

# CHILE

*A Guide  
for Canadian Exporters*

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1988  
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**(Publié également en français)**

# CHILE

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STORAGE

## A Guide for Canadian Exporters

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**MINISTÈRE DES AFFAIRES ÉTRANGÈRES**

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125 Sussex Drive

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# I. THE COUNTRY

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## Area and Geography

Chile is a long, narrow ribbon of land stretching almost 4 320 km (2 700 miles) along the southwestern coast of South America. Although one of the longest countries in the world, it ranges from only 96 km to 400 km (60 mi. and 250 mi.) wide. Chile is wedged between the Andes mountains on the east and the Pacific Ocean on the west; it borders Peru on the north, and Bolivia and Argentina on the east. Southern Chile is an archipelago with Cape Horn at its tip. Here the Atlantic and Pacific oceans meet.

Chile has four distinct and well-defined geographic regions: the northern desert (one-fourth of the country's land area), the high Andean sector, the central valley, and the southern lake district and archipelago. In order to decentralize the administration of existing and potential natural resources, the country has been divided into 12 regions and a metropolitan area which includes the capital, Santiago, and its surroundings.

The northern part of Chile (regions I, II, III and IV), which includes some of the most barren desert in the world, is rich in mineral deposits such as copper, gold, sulphur, phosphates and nitrates. The fishing industry is also important in this area. The central valley (regions V to X) has the largest population and contains most industrial and agricultural development. Due to the climatic conditions, forestry is of considerable importance in this area. The far south of Chile (regions XI and XII) which includes Tierra del Fuego, the largest island in the southern archipelago, is mostly dedicated to cattle and sheep raising. The area produces natural gas and supplies about 50 per cent of the oil consumption of Chile.

## Climate

Chile has a generally mild climate. In the far north, summers are warm and winters are very mild; in the lake region, it is cooler with more rainfall; in the far south (Tierra del Fuego), summers are short and

cool, winters long, cold and wet. The combined effect of the cold Humboldt Current off the coast of Chile and the relative narrowness of land between the coast and the snow-covered Andean peaks to the east, moderates what might otherwise be a very warm climate. Summer (December - March) in Santiago is long and dry with an average temperature of 28°C. In the rainy season from May to August, the temperature drops to an average of 12°C.

## History and Government

The central portion of modern Chile originally was the territory of the Araucanian Indians and was not permanently settled by the Spaniards until 1540 under Pedro de Valdivia. (An attempt in 1535 was repulsed by the Indians.) On February 12, 1541, Valdivia established a settlement which he called Santiago on the spot where he had defeated an Araucanian force. Indians of this same tribe captured and tortured him to death 14 years later. Despite repeated attempts, the Araucanians were not conquered by the settlers, but in 1877, by treaty, they were incorporated along with their land, into Chile.

In 1810, led by General Bernardo O'Higgins, the son of a Spanish viceroy to Peru, and aided by General San Martin of Argentina, Chile revolted against Spanish rule and proclaimed its independence. Spain battled intermittently against the revolutionaries until 1818, when Chile was declared an independent republic under O'Higgins. It was not officially recognized as an independent country by Spain until 1844.

Between 1838 and 1886, Chile fought and won three wars: the 1838-1839 conflict against Peru; the 1879-1883 conflict against Bolivia when Chile acquired its northern nitrate and copper-rich provinces; and the war of 1886 with Peru in a naval battle against the Spanish fleet.

Chile is ruled by a military government headed by President Augusto Pinochet Ugarte. A new constitution adopted by plebiscite in 1980 confirms the present government's mandate until March 1989 when elections are to be held. The constitution also

provides for an eight-year non-renewable term for the president of the Republic, a bicameral congress (to function from 1989) and an independent judiciary and central bank.

## Population.

Chile's estimated population in 1985 was 12.3 million with more than 80 per cent concentrated in urban areas. In the Latin American context, Chileans stand out because of their ethnical and cultural homogeneity. A high percentage of descendants of European settlers — Spanish, English, French, German and Italian — who arrived over the centuries, together with mixed Indian and Spanish stock form the basic Chilean population.

## Language

The official language of Chile is Spanish. Many Chilean business persons, however, speak or understand English. Interpretation and translation services in Santiago are available through various agencies and in major hotels. The Canadian Embassy can also direct you to competent interpretation and translation services.

## Religion

Chile is predominantly Roman Catholic. The Catholic Church is influential at all levels of society. Religious freedom, however, is guaranteed by the constitution.

## Education

The academic year begins in early March and ends in mid-December. In addition to the summer holidays in January and February, there is a two-week holiday in July and a one-week holiday in September.

Public schools throughout Chile offer education in Spanish to all children of school age. School is compulsory through the eighth grade. The education system is divided into nursery, kindergarten, eight grades of primary school, followed by four years of secondary education (high school). Private schools offering education in French or English are also available in Santiago.

