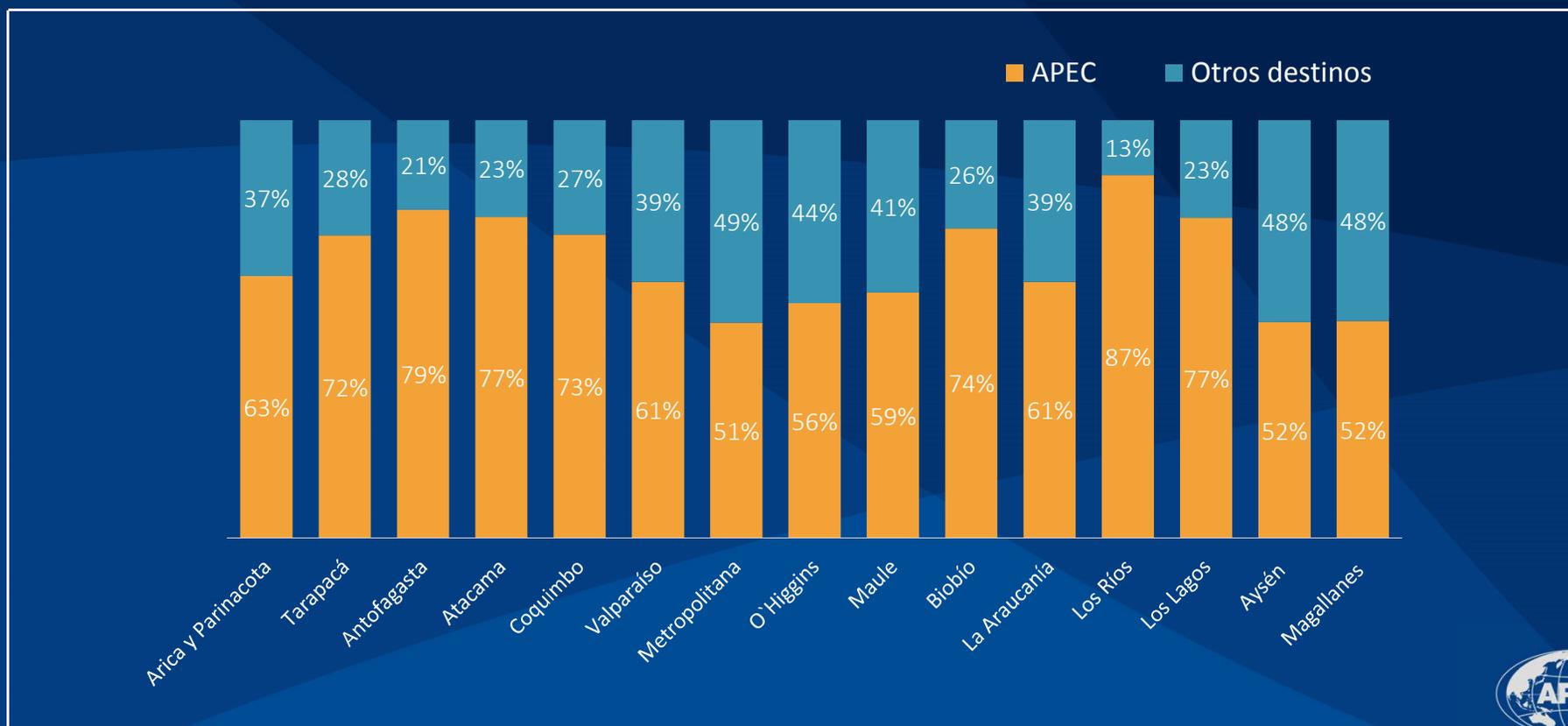


Fuente: Información Comercial, Departamento Estudios, DIRECON-ProChile, con cifras del Banco Central de Chile y el Servicio Nacional de Aduanas.



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## TRADE WITH THE ASIA-PACIFIC IS IMPORTANT FOR CHILE'S REGIONS



Fuente: Información Comercial, Departamento Estudios, DIRECON-ProChile, con cifras del Servicio Nacional de Aduanas.



