PRESENTACIÓN

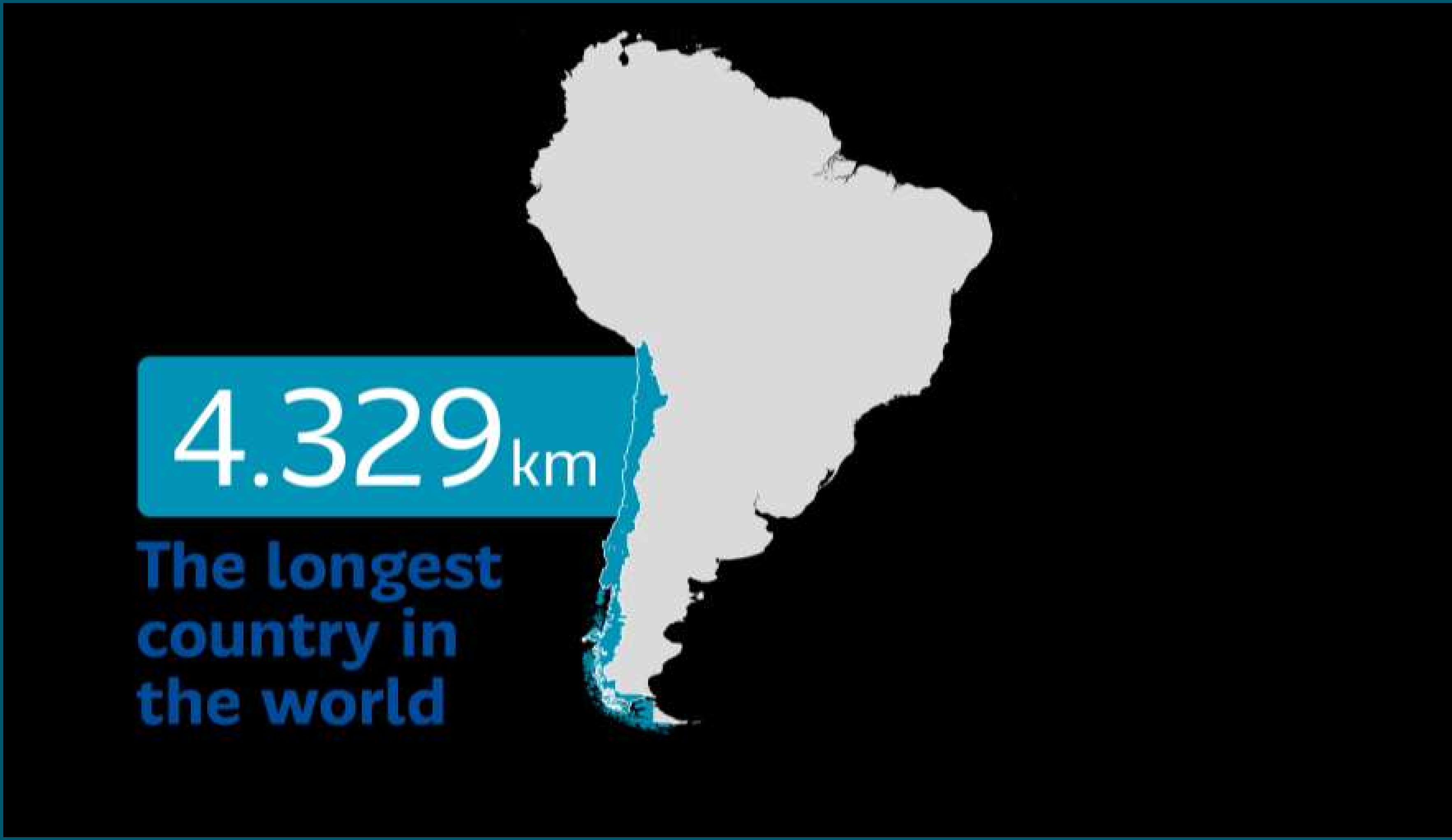
CHILE

Subdepartamento de Información Comercial
Departamento de Estudios
DIRECON-ProChile

ProChile
MINISTERIO DE RELACIONES EXTERIORES

DIRECON

CHILE
Overview


4.329 km
The longest country in the world

CHILE
Main Figures

277.184

GDP
(US$ millons - 2017)

2,5%

Inflation Rate
(2nd lowest in Latin America)

18,4

POPULATION
(Millons of people - 2017)

6,7%

Unemployment

26.752

GDP per capita PPP
(US$ - 2019)

Commerce

Exports 2018: US$ 75.404 millons
Imports 2018: US$ 68.518 millons

Subdepartamento de Información Comercial, DIRECON – PROCHILE.
con cifras del Banco Central de Chile.

Chile produces and offers the world **a splendid diversity of products and services**.

Its unique geography, whose borders are the **Cordillera de los Andes**, THE PACIFIC OCEAN, **the Atacama desert and the ice from the south**, are natural phytosanitary barriers that protect and preserve purity, freshness and confidence.

WHY CHILE?

We have signed more Free Trade Agreements than anyone on the planet

26 free trade agreements and double taxation with 64 countries.