There are 20 universities in Chile, 7 of which are in Santiago, 3 in Valparaiso and the rest throughout the country. Entry into university is determined by the results of a test (Prueba de Aptitud Académica) plus the average mark obtained in high school.

A very good mechanical and industrial training centre is situated in Santiago with sub-centres located throughout the country. Entrance is given to the children of diplomats and international officials at the State University of Chile.

## Principal Cities

Santiago, the capital and largest city of Chile, has 4 million inhabitants. It is the country's commercial centre.

Other major cities include:

	Population
Valparaiso/Vina Del Mar	500 000
Concepción	170 000
Temuco	110 000
Antofagasta	110 000

The principal seaports of Chile are Arica, Iquique, Antofagasta, Valparaiso, San Antonio, Talcahuano/San Vicente (Concepción), Puerto Montt and Punta Arenas.

## Currency

The basic monetary unit of Chile is the peso. The fluctuating peso/US dollar rate of exchange stood at 245.0 in October 1987.

## Local Time

Local time in Chile is two hours ahead of Canadian Central Time from November to mid-March. For the months of April and October, Chile is one hour ahead, and from May to September, Chilean time is the same as Canadian Central Time. These variations are due to differences in daylight savings time periods in both countries.

## Business Hours

In general, office hours are from 8:30 or 9:00 a.m. to 5:30 or 6:00 p.m. from Monday to Friday. Banks are open Monday to Friday from 9:00 a.m. to 2:00 p.m. Government offices are open Monday to Friday from 9:00 a.m. to 6:00 p.m. and generally from 8:30 or 9:00 a.m. to 1:00 p.m. on Saturday. Retail stores are open from 10:00 a.m. to 7:30 p.m. Monday through Friday. Saturday retail hours are 9:00 a.m. to 1:00 p.m.

## Public Holidays

The following is a list of official public holidays in Chile:

**New Year's Day** - January 1

**Good Friday** - variable

**Labour Day** - May 1

**Navy Day** - May 21

**Assumption** - August 15

**Chile National Day** - September 11

**Independence Day** - September 18

**Army Day** - September 19

**Columbus Day** - October 12

**All Saints Day** - November 1

**Immaculate Conception** - December 8

**Christmas Day** - December 25

January and February, the height of the Chilean summer, are the favourite vacation months and are not a good time for a business visit. Appointments may also be difficult to obtain during the weeks of Christmas, New Year's, Easter and of Independence Day.

## Measures

The metric system is used in Chile.

## Electricity

The electricity supply for domestic use is 220 V, single phase, 50 cycles AC. For industrial purposes, the supply is 380 V, three phases, four wire, 50 cycles AC. Domestic plug fittings are generally the two-pin type.

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## *II. DOING BUSINESS WITH CHILE*

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### The Market

The market in Chile can be described as being open and highly competitive. Several years of market development efforts, investment or technology transfer by the exporter and a local partner are usually necessary before results can be expected. New exporters may find the market difficult to enter because of loyalty to traditional suppliers. Foreign companies have to be registered with state-owned companies such as Codelco and Enap to be invited to bid on projects.

Export Development Corporation (EDC) financing is critical to support Canadian exports and export credit insurance is highly recommended. Financing by international financing institutions (World Bank, Inter-American Development Bank) figure prominently in Chilean trade activities.

Canadian firms are normally eligible for government procurement contracts, which present significant opportunity in Chile. The government encourages foreign companies to manufacture under licence whenever possible. Although not a general or written procedure, local manufacturing may get a 5 to 10 per cent price consideration in bids.

### Membership in Regional Trade Blocs

Chile ratified the General Agreement on Tariffs and Trade (GATT) in 1949, participating in some government bids, multilateral duty concessions and extending and receiving most-favoured nation treatment. In 1960 Chile became a member of the Latin American Integration Association (LAIA) which includes Mexico and all the Latin American countries in South America. Duty concessions have been extended to many products shipped by other LAIA countries and Chile participates in industry complementation agreements.

Chile was also party to the Cartagena Agreement in 1969 (the Andean Common Market). However it withdrew from this organization in 1976 after failing to reach agreement on foreign investment and import tariff issues with the other five members. The differences between Chile and its Andean partners centred on Chile's desire to attract foreign investors under much less restrictive conditions than those acceptable to the other members and Chile's request for lower external import tariff levels.

## Membership in International Organizations

Chile is a member of the following international organizations:

- Economic Commission for Latin America and the Caribbean (ECLAC);
- United Nations Development Programme (UNDP);
- Food and Agriculture Organization (FAO);
- International Bank for Reconstruction and Development (IBRD);
- International Finance Corporation (IFC);
- International Fund for Agricultural Development (IFAD);
- International Monetary Fund (IMF);
- United Nations Educational, Scientific and Cultural Organization (UNESCO);
- World Health Organization (WHO);
- Inter-American Development Bank (IDB);
- Organization of American States (OAS).

