

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Chile

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Chile-Thailand FTA--New Opportunities for Chilean Ag Exports

Report Categories:

Country/Regional FTA's

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Report Highlights:

Chile signs new FTA with Thailand

Executive Summary:

Chile and Thailand signed an FTA in early October which brings tariffs to zero for 90% of Chilean products. Among agricultural products, the greatest potential is observed for grapes, cherries and apples, as well as value-added products.

The Chilean government believes that Thailand will be a profitable new market for Chilean agricultural products. Thailand is Chile's largest trading partner among all countries of the Association of Southeast Asian Nations (ASEAN), with the two-way trade estimated to be around 1 billion US dollars a year. In 2012, Chilean exports to Thailand were valued at 315 million US dollars. Meanwhile, Chile is Thailand's third largest trading partner among Latin American countries, behind Brazil and Argentina. Thai exports to Chile totaled 715 million dollars in 2012.

Of the roughly 3,900 total tariff lines imported by Thailand, only 90 are Chilean. Besides metals and seafood, the primary Chilean exports are grapes, wine and cherries. Analysts predict that these fruit exports will increase when the agreement becomes active.

Other Chilean agricultural products that will benefit from the FTA are bovine, pork, lamb and poultry meats, condensed milk, cheese, tree nuts, avocados and tomato paste.