- **Pacific Alliance**
  openness to trade with over 217 millon consumers

FTAs allow privileged tariffs with 86.3% of global GDP

64	86%	63%
ECONOMIES	WORLD'S GDP	WORLD'S POPULATION

Subdepartamento de Información Comercial, DIRECON – PROCHILE.
con cifras del FMI, WEO abril de 2018.

WHY CHILE?

➢ A TRUSTWORTHY COUNTRY

According to the credit rating agencies, Chile is a safe country for business. Chile's good standing is due to low public debt levels, a healthy financial system and institutional strength.

Countries	Moody's	S&P	Fitch
Chile	**Aa3**	**A+**	**A+**
Peru	A3	BBB+	BBB+
Mexico	A3	BBB+	BBB+
Colombia	Baa2	BBB	BBB
Uruguay	Baa2	BBB	BBB-
Paraguay	Ba1	BB	BB
Brazil	Ba2	BB	BB
Bolivia	Ba3	BB	BB-
Argentina	B3	B+	B
Ecuador	B3	B-	B
Venezuela	Caa3	CC	C

Source: Economist Intelligence Unit / Risk Ranking 2017

WHY CHILE?

➢ SERIOUS AND RELIABLE

Today, the country ranks **2nd in Latin America in the "Corruption Perceptions Index 2018"** published by Transparency International.

WHY CHILE?

➢ AN IDEAL ENVIRONMENT FOR OPPORTUNITIES

Chile is open to the world. A stable country with a dynamic pace, it attracts the attention of those seeking opportunities. According to the World Bank's **“Ease of Doing Business 2018” ranking, Chile is in 2nd place in Latin America.**

WHY CHILE?

➢ A COUNTRY WHICH ATTRACTS

The United Nations' **World Investment Report 2018** places Chile in **1st place in Latin America in terms of attracting foreign investment.**

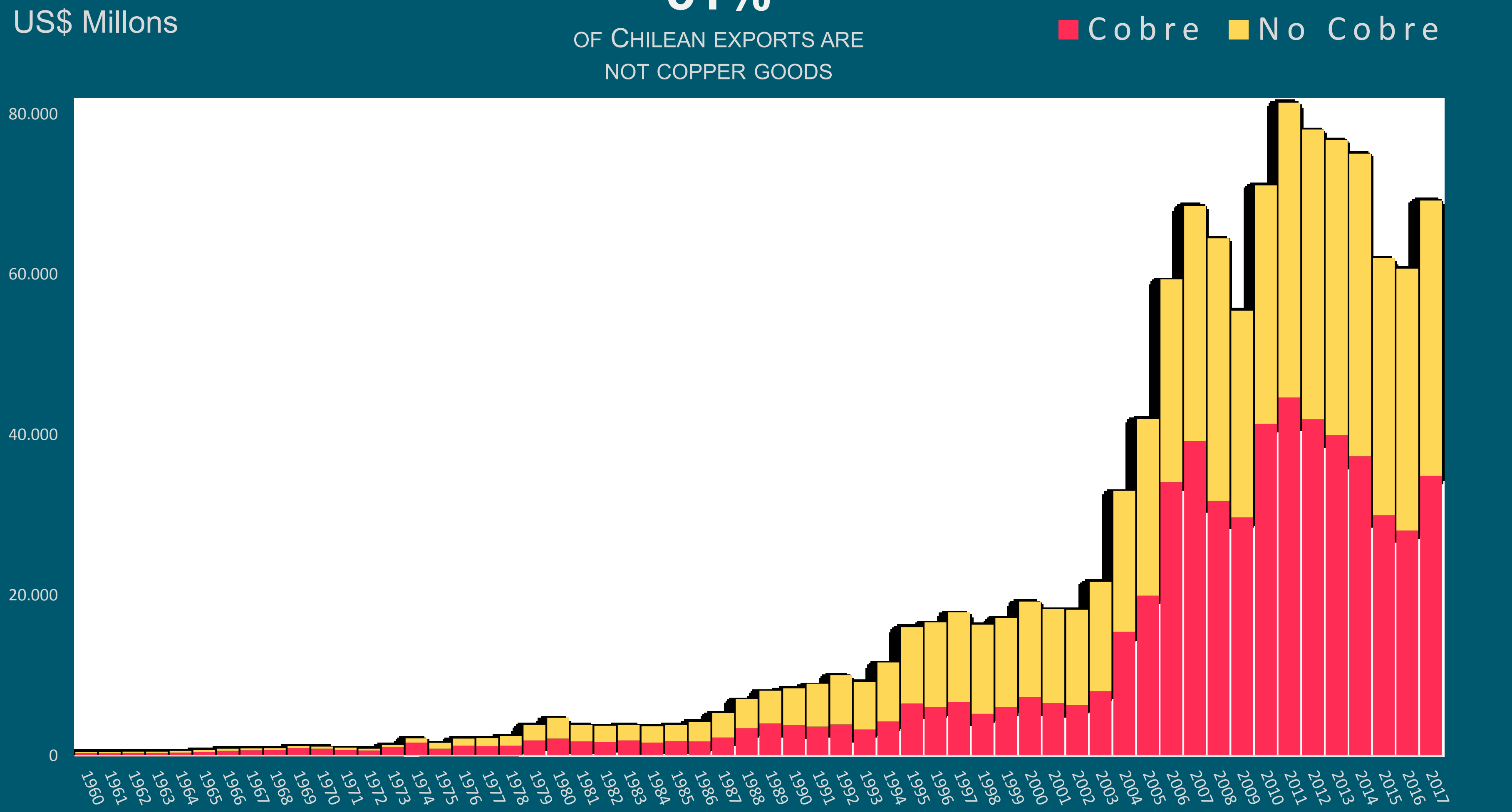
In the last 25 years, **Foreign Direct Investment (FDI) has played a decisive role in Chile's growth and economic development.**