## Merchandising and Distribution

The four principal types of import representation preferred in Chile are the import house, commission agent, direct purchase and subsidiary or branch. The exporter should, if possible, make a personal visit to Chile to select a suitable agent and to observe local conditions first-hand. Selling a product successfully very often depends on the ability of the exporter to make friends with agents and clients. The average Chilean business person places a high value on good personal relations.

The commission agent is the most common type of representation. Particular care should be taken to ensure that the selected agency has sufficient standing and financial resources to offer adequate representation and, if required, repair facilities. In most instances, agencies are far too busy to promote a new product effectively. Frequently, the best type of representation is offered by the agent who specializes in a small group of similar but non-competitive products. Countertrade is not encouraged by the government because Chile needs the foreign currency earned from exports and has no difficulties exporting its products.

## Advertising and Promotion

Most Chilean advertising is placed through the press, radio or television. Commercial radio with numerous stations throughout the country is probably the best advertising medium (some 30 per cent of total advertising expenditure in Chile is devoted to radio). The Santiago radio stations reach an estimated 2 million Chileans.

There are also national newspapers, a number of trade magazines and other publications as well as an expanding television network. Movie theatres are an efficient advertising medium since there are a large number of them throughout the country.

## Price Quotations

Quotations should be c.i.f. in U.S. dollars. The f.o.b. value should also be clearly shown on invoices. Some importers, especially in the public sector, request f.o.b. quotations with an informative estimate of post f.o.b. expenses with the intention of contracting the insurance and freight services.

## Terms and Methods of Payment

All permissible imports exceeding \$10 000 (US) f.o.b. in value must be registered prior to shipment through a commercial bank with the Banco Central de Chile on an import report (informe de importacion). Goods must be shipped within the valid period of registration, 360 days.

The maximum permissible credit term for imports is 180 days from the date of the bill of lading under "cobertura corriente." If an importer receives a credit term of over 180 days and remits funds after 180 days but before 365 days, this is considered a "cobertura diferida" for which the importer has to pay a 20 per cent per annum interest penalty. Credit terms beyond 365 days require authorization by the Banco Central, but once this has been obtained no interest penalty is applied.

For imports valued up to \$10 000 (US) f.o.b., the goods can be shipped and payment arranged before the date of issue of the corresponding import report, but the time allowed for completing the operation is limited to 180 days.

The margin of tolerance in both the cost and volume of the goods shipped when compared to those indicated on the proforma invoice is 10 per cent with a maximum variation of \$3 000 (US).

Each import report can include only goods classified under the same chapter heading of the Brussels tariff nomenclature.

All the usual methods of payment are used but importers tend to seek the most flexible terms possible, preferring naturally to operate on a collection basis rather than to establish letters of credit. In the case of payments on collection items, the importer must make a full deposit in pesos to his commercial bank at any time after the arrival of shipping documents. On receiving this deposit the bank will deliver the documents to the importer for the purpose of clearing the goods through customs. Once all documents are checked and customs clearance has been completed, the Banco Central will release the foreign currency to the importer. It is therefore in the exporters' interests to stipulate clearly on all invoices and shipping documents that a deposit in pesos should be obtained by the Chilean commercial bank in a specific number of days.

## Banking System and Local Financing

The financial sector is dominated by 37 commercial banks. The state-owned Banco del Estado is Chile's most important. Numerous foreign banks also

operate in Chile including Citibank, Chase Manhattan, Bank of Boston, Banco de Brazil, Banco de Espana, and Bank of Tokyo. No Canadian banks have local operations in Chile.

## Transportation and Communications

Chile's two international airlines, LANChile and LADECO, offer internal services; the former to all main centres and the latter to northern towns. Domestic travel within Chile is well organized and relatively inexpensive by bus, rail or ship. Express coach services link the main towns and are generally to be recommended. Express trains operate on the Santiago-Puerto Montt line and a Japanese train service links Santiago and Concepción. There is a railcar service between Santiago and Valparaiso with departures three or four times a day.

Local port facilities are equipped to handle containers, unload bulk cargoes and handle large vessels. There is adequate security, fast turnaround service and port clearance procedures are efficient. Principal ports are Valparaiso, Talcahuano, Antofagasta, San Antonio and Punto Arenas. Telephone and telex communications with Canada are normally good.

## Foreign Investment and Joint Ventures

The general trend in Chile toward foreign investment is liberal. The government encourages foreign investment because of the importance the private sector has and will have in the country's economic development. Experience shows that overall expansion is accompanied by industrial progress. Both require substantial investment and available funds are scarce in Chile. This explains the need for foreign capital. Industrial progress further depends on the incorporation of new technology, which in turn also requires the aid of foreign investment.

There is no legal provision allowing the operation of a joint venture. However, the Chilean Tax Bureau has authorized joint ventures in certain cases. The basic concept is that the participants of a joint venture contribute to the expenses in an agreed percentage, distribute the product in kind and offset against their

revenue the corresponding share of expenditure. The practical operation of a joint venture is rather complicated, as the Tax Bureau requires very detailed monthly reporting.