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## POLITICAL AND STRATEGIC IMPORTANCE



- Maintain Chile's policy of positioning itself as an Asia-Pacific economy;
- Connect our regions and citizens with the Asia-Pacific and the benefits of regional trade;
- Generate synergies with other forums and integration initiatives such as Pacific Alliance, WTO, OECD and G20;
- Ensure that Chile can capitalize on APEC initiatives to support the establishment of good regulatory practices, and in creating inclusive and high quality public policy.
- The unique opportunity to highlight Chile's cultural, social and physical riches to our APEC guests.



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## CHILE HAS 16 FTAS WITH APEC ECONOMIES



### IN FORCE

- Australia
- Canada
- China
- Republic of Korea
- United States
- Hong Kong-China
- Japan
- Malaysia
- Mexico
- Peru
- P4 (New Zealand, Brunei, Singapore)
- Thailand
- Viet Nam

### RECENT PROCESSESS

- Conclusion of the CEPA with Indonesia. Congressional approval is in process
- Conclusion of the CPTPP
- We are upgrading our FTAs with China, Canada & Korea



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# AUTHORITIES APEC CHILE 2019

## **Leader**

H.E. President  
Sebastián Piñera

## **Minister of Foreign Affairs (APEC Ministerial Meeting)**

Hon. Roberto Ampuero

## **Vice Minister of Trade**

### **SOM CHAIR (Ministers Responsible for Trade)**

Mr. Rodrigo Yáñez