HISTORICAL CHILEAN EXPORTS

Copper - Non Copper

51%

OF CHILEAN EXPORTS ARE NOT COPPER GOODS



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EXPORTS IN THE MINING SECTOR

Chile:
A global benchmark for mining

the country's main economic activity

9%

contribution to GDP

US$38,526 Million

in mineral exports

Metallic minerals

- Copper
- Gold
- Molybdenum

Non-metallic minerals

- Iodine
- Sodium nitrate
- Lithium carbonate

LITHIUM

54%
of world reserves

US$473 million
total amount of lithium carbonate exported (2016)

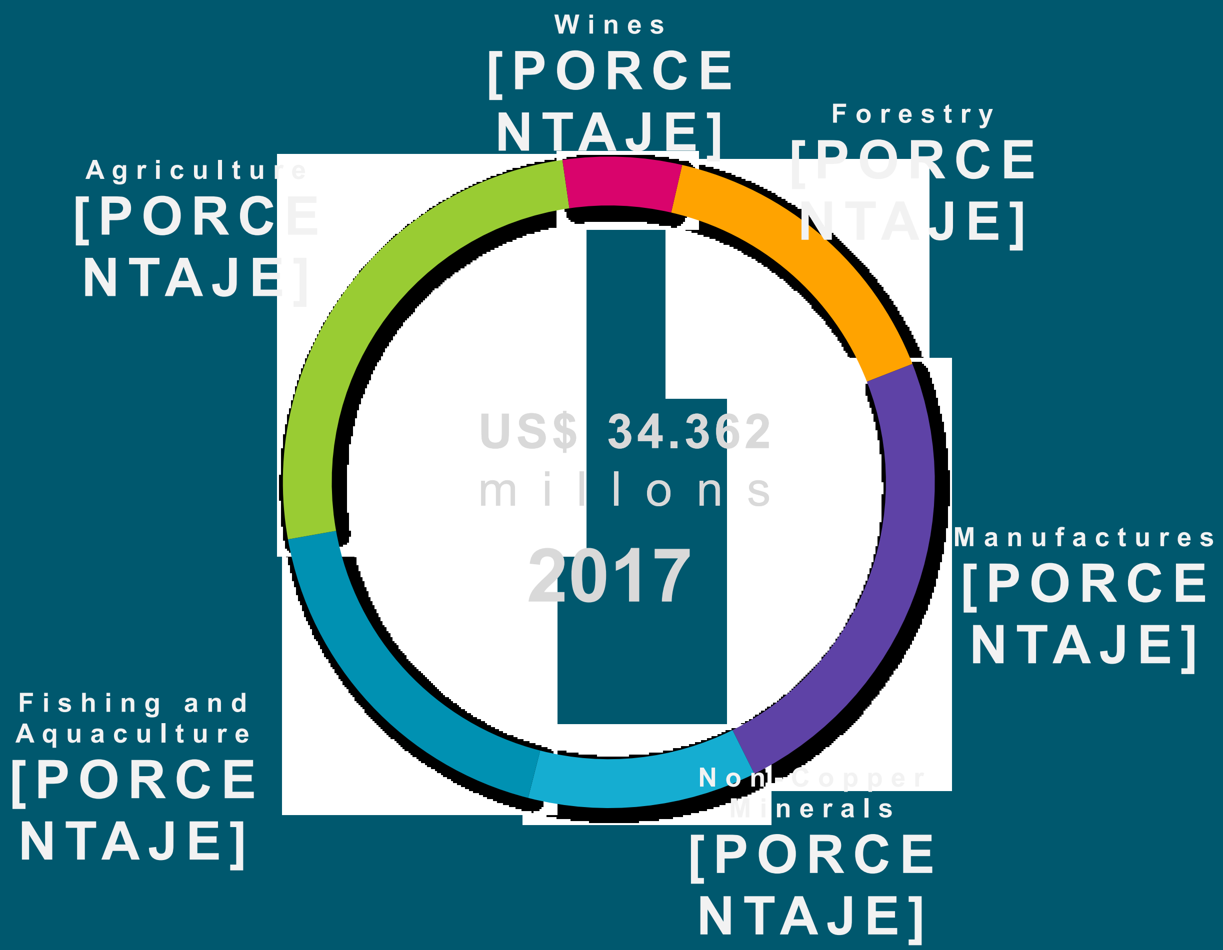
20%
expected annual increase in demand within 5 years.

SOURCE: Chilean Copper Commission, 2017.