The Foreign Investment Committee is the government agency which authorizes the inflow of foreign capital under Decree Law No. 600. Chile's foreign investment policy is based on three main principles: equal treatment of domestic and foreign investors, free access to domestic markets and minimum intervention by the government.

Chilean or foreign individuals or juridical entities, domiciled and resident abroad, may invest in Chile provided they have been authorized by the Central Bank and that their investments are made with the Chilean pesos derived from the application of foreign debt instruments.

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### **III. CUSTOMS AND OTHER REGULATORY INFORMATION**

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#### **Documentation**

Documents required for commercial consignments to Chile, irrespective of value and mode of transport, are the commercial invoice (minimum four copies in Spanish), bill of lading (at least three copies) or air waybills and the "import report" (import licence), which the importer obtains by submitting to the proper authorities an application supported by a proforma invoice. Except on request, the commercial invoice, the bill of lading or air waybill do not require certification.

#### **Import and Exchange Controls**

Since 1974, Chile has become one of the most liberal trading countries in South America. Customs tariffs on all imported merchandise have been reduced to a general rate of duty of 10 per cent ad valorem, with the exception of certain agricultural products and certain vehicles for passenger transport.

In general, all goods may be imported into Chile except products banned because they are considered offensive to public morality or in violation of sanitary regulations.

Import licences as such are not required. An import registration or import report (*informe de importacion*), however, must be filed by the importer with Chilean Customs for statistical purposes. The importer obtains the import report through the intervening local bank by producing the proforma invoice provided by the exporter. Exporters should not ship goods to Chile prior to having received a copy of the approved "*informe de importacion*" or at least its number and date.

**Free Trade Zones.** Chile has free trade zones (zonas francas) at Iquique in the north of the country and Puntas Arenas in the south. These zones generally allow processing operations such as assembly, finishing and manufacturing of imported materials which are imported duty free and exempt from the value-added tax (VAT). Any products taken out of these areas into the customs territory of Chile are subject to the applicable duty and taxes.

## Duties and Taxes

Customs duties are 15 per cent for several products. Where it can be proven that a product is subsidized by the exporting country special surcharges up to 15 per cent can be applied.

A three per cent tax is levied on the c.i.f. value stated in import registrations. This tax is allowed as a credit against the assessed customs duties. Value-added tax (VAT) at 20 per cent is applied on the c.i.f. value of imported goods plus duties and charges thereon. However, VAT is not levied on goods constituting part of the equity contribution of a foreign investment or if imported as part of a local investment program when the goods are not available in Chile in the quantity or quality required. These goods are included in a list issued by the Ministry of Economy.

## Packing and Labelling

Local packaging and labelling requirements are generally not difficult to meet.

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# IV. YOUR BUSINESS VISIT

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## Consult the Canadian Embassy

When planning your visit to Chile, advise the Commercial Division of the Canadian Embassy in Santiago well in advance of your arrival. Inform the division of the purpose of your visit and forward several copies of product brochures. It is especially helpful if you work out the c.i.f. prices on your product range. You should also list any contacts you may already have in the Chilean business community. With this information, the trade commissioner will be pleased to arrange a tentative itinerary, make hotel reservations if necessary, and set up appointments on your behalf which can be confirmed upon your arrival.

## Travel Documents

Canadians holding a valid passport may enter Chile. No visa is necessary. Persons travelling to Chile for recreation, studies, personal reasons and business are considered tourists. A tourist card, free of charge and valid for 90 days, is issued upon arrival. An extension for an additional three months may be applied for. No photos are needed. If you intend to work in Chile for a period of time, a working visa, obtainable at the Embassy of Chile, Ottawa, or a Chilean consulate, is necessary.

## Internal Travel

In Santiago, taxi and bus service is good and fares are reasonable. Taxis usually have meters; if not, the driver should state the fare in advance; a 50 per cent surcharge applies after 9:00 p.m. weekdays, on Saturday afternoon, Sundays and holidays. Santiago also has a subway system similar in appearance to the one in Montreal. Scheduled air services, provided by LANChile and LADECO, are extensive and frequent within Chile; and charters can be arranged. Advance reservations are strongly recommended.

Rail services enable travellers to complete the journey from Santiago to Valparaiso in three hours, to Concepción in seven hours and to Puerto Montt in 18 hours. Cars can also be rented and international drivers' licences are accepted.

## Hotels

The three best hotels in Santiago are the Crowne Plaza Holiday Inn, the Carrera and the Sheraton. The first two are close to the Embassy and to most business appointments. The Sheraton is about 3 km from the downtown area. If reservations are made through the Canadian Embassy, a substantial discount is available.

## Customs Regulations

The following items are allowed in free of duty: 500 cigarettes, 100 cigars, 500 grams of tobacco, 3 bottles of liquor, camera, and all articles for personal use. Fruit, vegetables, flowers and milk products may not be imported.

