

companies also use this system to supply machinery, spare parts and inputs to mining, fishing, agricultural and industrial works in Perú, Bolivia and Argentina. Merchandise is deposited in yards or warehouses that belong to the ZOFRI Administration, paying fees that vary from US\$ 1.00 to US\$ 2.39 per m³/month, depending on volumes and whether the storage is in the open air or under cover.

Warehouse suspensive of tariffs:

Merchandise coming from abroad may be stored in the ZOFRI to be sold wholesale or retail, to shops, industries and final consumers in Chile. Under this alternative, the company may build its own warehouses on land owned by the Administration, which is leased for 25-year renewable periods, at a cost of US\$ 0.19 per m²/month. It is also possible to make use of management facilities by paying the fees mentioned in the previous paragraphs.

Merchandise consigned to the administration:

To facilitate foreign trade operations, foreign entrepreneurs may consign their merchandise to third countries.

Support Services.

Fourteen Customs Agencies and fifteen Banks operate in the ZOFRI and Iquique as support services. There are excellent port and transport facilities, as well as computerized support which consists of verification of documents for all operations, inventory control and direct information from the computer on balances and movements by through telex lines. There is a 24 hours a day. Within the premises there is a stock of liquid, solid and gas fuel for regional and outside consumption.

Evolution.

Business activities inside the Duty-Free Area have evolved favorably over the last years. When last year's operating statistics are compared to 1990, it can be seen that purchases increased by 53.1%, whereas sales increased by 36%. This results in total average growth of 44.3%.

Statistics for the last five years are the following:

	1987	1988	1989	1990	1991
Purchases	592.7	622.9	866.5	937.9	1,435.2
Sales	651.4	696.2	926.2	1,051.6	1,434.0
Total	1,244.1	1,319.1	1,792.7	1,989.5	2,870.2

On the chart it may be observed that the volume of business transacted has more than doubled over the last four years. In 1991 business was transacted for US\$ 2,870 million.

Although Duty-Free Areas have been created or their creation has been announced in neighboring countries (Argentina, Bolivia and Perú), it has been estimated that they will take several years to reach the level of infrastructure, business volume and experience of the Chilean area.

Incorporation Process.

Requests to join the Area may refer to both industrial and commercial activities. The latter may come from users that operate with their own facilities, such as their own warehouses, or occupy warehouses that belong to the administration, designated Public Warehouses.