Exports of the non copper goods

CHILEAN EXPORTS

Non-Copper Goods, according to MACROSECTOR



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2nd World Exporter

Fresh Cherries

Steel balls for Mining

Walnuts With Shell

Flower Bulbs

Frozen Horse Mackerel

1st World Exporter

Fresh Grapes

Fresh Blueberries

Fresh Plums

Dehydrated Apples

Mussels

Salmon Fillet

Iodine and Lithium

Copper Cathodes

Coniferous Cellulose

Frozen Trout Fillets

3rd World Exporter

Raisins

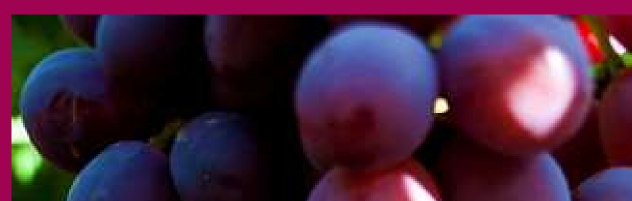
Shelled Nuts

Agar-agar

Inulin

Wine in Bulk

Frozen Raspberries



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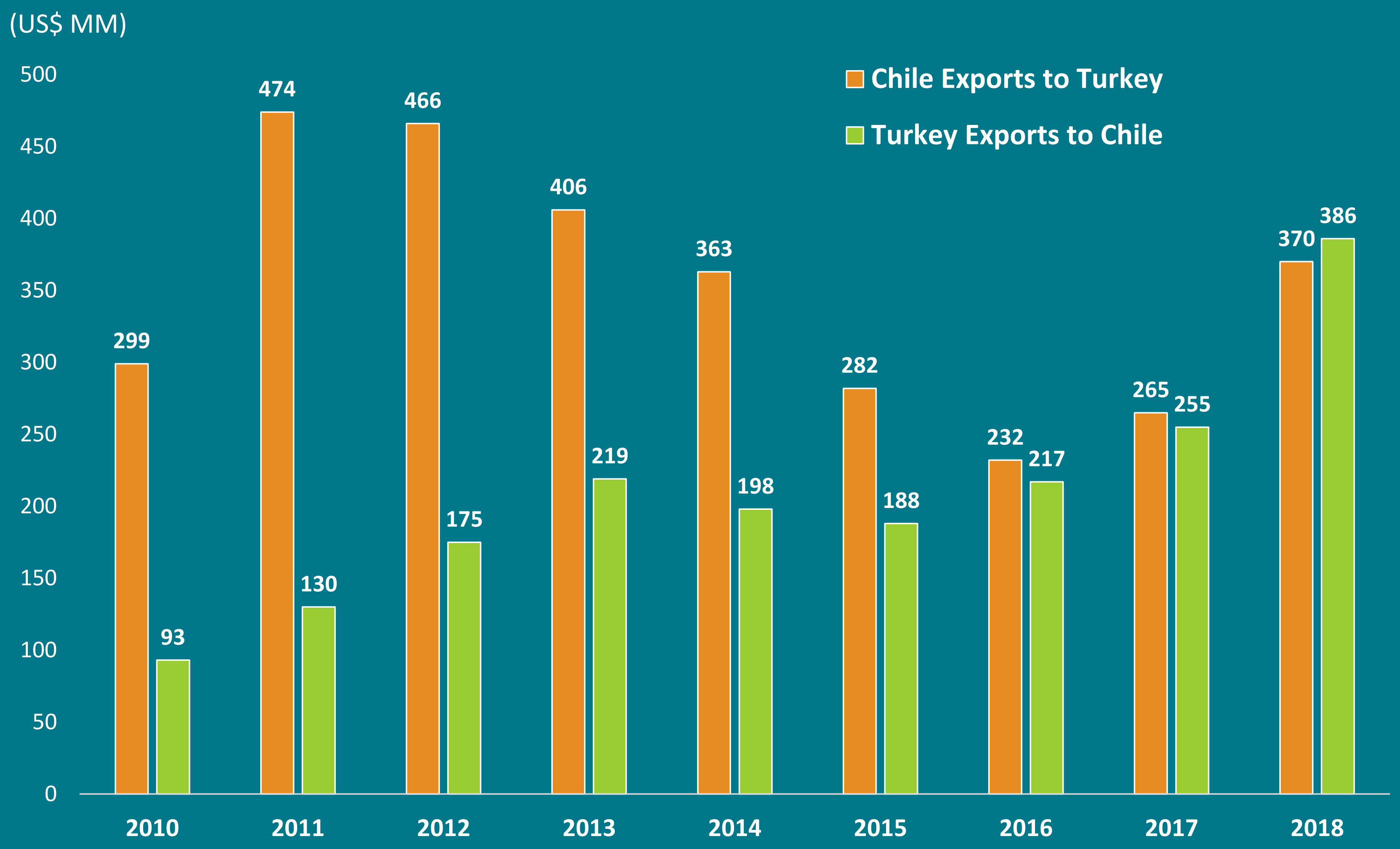
con cifras del Banco Central de Chile.


Bilateral Trade
CHILE & TURKEY


Chile has 25 trade agreements in whole over the world.
Turkey signed the Free Trade Agrrements with Chile in 2011.