## Health and Personal Security

The general level of community health is good in Santiago. There is an efficient sewage and garbage disposal system and no unusual pest or vermin problems exist. Foods and beverages are generally safe. Caution and discretion should be exercised in the selection of restaurants and in eating raw fruits and vegetables. Bottled mineral water is suggested even if tap water is safe to drink. There are no personal security problems but as in all major cities, one should avoid certain areas especially at night; night strolls are not recommended unless in a group.

## Business Calls and Entertainment

A confirmed business call is generally respected. Appointments should be made in advance through the Embassy or local representative. There are many good restaurants in Santiago but visitors should remember that operating hours are later than in Canada. Lunch is normally taken between 1:00 p.m.

and 2:00 p.m. and dinner is rarely before 8:30 p.m. In the Providencia area, there are many bars and discotheques.

## Mail

Letters take between 5 and 8 days to reach their destination. Anything larger than the size of a letter or small envelope should be sent via courier to ensure prompt delivery.

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# V. FEDERAL EXPORT ASSISTANCE

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## Market Advisory Services

As a service to Canadian business, the federal government maintains trade officers in 67 countries around the world. These representatives provide assistance to Canadian exporters and aid foreign buyers in locating Canadian sources of supply. In addition to providing the link between buyer and seller, trade officers advise Canadian exporters on all phases of marketing, including providing economic/political information on the country, identifying export opportunities, assessing market competition, introducing foreign business persons and government officials, screening and recommending agents, supplying guidance on terms of payment and providing assistance with tariff or access problems. Trade officers also play an active role in identifying market opportunities and encouraging and organizing promotional efforts.

Another valuable source of information is the group of geographic trade divisions of the Department of External Affairs in Ottawa. Each of these offices concentrates on markets in specific geographical regions and provides the central government link in Canada for the trade officers abroad. For Chile, the trade officers in Santiago are in contact with their counterparts in the Latin America and Caribbean Trade Development Branch in Ottawa.

The address is:

South America Trade Development Division  
Latin America and Caribbean Branch  
Department of External Affairs  
125 Sussex Drive  
Ottawa, Ontario  
K1A 0G2  
Tel: (613) 996-5546  
Telex: 053-3745

This office can provide the following type of general information:

- economic outlooks for individual countries and information on the market for particular products and commodities;
- market information on projects;
- market access information on tariff rates, regulations, licensing, non-tariff barriers, product standards, required documents, etc.
- publications, including editions of this publication and country briefs on smaller markets; and
- market information on multilaterally financed projects, e.g., World Bank, Inter-American Development Bank (IADB).

The geographic trade divisions are also responsible for assisting and advising exporters on marketing of their products/services. They inform business persons about export services provided by the Canadian government and about export opportunities, both product and project, as they arise.

If your company requires assistance in identifying overseas markets for your products and/or services, contact either your nearest regional office of the Department of Regional Industrial Expansion or the South America Trade Development Division at the Department of External Affairs. The regional offices, which are located in each province, assist exporters with market planning and can arrange for the assistance of both the Trade Development Division in Ottawa and the trade officers overseas.

## Export Development Corporation

The Export Development Corporation (EDC) is a Canadian crown corporation whose purpose is to facilitate and develop Canada's export trade. EDC provides insurance, guarantees and export financing which, combined with financial advice and the organization of financial packages, facilitate the sale of Canadian goods and services abroad.

The EDC offers the following services:

### **Export Insurance and Related Guarantees**

- global comprehensive insurance
- global political insurance
- selective political insurance
- specific transaction insurance
- specific transaction guarantees
- loan pre-disbursement insurance
- foreign investment insurance
- performance security insurance
- performance security guarantees
- consortium insurance
- surety bond insurance
- bid security guarantees

### **Export Financing and Related Guarantees**

- loans
- multiple disbursement agreements
- line of credit allocations
- note purchases
- forfeiting
- loan guarantees

EDC has its head office in Ottawa. Regional offices are maintained in Montreal, Toronto, London, Calgary, Winnipeg, Vancouver and Halifax. General enquiries regarding EDC services may be channelled through these offices. However, enquiries about export financing should be addressed to the Export Financing Group in Ottawa. Addresses for all EDC offices are located in the "Useful Address" section of this guide.

### **Program for Export Market Development**

On April 1, 1987, the Department of External Affairs consolidated the Program for Export Market Development (PEMD) and the Promotional Projects Program (PPP) into one program called PEMD. The new PEMD has been designed to increase the marketing efforts of the private sector by helping them to participate in activities they would not, or could not, undertake on their own.

Assistance offered by the program includes both government-initiated and industry-initiated activities.

