

trout resources destined for export (98.2% in 1993) are processed as either frozen (67.4%) or chilled products. The vast majority of these products (87.0% of the total value of salmon and trout exports in 1993) are being shipped to either Japan or the United States.

In addition to being the world's low cost producer of aquacultural products, Chile enjoys access to a maze of fjords and archipelagos that are being fed by the crystalline waters of the Antarctic. Water temperatures do not vary much from season to season so the salmon and trout grow throughout the year and are ready for harvesting four to six months earlier than in northern countries. Factoring in Government policies that are supportive of the aquacultural industry, the end result is an industry that should remain competitive well into the next century.

Conservative estimates indicate that aquaculture's contribution to the Chilean fishery sector will be around 50% by 1997. Included in this forecast would be the production and exportation of 100,000 metric tons of salmon and trout (valued at approximately US\$500 million), the production of 4,000 metric tons of scallops (valued at US\$50 million), and the continued escalation in the production of algae.

Sustained growth in Chile's aquaculture industry, and for that matter, the entire Chilean fishery sector, is expected to come as a result of product diversification via the incorporation of new species and new processes. Among the more recent trends: an increase in the value added to existing products, and the research and development of new ocean and cultivated species such as turbot, Chilean abalone, shrimp, and sea urchins.

As a market, the Chilean fishery sector affords Canada various opportunities on an export, strategic alliance, and direct foreign investment level. That said though, the core of these opportunities (at least this point in time) tend to be very specific or niche oriented. The following list is a brief summary of those areas which have been cited as having the greatest commercial potential for Canadian business:

1. Export of Canadian Goods

- a. Fishing and aquacultural equipment
- b. Fertilized fish eggs
- c. Vaccines and diagnostics
- d. Lobster

2. Strategic Alliances

- a. Joint ventures
- b. Transfer of technology
 - i. value-added product processing
 - ii. post-processing technology
 - iii. systems for controlling aquacultural diseases

3. Export of Canadian Services

- a. Environmental consulting