CHILE & TURKEY BİLATERAL TRADE
2010 – 2018 Evolution



Trade Atlas 2018 Data

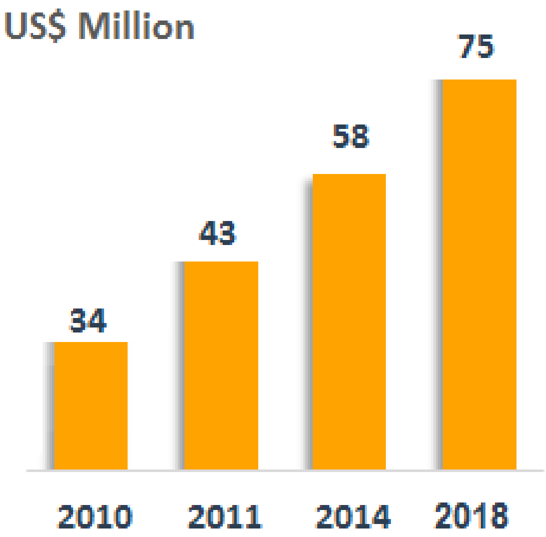
TOP TURKEY IMPORTS FROM CHILE

US$ Millons

CODE	Product Label	2016	2017	2018
	All Products	**232**	**265**	**370**
7403	Copper, refined, and copper alloys, unwrought	116	169	133
2603	Copper ores and concentrates	0	0	106
0802	Other nuts, fresh or dried, whether or not shelled or peeled	62	101	81
2834	Nitrites; nitrates	22	22	12
1504	Fats and oils and their fractions of fish or marine mammals	9	4	12
1209	Seeds, fruits and spores, for sowing	6	6	9
4703	Chemical wood pulp, soda or sulphate	6	4	8
8401	Taps, cocks, valves and similar appliances for pipes,	0	1	3
2825	Hydrazine and hydroxylamine and their inorganic salts	1	3	3
0810	Fresh strawberries, raspberries, blackberries,	1,2	2,1	1,2
0806	Grapes, fresh or dried	1,3	1,5	2,3
1605	Crustaceans, molluscs and other aquatic invertebrates	1,2	2,4	1,2
2204	Wine of fresh grapes, incl. fortified wines	1,3	1,4	1,2

CHILE & TURKEY BILATERAL TRADE

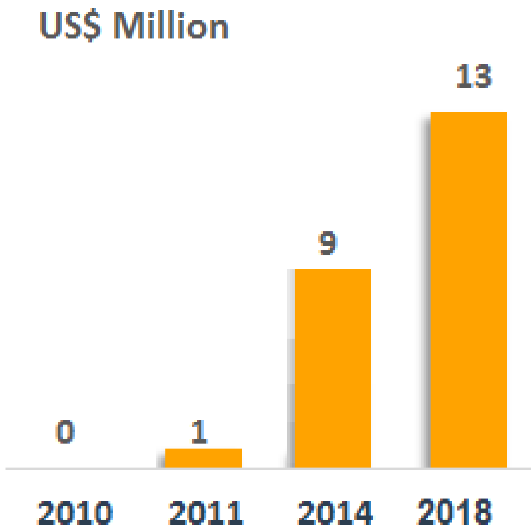
Post Agreement Results: Exports to Turkey



WALNUTS IN SHELL

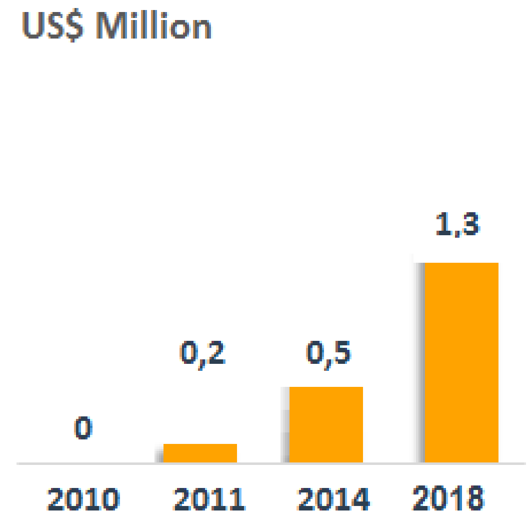
Tariff 2010: 43.2%
Tariff 2018: 7,5%*

* Under the Tariff Quota.



FISH OIL

Tariff 2010: 15.6%
Tariff 2018: 0%



MUSSELS

Tariff 2010: 54%
Tariff 2018: 0%*

* Under the Tariff Quota.

Source: Studies Departament, DIRECON-ProChile, based on data of Central Bank of Chile.

