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# **Press Release**

# FOR IMMEDIATE RELEASE

**Chile and Thailand’s Current USD 1 Billion Trade Exchange Expected to Increase at Least 100 Percent in the Next Two Years**

Bangkok, September 5, 2014: Fruitful coordination meetings were held by the members of the Thai-Chilean Joint Business Council (JBC) in Bangkok at the end of August, as the second meeting of the JBC gathered a group of business representatives from Chile and Thailand to discuss trade and investment opportunities between both countries.

“We set a very ambitious goal: currently, bilateral trade between Thailand and Chile is about USD 1 billion and, in three years, I would like to see this number goes up to USD 5 billion. That is five hundred percent,” said Kanit Si, chairman of the Thai-Chilean Business Council. “Right now, we have a clear roadmap of how to get there so I can see that from now on there will be very significant improvement. Particularly, if the FTA between Thailand and Chile gets approved by the Congress—then, we might see that the target of USD 5 billion is maybe too small.”

His Chilean counterpart, Juan Mackenna, chairman of the Chilean-Thai Business Council, was more reserved with the figures: “Right now, the total business between Chile and Thailand is around USD 1 million. We would like to multiply that by two or by three in the near future. That said, we should be connected, share information, and look for new business opportunities like we did with Magotteaux.”

Owned by the Chilean leader of the mining and industrial sector, Sigdo Koppers, Magotteaux opened its fifteenth production unit in Thailand in July 2012 and it is an example of successful investment in Thailand.

Chile participated in the meeting with a public and private delegation of 13 members led by H.E. Alfredo Labbe, Permanent Secretary of the Ministry of Foreign Affairs of Chile. He stated, “This was the second time that businesspeople from Chile and Thailand, supported by their respective governments, met to discuss and plan new possible ways to enhance bilateral trade and investment. In this context, the presence of Chilean businesspeople in Bangkok was relevant and very well received.

Another important aspect is the fact that Chilean investment in Thailand has already taken place. The opening of Sigdo Koppers’ Magotteaux plant is a symbol of what we can do together. In both countries, private sector is one of the key pillars of development and growth – and that is what we are working for. As a proof of what we are doing and of the presence of our products here in Thailand is that Chilean wines were served at the official FEALAC lunch, which was presided by the Thai representatives of Foreign Affairs.”

Both chairmen, Si and Mackenna, agree that big progress was made from the first JBC meeting held in Santiago in March this year as well as this one.

“In this meeting we had a very significant breakthrough. This time, in Bangkok, we have identified what industries we want to pursue and follow up. The areas include automotive, seafood, the energy sector, and a few others, like tourism,” said Kanit Si.

“In the first meeting we had in Santiago, it was the first time I met Mr. Kanit Si. Now we had the possibility to meet and connect with more businesspeople as well,” added Mackenna.

The Status of the FTA

A relevant discussion during the JBC meeting was the FTA between Thailand and Chile.

“The most important political message we brought as a government was that the Free Trade Agreement (FTA) between Chile and Thailand will be submitted for parliamentary approval. This is an instrument that will allow us to increase a bilateral trade, despite today’s significant trade figure of USD 1 billion. The expectation is to duplicate or triplicate this number in a certain period of time,” explained Labbe.

“The FTA will help us find some business matching, because now some Thai companies don’t know about the opportunity they can have in Chile, exporting there or importing to Thailand. Same for Chilean side, they can also import from us or export some things we might need in Thailand,” added Vivat Chaijiraporn, Vice President of Bangkok Bank and Secretary of the JBC.

“The FTA between Chile and Thailand is a clear reflection of the necessity of both economies to take their trade relationship to a new level, boosting trade exchange, and deepening an already close relationship. Through this agreement, both Chile and Thailand seek to open new trade opportunities for goods, services and investment for exporters from both sides. Once the agreement enters into force it will allow to materialize economic alliances and reciprocal investment; simplify sanitary and technical regulations for exports from both sides; standardize, transparent and understand each other’s customs procedures, and a quick and efficient resolution of contingencies that may arise through contact points of technical committees,” concluded Jaime Rivera, Trade Commissioner and Coordinator of ASEAN Markets at ProChile, an institution of Chile’s Ministry of Foreign Affairs in charge of promoting exports of the country’s products and services.

About **the Thai-Chilean Joint Business Council**

The Thai-Chilean Joint Business Council (JBC) was established on March 28, 2014, by the Chilean Federation of Industry (SOFOFA) and JSCCIB-Thailand. This council has the goal to encourage businesspeople from both nations to engage more in business and investment activities, and to take advantage of the Thailand-Chile FTA.

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