

The Agricultural Sector and Foreign Trade

There is absolutely no doubt that one of the most outstanding characteristics of the forestry, agriculture, and livestock sector during the last few years has been its input of foreign exchange into the Chilean economy. On the whole, however, when the Agricultural Planning Board (ODEPA) delivers the "Forestry, Agriculture, and Livestock Trade Balance", it exaggerates the figure that it gives, including not only forest farming exports but also all exports originating from the forestry sector, adding exports from the forestry industry (lumber, cellulose, paper, printed matter) to those of the forest farming sector itself. The correct definition of forest farming exports should be understood to refer - as is being done now - to unprocessed forest products, such as round logs, barks, and others of similar nature.

In 1992, the trade balance of this sector totaled close to US\$ 1,000 million - US\$ 997.7 million made up of US\$ 1,216.2 million in exports (FOB) and US\$ 218.5 million in imports (CIF). The total trade balance of the country for the same period was US\$ 455.3 million, which indicates that this sector is a net contributor of foreign exchange, showing figures that more than double the country's trade surplus (in 1993, the agricultural trade balance - though reduced - will continue to show a deficit of about US\$ 700 to US\$ 900 million).