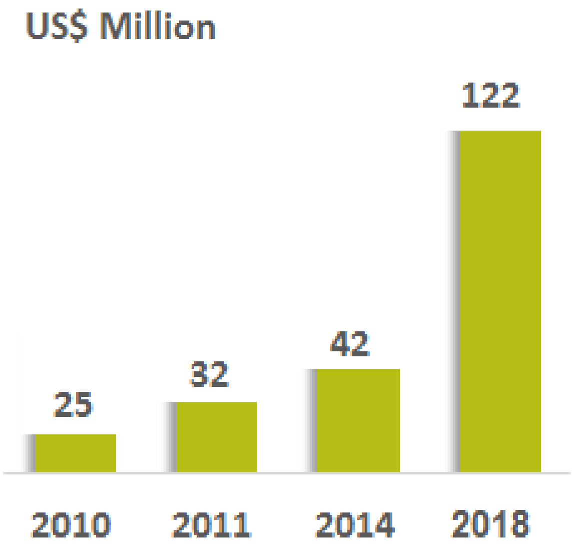
TOP CHILE IMPORTS FROM TURKEY

US$ Millons

CODE	Product Label	2016	2017	2018
	All Products	**217**	**254**	**386**
7214	Bars and rods, of iron or non-alloy steel	30	35	**63**
8703	Motor cars and other motor vehicles principally designed for the transport of persons	9	15	**28**
8702	Motor vehicles for the transport of >= 10 persons, incl. driver	2	11	**26**
8704	Motor vehicles for the transport of goods	19	20	25
7216	Angles, shapes and sections of iron or non-alloy steel	11	9	**24**
3916	Monofilament of which any cross-sectional dimension	11	9	11
7311	Containers of iron or steel, for compressed or liquefied gas	2	4	**10**
3920	Plates, sheets, film, foil and strip	2	2	**5**
5702	Carpets and other textile floor coverings, woven	5	6	5
2836	Carbonates; peroxocarbonates "percarbonates"	1,3	1,2	**4,0**
2814	Ammonia, anhydrous or in aqueous solution	1	0	**4**
8474	Machinery for sorting, screening, separating, washing	3	2	3
6109	T-shirts, singlets and other vests, knitted or crocheted	2	3	3
8414	Air or vacuum pumps	1	1	2

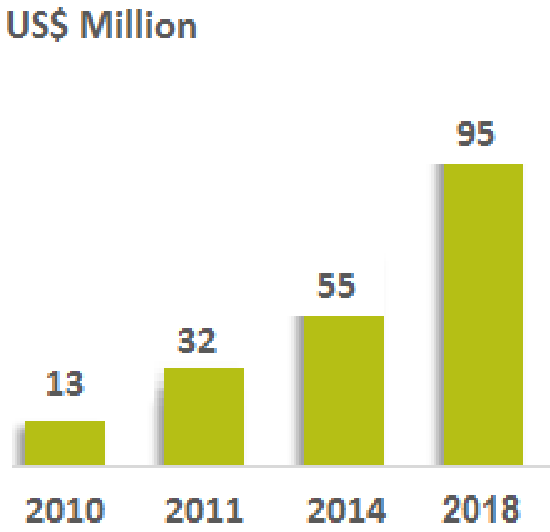
CHILE & TURKEY BILATERAL TRADE

Post Agreement Results: Imports from Turkey



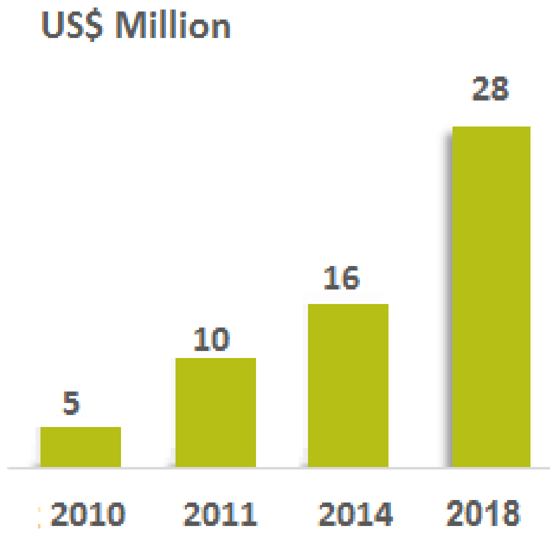
72: STEEL/IRON

Tariff 2010: 6%
Tariff 2018: 0%



87: VEHICLES

Tariff 2010: 6%
Tariff 2018: 0%



84: MACHINERY, NUCLEAR REACTORS

Tariff 2010: 6%
Tariff 2018: 0%

Source: Studies Departament, DIRECON-ProChile, based on data of Central Bank of Chile.