## **SOM Chile**

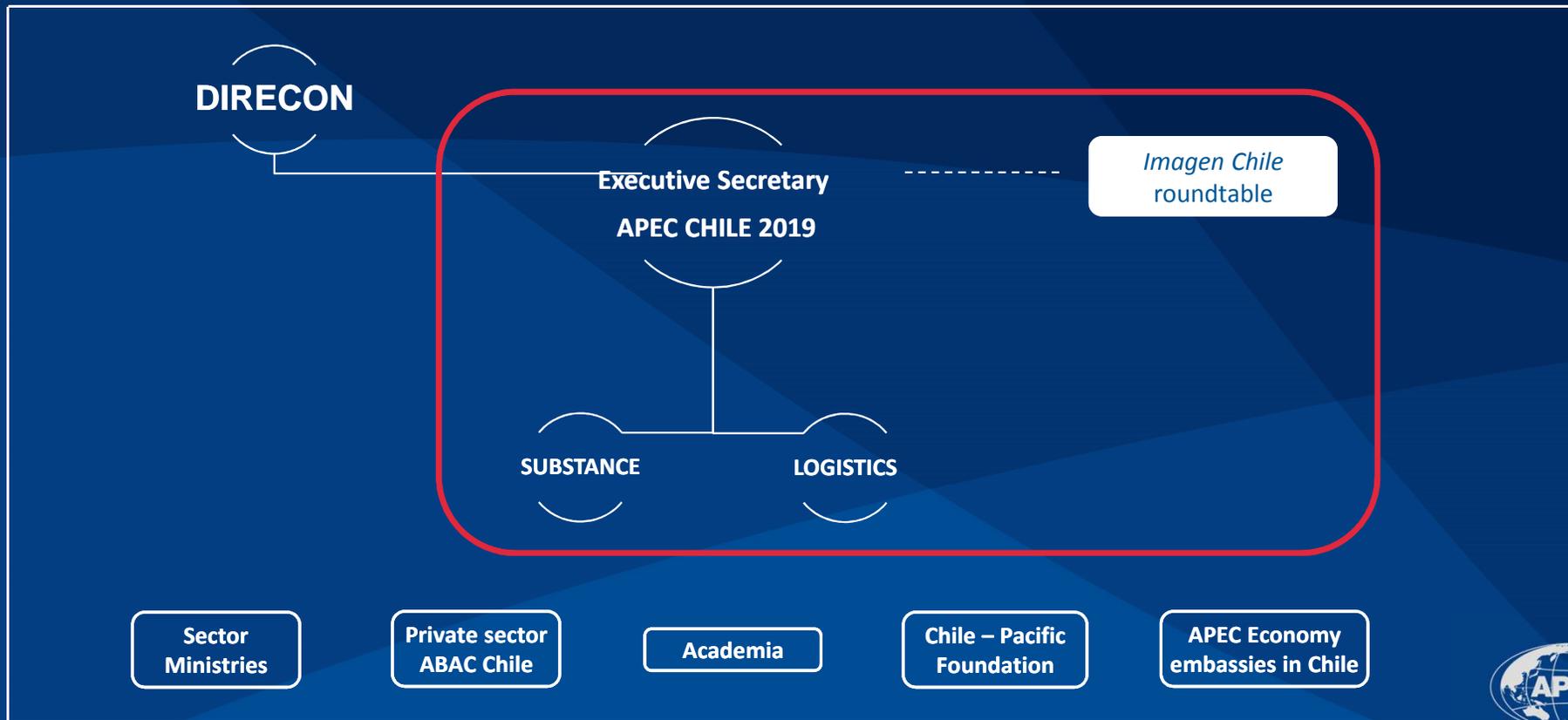
### **Multilateral Director**

Mr. Mathias Francke



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# APEC CHILE 2019 – OUR TEAM



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# APEC CHILE CALENDAR

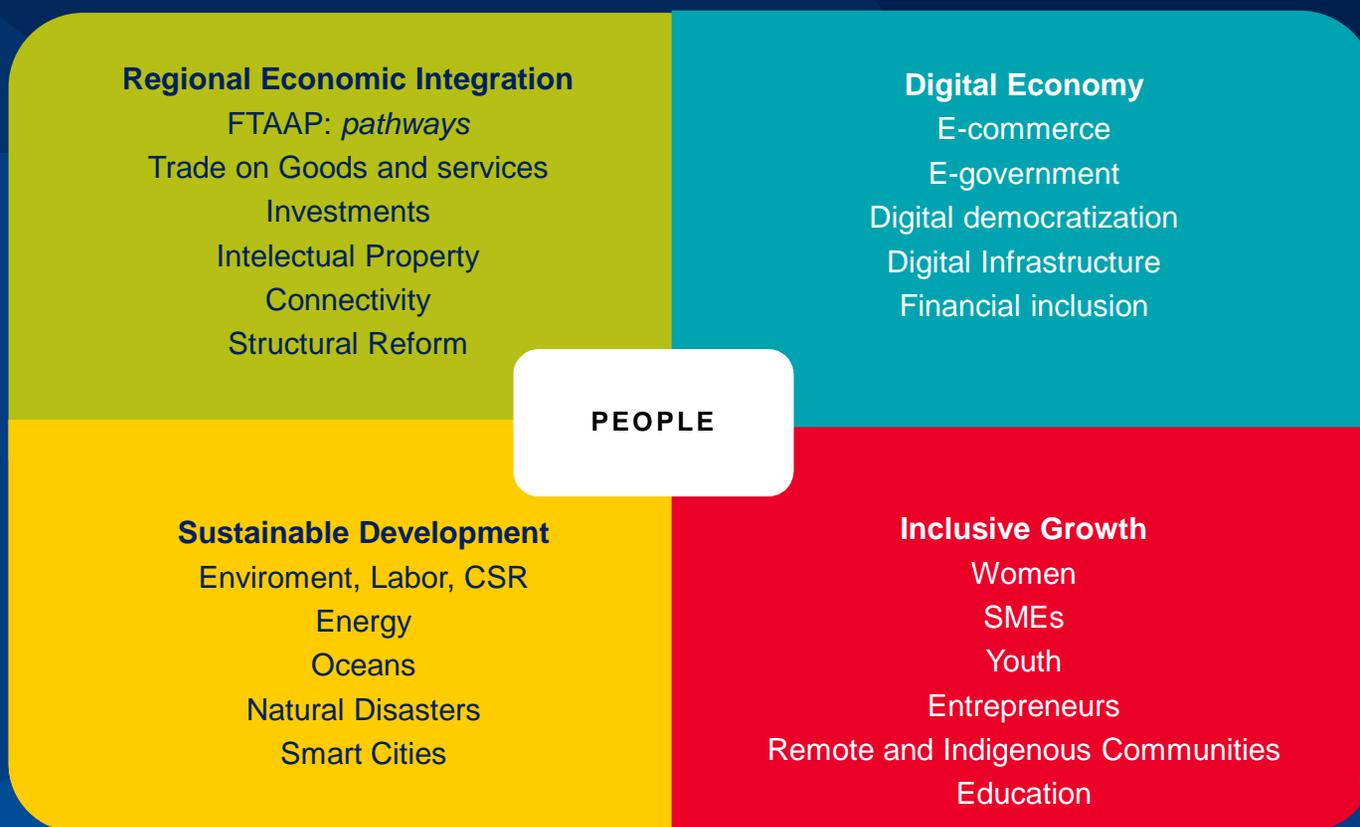
TYPE OF MEETING	DATE AND CITY
Informal SOM (ISOM)	12 –13 December 2018, Santiago
SOM 1 and related meetings	23 February - 8 March 2019, Santiago
SOM 2, Ministers responsible for trade and related meetings	6 –18 May 2019 MRT 17 y 18 May, Valparaíso
SOM 3 and related meetings	17 – 30 August 2019, Puerto Varas (TBC)
Women Ministerial Meeting	Dates and location TBC
High Level Dialogue: Digital and Innovation	Dates TBC. Concepción
SME Ministerial Meeting	Dates and location TBC
Ministers of Finance and related meetings	13-15 October 2019, Santiago
<u>Leaders' week:</u>	11 –17 November 2019, Santiago
<ul style="list-style-type: none"> <li>• Concluding SOM (CSOM);</li> <li>• APEC Ministerial Meeting (AMM); and,</li> <li>• APEC Leaders' Summit (AELM)</li> </ul>	<ul style="list-style-type: none"> <li>• CSOM 11-12 Nov</li> <li>• AMM13-14 Nov</li> <li>• AELM 16-17 Nov</li> </ul>
CEO SUMMIT	<ul style="list-style-type: none"> <li>• CEO Summit 14-16 Nov, Santiago</li> <li>• ABAC/Leaders dialogue 16 November</li> <li>• Leaders' official dinner 16 Nov</li> </ul>