### **Government-Initiated Activities**

*Trade Fairs and Missions.* The government shares the cost of participating in national stands at trade exhibits outside Canada; sponsors outgoing trade missions of Canadian business persons to identify market opportunities abroad; and hosts incoming missions to Canada of foreign business and government officials who can influence export sales. There is no limit on how many of these events a particular company might participate in. In the case of trade fairs, a company will be eligible for assistance for up to three participations in the same event. A new element is the introduction of a participation fee to ensure a greater cost-sharing by industry.

### **Industry-Initiated Activities**

For these activities the government contribution will continue to be repayable if sales result (four applications per company per year).

*Trade Fairs.* Funding will be provided for companies wishing to participate individually in foreign trade fairs.

*Visits.* Actual travel costs up to 100 per cent of the return economy airfare will be paid for both incoming visits to Canada of foreign buyers and market identification trips by Canadian companies, outside Canada. In the case of market identification trips to the United States, only companies with annual sales below \$10 million (Cdn) will be eligible for assistance.

*Project Bidding.* This type of assistance is cost sharing of bidding on specific projects outside Canada. The projects typically involve a formal bidding procedure in competition with foreign firms for consulting services, engineering, construction and the supply of Canadian goods and services, major capital projects, and a special provision for mega-projects (over \$250 million Canadian content).

***Export Consortia.*** Manufacturers, especially small- and medium-sized companies, are assisted in jointly establishing an incorporated company to solely undertake the export of Canadian products and services. These export consortia should be better able to exploit opportunities by pooling their resources and sharing export marketing costs and risks.

***Sales Offices Abroad.*** Canadian exporters are assisted to undertake a sustained marketing effort by establishing facilities in a foreign market (excluding the United States). The government will provide up to \$125 000 per project and individual companies may have up to two approvals during their lifetime.

***Special Activities.*** Up to \$125 000 per project is available to cover special activities undertaken by non-profit food, agriculture or fish organizations, marketing boards and agencies such as plant and animal material for technical trials, product demonstration, seminars and training, and commodity promotion. This assistance is non-refundable and two approvals per applicant per government fiscal year are permitted.

***Marketing Agreement.*** The new PEMD will offer applicants the flexibility to enter into an agreement with the government to undertake a marketing program made up of a combination of activities eligible under the regular program for a period of up to two years. This is aimed at medium-sized manufacturers with some experience in exporting.

Further information on the PEMD program is available for InfoExport, the Latin American and Caribbean Trade Development Division or the regional offices of DRIE.

## Publicity

CanadExport, a bimonthly newsletter, contains articles and reports on export opportunities such as government services to industry, international market conditions and terms of access, industrial development, and joint industry-government efficiency studies.

It also outlines fairs and missions which are being organized worldwide by the Department of External Affairs under its Fairs and Missions Programs. Similarly, alternate editions list multilaterally funded capital projects overseas which offer good export opportunities for Canadian supplies of goods and services. Both English and French editions are available without charge to Canadian manufacturers. Write or call:

CanadExport  
Department of External Affairs (BTC)  
Lester B. Pearson Building  
125 Sussex Drive  
Ottawa, Ontario K1A 0G2  
Tel: (toll-free) 1-800-267-8376

## Industrial Co-operation with Developing Countries

The Canadian International Development Agency (CIDA) supports Canadian investment projects in developing countries through its Industrial Co-operation Program.

For Canadian companies wishing to investigate industrial co-operation opportunities in developing countries, CIDA's program offers:

- funding for travel, profitability and risk analyses, product/technology testing;
- funding for demonstration/test projects as a lead-in to technology transfer;
- leads and information on opportunities, and on local conditions and business practices;
- assistance in locating qualified Canadian work abroad;
- specialized training of local employees;
- professional services to cope with special situations, such as complex tax or legal problems; and
- investment missions to developing countries.

For developing countries seeking Canadian private sector participation in their economic development, the program offers:

- investment-seeking missions to Canada;

- information on Canadian technology and expertise;
- business training in Canada and in home country;
- linkages between Canadian and local business and manufacturing organizations;
- public sector institution building in co-operation with Canadian counterpart institutions;
- technical assistance to businesses requiring short-term experts; and
- long-term credits for the use of Canadian consultants or experts to assist in delineating industrial development priorities, promoting and managing exports, and providing direct, continuing, export advice to all segments of the economy, both private and public.

For further information, write to:

Industrial Co-operation Division  
 Canadian International Development Agency  
 (CIDA)

200 Promenade du Portage  
 Hull, Quebec

Tel: (819) 997-7901

Telex: 053-4140 CIDA/SEL

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## VI. TRANSPORTATION SERVICES TO CHILE

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### Sea

Of the eight or so Chilean shipping lines involved in trade, at present, none is regularly engaged in direct trade to Canadian ports. Three Chilean lines, however, are involved in trade routed via U.S. ports. The state-owned company Empresa Maritima del Estado (EMPREMAR), the privately owned Compagnie Sud Americana de Vapores SA (CSAV), and the joint private- and state-owned line, C/A Chilena de Navegacion Interoceanica SA (CCNI) serve eastern Canada on a regular basis. Other Chilean companies operate in Canada-Chile trade on an irregular basis.