CHILE: INVESTMENT HUB

Felipe Cantillana

ProChile

DIRECON

National Goals for 2035

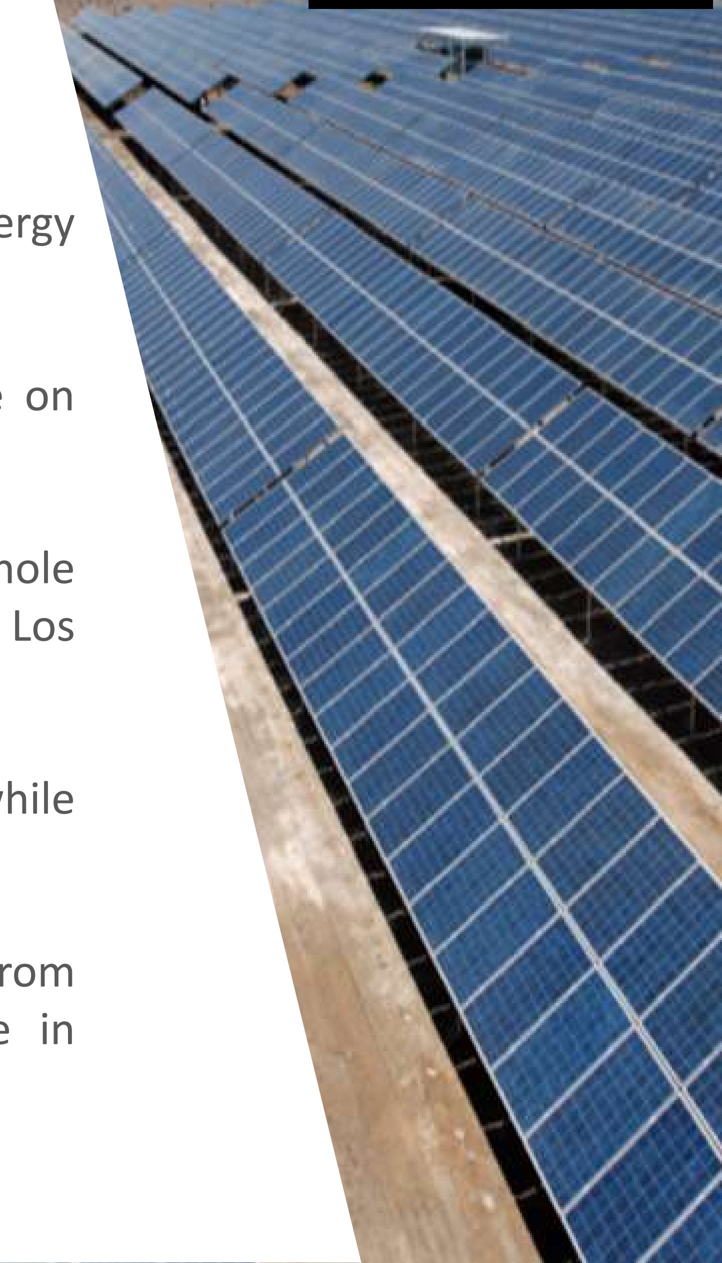
7,5 million
tons of copper per year (compared to an average 5.5 million for the last 10 years)

250 world-class industry suppliers
(compared to 65 in 2015).

US$ 4,000 Million
in exports of mining-related goods and services (compared to US$ 537 million in 2015).

SOURCE: Fundación Chile (2016)

Felipe Cantillana



Renewable Energy

- Chile has excellent opportunities for renewable energy given its outstanding natural resources.
- The North of Chile has the highest solar irradiance on earth, offering excellent conditions for solar energy.
- Good wind potential in several regions across the whole country such as Antofagasta, Coquimbo, Biobío, Los Lagos and Magallanes.
- Installed capacity grew 27% in the past four years while demand grew around 2% per year.
- In the past four years, tender prices came down from US$129 MWh to US$32.5 MWh; a 75% decrease in prices.

4th Most attractive country in the world for investment in NCRE

70% of the energy matrix will come from NCRE in 2050

146% increase in investment in renewable energy projects between 2014 and 2015

US$1,500 million investment portfolio by 2020

SOURCE: InvestChile, 2016.

Year	Amount US$ Millions	Number of Projects	Projects
2018	1,599	5	3 highways, 1 airport, 1 hospital network
2019	2,234	10	5 highways, 2 airports, 1 civic center , 2 hospital networks
2020	2,736	7	4 highways, 2 hospital networks, 1 reservoir
2021	2,963	9	5 highways, 1 airport, 1 cable car, 2 hospital networks
2022	2,245	10	5 highways; 2 airports, 1 cable car, 1 streetcar, 1 reservoir
2023	2,814	7	4 highways, 2 streetcars, 1 public center,
Total	**14,591**	**48**	




“Trust, believe and invest in Chile.”

Chile is a magnet that stimulates life in a unique manner; it captures your senses and awakens a wide range of emotions in anyone who visits it.

Come and experience the energy of our many contrasts!

An Overview of Turkish Contractor’s International Activities

Emre Aykar

YAPI MERKEZİ, Board Member

EUROPEAN CONSTRUCTION INDUSTRY FEDERATION, Vice President

T.C.A. SUPREME ADVISORY COUNCIL, Vice President

CONFEDERATION OF INTERNATIONAL CONTRACTORS, President

March 2019

Emre Aykar

- High School : Lycée de Galatasaray (1965)
- Undergraduate (BS in CE) : Robert College Eng. School (1971)
- Graduate (MSc in CE) : Boğaziçi University (1973)

Titles

- Yapı Merkezi Construction and Industry : Partner, Board Member (2014 -)
- Freysaş Freyssinet : Chairman of the Board (1990 -)
- SUBOR Pipe Industry & Trade Inc. : Chairman of the Board (2000 -)

Sectorial Titles

- Turkish Contractors Association : Supreme Advisory Council Vice President (2017 -)
- European Constraction Industry Federation - (FIEC) : Vice President ((2012 -)
- Conf. Of International Contractor’s Associations - (CICA) : President (2015 - 2016) (2019-2020)
- DEIK, Turkey – Ethiopia Business Council : Chairman (2015 -)

