

the Chilean market is highly sensitive to hardware developments on the international stage, the lack of local offices and support services of the major software firms means that Chile lags behind the more developed countries with respect to software applications. This is equally true for the mainframe, mini-computer and micro-computer sub-sectors. The two chief results of this are:

- (i) opportunities exist in Chile for Canadian software exporters; and
- ii) Chile has developed a strong local software design capacity.

The specific areas where software demand is greatest are:

1. The Mining Sector: Chile's highly developed mining sector lacks dedicated software for its control systems, operations planning, reserve calculations, prospection and engineering simulations and processes. The world leader in mining software MINCOM of Australia recently recognized the potential in Chile and is presently moving to open a Chilean branch.
2. Geographic Information Systems: Remote surveying has many attractive applications for Chile's resource based economy. Geology, forest exploitation control, water table management and fisheries and agro-industrial investigation can all be aided by GIS software. At present the only significant supplier to the market is ARC-INFO of the U.S.
3. Financial, Industrial and Governmental Institutions: There is also growing demand for dedicated and custom designed data-base and operation planning and programming software in Chile.

Other important factors taken into account by the market study include:

- a) The legal and accounting framework for the importation of software into Chile. Recent additions to Chilean copyright laws are improving the integrity of foreign supplied software, and although pirating remains a problem it is neither as serious as elsewhere in Latin America, nor should it be viewed as prohibitive to the interests of exporters. The relevant parts of Chile's tariff regime are also examined.
- b) The importance of the provision of after-sales service is also highlighted. It is the lack of technical support, manifested through the absence of local offices of the major global software producers, that has caused Chilean software supply to lag behind the available hardware. As a result local software development is quite advanced. Future exporters of software to Chile, need not see the local industry only as competition, but could use them as partners to develop the necessary local technical support.