The Great Lakes Transcaribbean Line (GLTL) is the only Canadian line regularly engaged in Canada-Chile direct trade. It operates from ports in the Great Lakes, St. Lawrence River and from Saint John. The U.S. Exportadora Line also carries east coast indirect trade between the two countries.

For Canadian west coast traffic, two carriers regularly move goods between Canadian ports and Chile — the Argentinean carrier ELMA and the Ecuadorian company NAVICANA.

### Air

Canadian Airlines International Limited operates weekly DC 10 service between Toronto and Lima, Santiago and Buenos Aires. Also, new weekly service began in October 1987 between Toronto and Santiago and Buenos Aires.

LAN Chile operates twice weekly service between Santiago, New York and Montreal or Santiago, Miami, New York and Montreal.

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## VII. USEFUL ADDRESSES

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### **Canadian Offices in Canada and Chile**

#### **In Chile**

Commercial Division Canadian Embassy  
Ahumada 11, 10th Floor (Street Address)  
Casilla 771 (Mailing Address)  
Santiago, Chile

Cable: DOMCAN SANTIAGO DE CHILE

Telex: (Destination Code 34) 240341  
(240341 DOMCAN CL)

Tel: 62 696-2256

Hours: Monday to Friday

8:30 a.m. to 12:30 p.m.

1:15 p.m. to 5:00 p.m.

From December through March, the  
Embassy closes at 12:30 p.m. on Friday.

#### **In Canada**

South America Trade Development Division  
South America Bureau  
Department of External Affairs  
Ottawa, Ontario

K1A 0G2

Tel: (613) 996-5546

Telex: 053-3745

The Canadian Council for the Americas  
1 Eva Road, Suite 410

Etobicoke, Ontario

M9C 4Z5

Tel: (416) 621-1525

Telex: 06-967505 (REDMA TOR)

Canadian International Development Agency  
(CIDA Headquarters)

200 Promenade du Portage

Hull, Quebec

K1A 0G4

Tel: (613) 997-5456

Telex: 053-4140

## **Chilean Offices in Canada**

### **Commercial Section**

**Embassy of Chile**

**Suite 801**

**56 Sparks Street**

**Ottawa, Ontario**

**K1P 5A9**

**Tel: (613) 235-4402 and 235-9940**

**Telex: 3774 (EMBACHILE OT)**

### **Consulate General of Chile**

**1010 Sainte Catherine Street West**

**Suite 731**

**Montreal, Quebec**

**H3B 3R3**

**Tel: (514) 861-8006**

**Telex: 05562423 (CONGECHILE MTL)**

### **General Consulate of Chile**

**Suite 1003**

**330 Bay Street**

**Toronto, Ontario**

**M5H 2S8**

**Tel: (416) 366-9570**

### **Prochile**

**Trade Commission of Chile**

**330 Bay Street, Suite 1308**

**Toronto, Ontario**

**M5H 2S8**

**Tel: (416) 369-0039**

**Telex: 06-218049 (PROCHCAN TOR)**

### **General Consulate of Chile**

**305 - 1124 Lonsdale Avenue**

**Vancouver, British Columbia**

**V7M 2H1**

**Tel: (604) 985-6211**

# Export Development Corporation

## **Head Office**

151 O'Connor Street,  
Ottawa, Ontario

### *Mailing Address:*

Export Development  
Corporation

P.O. Box 655

Ottawa, Ontario

K1P 5T9

Tel: (613) 598-2500

Cable: EXCREDCORP

Telex: 053-4136

Fax: (613) 237-2690

## **British Columbia and Yukon Region**

General Manager,  
British Columbia and  
Yukon Region

Export Development  
Corporation

Suite 1030, One Bentall  
Centre

505 Burrard Street

Vancouver, British  
Columbia V7X 1M5

Tel: (604) 688-8658

Fax: (604) 688-3710

## **Prairie and Northern Region**

General Manager,  
Prairie and Northern  
Region

Export Development  
Corporation

Bow Valley Square III,  
Suite 2140

255 - 5th Avenue S.W.  
Calgary, Alberta

T2P 3G6

Tel: (403) 294-0928

Fax: (403) 294-1133

## **Manitoba/Saskatchewan District Office**

District Manager,  
Manitoba and  
Saskatchewan

Export Development  
Corporation

330 Portage Avenue,  
Suite 707

Winnipeg, Manitoba  
R3C 0C4

Tel: (204) 943-3938

Fax: (204) 983-2187

## **Ontario Region**

General Manager,  
Ontario Region

Export Development  
Corporation

Suite 810, National Bank  
Building

P.O. Box 810

150 York Street

Toronto, Ontario

M5H 3S5

Tel: (416) 364-0135

Telex: 06-22166

Fax: (416) 862-1267

## **London District Office**

District Manager  
South Western Ontario

Export Development  
Corporation

451 Talbot Street

Suite 303

London, Ontario

N6A 5C9

Tel: (519) 679-6523

Fax: (519) 679-4483

### **Quebec Region**

General Manager,  
Quebec Region  
Export Development  
Corporation  
Suite 2724, 800 Victoria  
Square  
P.O. Box 124  
Tour de la Bourse Postal  
Station  
Montreal, Quebec  
H4Z 1C3  
Tel: (514) 878-1881  
Fax: (514) 878-9891