# APEC CHILE 2019 - PRIORITIES



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# APEC CHILE 2019: SUSTAINABLE, INCLUSIVE AND COMPREHENSIVE GROWTH



Trade Information Underdepartment, DIRECON-ProChile.



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# 1 DIGITAL AND SERVICES ECONOMY



- Build on the work initiated by Viet Nam and other countries within the human resource working group through high-quality, impactful projects.
- For our MSMEs, we plan to hold an innovation summit; enhance Fintech capacity; and promote our smart regional cities - to foster new and collaborative growth.
- Work towards the conclusion of the services domestic regulation principles and explore future work.
- Create an APEC regulatory cooperation toolkit for our rapidly changing business environment, as part of implementing our e-commerce facilitating framework.
- Our priority must be to advance methodologies to measure the impact of the digital economy in the region.



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## 2 CONNECTIVITY



- Promote the incorporation of SMEs in international trade by conducting a “Customs-Business Dialogue”; and propose a list of New Actions.
- To encourage participation in Global Value Chains, we will carry out a stock take of work underway in APEC, hold a Policy Dialogue and propose an action plan.
- Emphasize the development of common standards for Authorized Economic Operator (AEO) programs; and draw up Manual of Good Practices .
- Encourage the adoption of Mutual Recognition Agreements (MRA) among APEC economies to grow trade between AEOs.
- Conduct a Policy Dialogue to discuss the Interoperability of e-Single Window systems; and develop an APEC manual that contains guiding principles for promoting these systems.
- Explore the possibility of creating an “APEC Logistics Index”, using factual data and comprehensive information shared among APEC economies.



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### 3 WOMEN AND ECONOMIC GROWTH



- Propose initiatives that will increase participation of women in Non-Traditional Sectors and advance in digital literacy for women.
- Develop a new APEC roadmap, supported by a Leaders' commitment that will commit us to work towards increasing the labor force participation of Women, reducing the wage gap, and lowering barriers to leadership Positions by 2030.
- Refine APEC's data collection efforts through expanding and elevating the APEC Women and the Economy Dashboard.
- Encourage private sector participation through exploring an APEC Gender Parity Initiative, with the objective of increasing the participation of women in leadership positions.



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# OPPORTUNITIES FOR COLLABORATION



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**RODRIGO YÁÑEZ BENÍTEZ**  
**DIRECTOR GENERAL**

General Directorate of International Economic Affairs

