

## Ways to expand trade and investment between Australia and Chile.

- As our bilateral Free Trade Agreement comes into force the barriers between Chile and Australia will diminish almost entirely. Both the private sector and our respective governments have a vested interest in eliminating the unnecessary costs and risks associated with bilateral business agreements. We are of course very interested in increasing the presence and prominence of Chilean based companies in Australia. Our goal is to have companies based in Santiago interacting with Sydney based enterprises as easily as they do now with those based in Antofagasta.
- Following this line of thought, it will be necessary to investigate ways of improving the current shipping services that exist between Chile and Australia. The lack of direct shipping channels is one of the biggest impediments to the expansion of trade between both countries.
- We are specifically very interested in gaining access to the Australian market for Chilean products such as avocados, berries, horses, pork and poultry. Currently all of these products have very strict quarantine requirements, and in the case of goods coming directly from Chile are subject to an Import Risk Analysis that takes two years to complete. Obviously and understandably Australia's strict biosecurity requirements are affecting our export capabilities. As a result we are very interested in negotiating an MOU between SAG and AQIS. This would assist with the better management of the consultation process on sanitary and phytosanitary measures with a view to facilitating and promoting bilateral trade of these products.
- The FTA is going to generate many opportunities for collaboration and strategic partnerships and it is important that we raise awareness of these new possibilities. We need to work harder to improve the exchange of governmental, political, entrepreneurial, academic and media contacts. There are already some institutions in place such as the Bilateral Business Committee AIG-SOFOFA, the Australia-Chile Chamber of Commerce, ALABC and COALAR as well as trade and investment bodies which exist at a state level that can be better utilized in the strengthening of these relations.
- The promotion of more interaction between the leading private sector organizations in specific areas such as mining, energy, agriculture, fruit exporters, food and beverage, engineering services and many others will undoubtedly benefit both countries. We believe in developing working groups in various sectors headed by CEOs from the private sector of each country with the potential to enter into partnerships to determine the

capabilities and advantages from working together in global markets. The flow on effects of this will assist in forging partnerships between companies of both countries, development of opportunities in co-investments, supply chain integration, joint marketing or strategic alliances and improved access to our respective regional markets; and ultimately the consumer.

- The FTA will be particularly valuable in the services and investment sectors. We see a lot of potential in the financial services sector but more needs to be done to engage fund managers from both countries in developing business opportunities. We already share common ground in sectors such as mining technologies and services, agribusiness and renewable energy as well as food and beverages. From here we can expand opportunities for collaboration and development in joint research projects in technologies.
- Timely and accurate exchange of information regarding trade and investments legislation, market access requirements, business opportunities, contacts and statistics is essential in this endeavor.
- We are also very interested in sending Chilean professionals to do internships in Australia's high-tech companies. As an incentive the Chilean Development Agency (CORFO) is providing funding to support such internships so that the recipient company will not incur a cost for taking them on. We believe this to be a great way to improve professional connections between companies, and have all confidence that the cooperation and exchange of professionals will greatly improve trade and investment flows.
- To ensure that all of this goes ahead successfully it is important that we work collaboratively to promote the FTA in both countries.
- Part of this includes implementing the letters of intent and MOUs signed by various government organizations, universities, research centers and private sector institutions.
- We should also speed up the process of negotiating a Double Taxation Agreement.
- We believe that Australia should seriously consider the prospect of joining the P4.