### **Atlantic Region**

General Manager,  
Atlantic Region  
Export Development  
Corporation  
Toronto-Dominion Bank  
Bldg.  
Suite 1003  
1791 Barrington Street  
Halifax, Nova Scotia  
B3J 3L1  
Tel: (902) 429-0426  
Telex: 019-21502

## Regional Industrial Expansion Offices

If you have not previously marketed abroad, we suggest you contact either the Business Centre in Ottawa or the trade director at any of the regional offices of the Department of Regional Industrial Expansion (DRIE) at the addresses listed below:

### **Business Centre**

Department of Regional  
Industrial Expansion  
235 Queen Street  
Ottawa, Ontario  
K1A 0H5  
Tel: (613) 995-5771

### **Alberta**

Cornerpoint Building,  
Suite 505  
10179 - 105th Street  
Edmonton, Alberta  
T5J 3S3  
Tel: (403) 420-2944  
Fax: (403) 420-4507  
Telex: 037-2762

### **British Columbia**

Bentall Centre  
Tower IV  
1055 Dunsmuir Street,  
Suite 1101  
P.O. Box 49178  
Bentall Postal Station  
Vancouver, British  
Columbia  
V7X 1K8  
Tel: (604) 666-0434  
Fax: (604) 666-8330  
Telex: 045-1191

### **Manitoba**

330 Portage Avenue  
Room 608  
P.O. Box 981  
Winnipeg, Manitoba  
R3C 2V2  
Tel: (204) 983-4090  
Fax: (204) 983-2187  
Telex: 075-7624

### **New Brunswick**

Assumption Place  
770 Main Street  
P.O. Box 1210  
Moncton  
New Brunswick  
E1C 8P9  
Tel: (506) 857-6400  
Fax: (506) 857-6429  
Telex: 014-2200

### **Newfoundland and Labrador**

90 O'Leary Avenue  
P.O. Box 8950  
St. John's  
Newfoundland  
A1B 3R9  
Tel: (709) 772-4053  
Fax: (709) 772-5093  
Telex: 016-4749

**Northwest Territories**

P.O. Box 6100  
Yellowknife  
Northwest Territories  
X1A 1C0  
Tel: (403) 920-8568  
Fax: (403) 873-6228  
Telex: 074-2742

**Nova Scotia**

1496 Lower Water Street  
P.O. Box 940, Station M  
Halifax, Nova Scotia  
B3J 2V9  
Tel: (902) 426-2018  
Fax: (902) 426-2624  
Telex: 019-22525

**Ontario**

Dominion Public  
Building  
4th Floor  
1 Front Street West  
Toronto, Ontario  
M5J 1A4  
Tel: (416) 973-5000  
Fax: (416) 973-8714  
Telex: 065-24378

**Prince Edward Island**

Confederation Court  
Mall  
134 Kent Street,  
Suite 400  
P.O. Box 1115  
Charlottetown,  
Prince Edward Island  
C1A 7M8  
Tel: (902) 566-7400  
Fax: (902) 566-7450  
Telex: 014-44129

**Quebec**

Stock Exchange Tower  
Suite 3800  
800 Victoria Place  
P.O. Box 247  
Montreal, Quebec  
H4Z 1E8  
Tel: (514) 283-8185  
Fax: (514) 283-3302  
Telex: 055-60768

**Saskatchewan**

6th Floor  
105 - 21st Street East  
Saskatoon  
Saskatchewan  
S7K 0B3  
Tel: (306) 975-4400  
Fax: (306) 975-5334  
Telex: 074-2742

**Yukon**

108 Lambert Street  
Suite 301  
Whitehorse, Yukon  
Y1A 1Z2  
Tel: (403) 668-4655  
Fax: (403) 668-5003  
Telex: 014-2200





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Iquique

Pacific Ocean

Antofagasta

Copiapo

La Serena

**Argentina**

Pacific Ocean

La Serena

Valparaiso  
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METROPOLITAN REGION  
Rancagua

Rancagua

Talca

Concepción

Temuco

Temuco

Puerto Montt

**Argentina**

Gulf of Corcovado

Pacific Ocean

Coyhaique

XI

**Argentina**

XII

Punta Arenas

**Chile**

Scale 250 km

- Major Roads
- Capital City
- Regional Capitals (Regions I-XII)
- - - Regional Boundaries
- · - · - International Boundaries
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