

FISA (Feria Internacional de Santiago)

FISA is the largest and oldest horizontal fair (exhibiting all kinds of products) in Latin America and attracts more than 700,000 visitors each year from Chile and adjacent countries. More than 40 countries participate annually in this fair which will be held next in October 1996.

EXPOMIN

This biannual fair, the largest Latin American fair in the mining and energy sector, will be held from May 14 to 18, 1996. More than 500 companies in the mining sector and other directly or indirectly associated sectors will participate. Telecommunications equipment plays an important role in mining operations and participation by Canadian companies represents a good opportunity.

4.4 Financing

Financial aspects are vital to close a sale on the Chilean market. Buyers will normally look for the best credit terms available from the suppliers' government.

The largest buyers will be able to approach international banking consortiums directly to obtain financing facilities. Smaller buyers may request a direct credit from suppliers, who may have easier access to preferential conditions.

The Export Development Corporation (EDC) provides financing to support Canadian exports, and export credit insurance is also recommended. Three EDC credit lines have been set up through Banco Sud Americano, Banco O'Higgins and CTC. However, local financing may be preferable, since it is easily available and offered on competitive terms.

The Canadian International Development Agency assists Chile most actively through its Industrial Cooperation Program (ICP). Under the ICP, Chile is a priority market in Latin America, and the Program concentrates its support on technology transfer and joint venture projects. CIDA assistance to formation of new joint ventures has produced excellent results. Many successes have been achieved through CIDA financing for education and training of the personnel of Canadian-Chilean firms.

5. Regulatory Framework

In 1987, Chile became the first Latin American country to privatize telecommunications companies. However, privatization was introduced without adequate regulation and this resulted in legal actions on both sides by the large firms Entel and CTC. After a number of years of disputes and lobbying, the new law was introduced on March 10, 1994. Law 3A is not specific comprehensive legislation as such but an amendment of the General Telecommunications Law passed in 1982, which was amended in 1989, 1990, 1993 and finally in 1994 to introduce the multicarrier system.