emre@ym.com.tr

Founded in 1965 as a Research and Design Company

Contractor since 1969

March 2019

53 years
of construction experience

On-going projects in
9
countries

Close to
20.000
employees

More than
500
projects completed

average
$ 1.3
Billion
annual turnover

A world brand in rail systems with

more than

3.600 km

single track

in

51

projects

used daily by over

3,5 million

people

in

9 countries

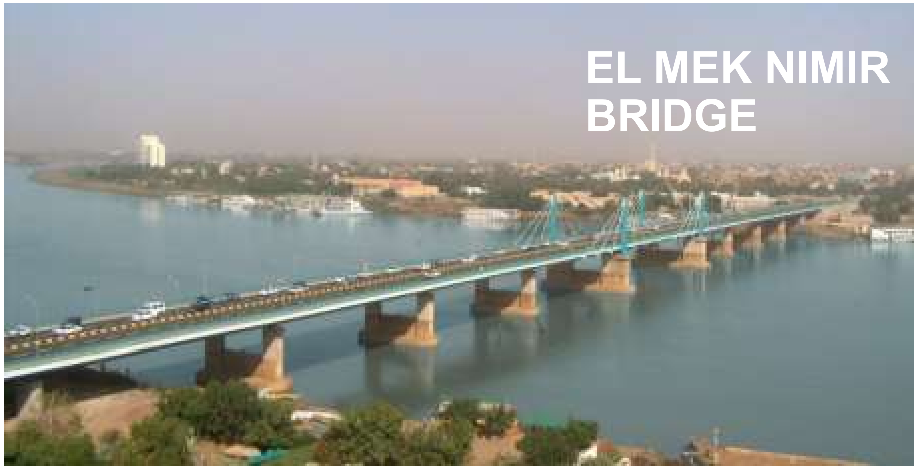
in

continents


DUBAI METRO


EURASIA
TUNNEL
ASYA


DOHA METRO, Gold
Line


EL MEK NIMIR
BRIDGE


MADINAH STATION

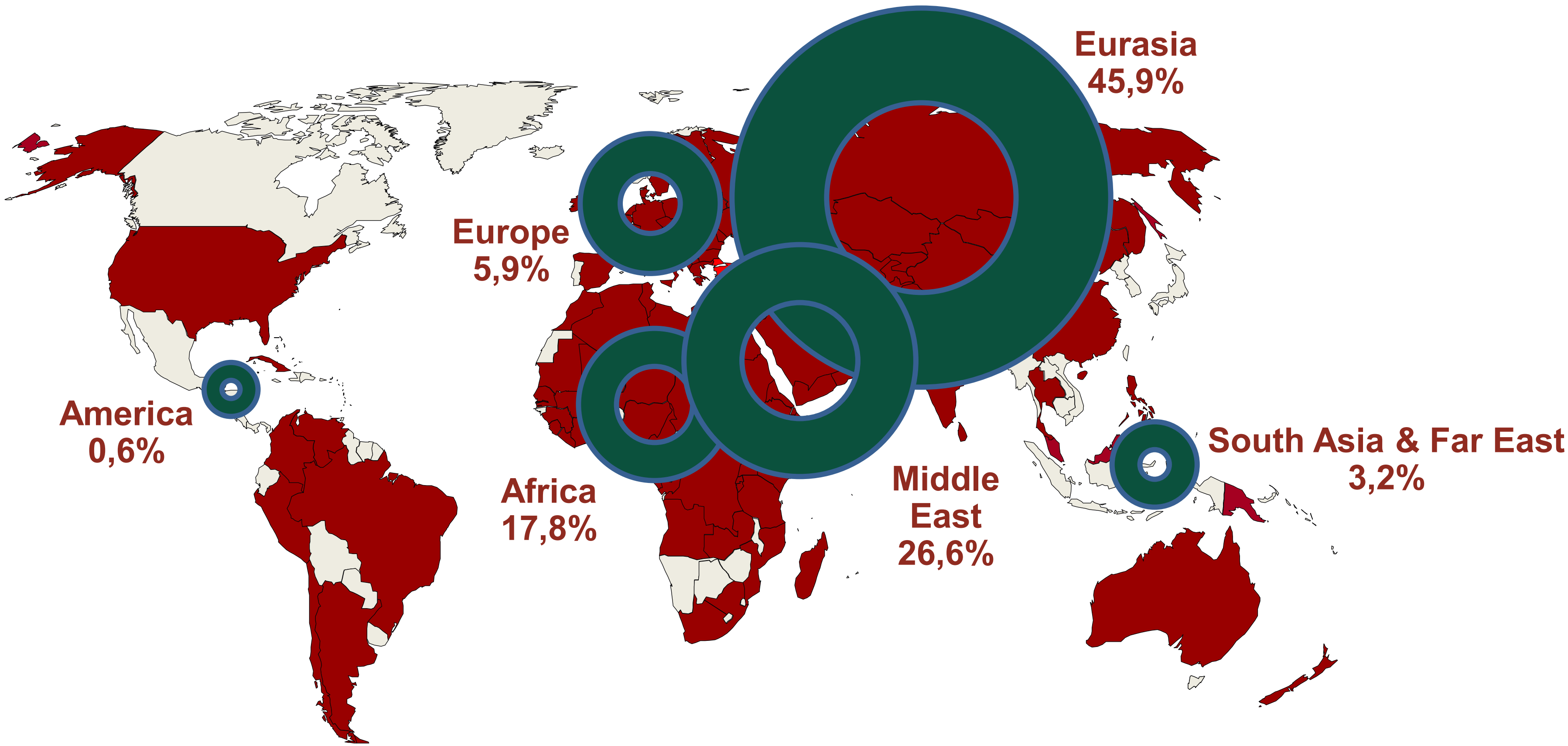

FOUR SEASONS HOTEL


CASABLANCA
TRAMWAY


1915 ÇANAKKALE BRIDGE

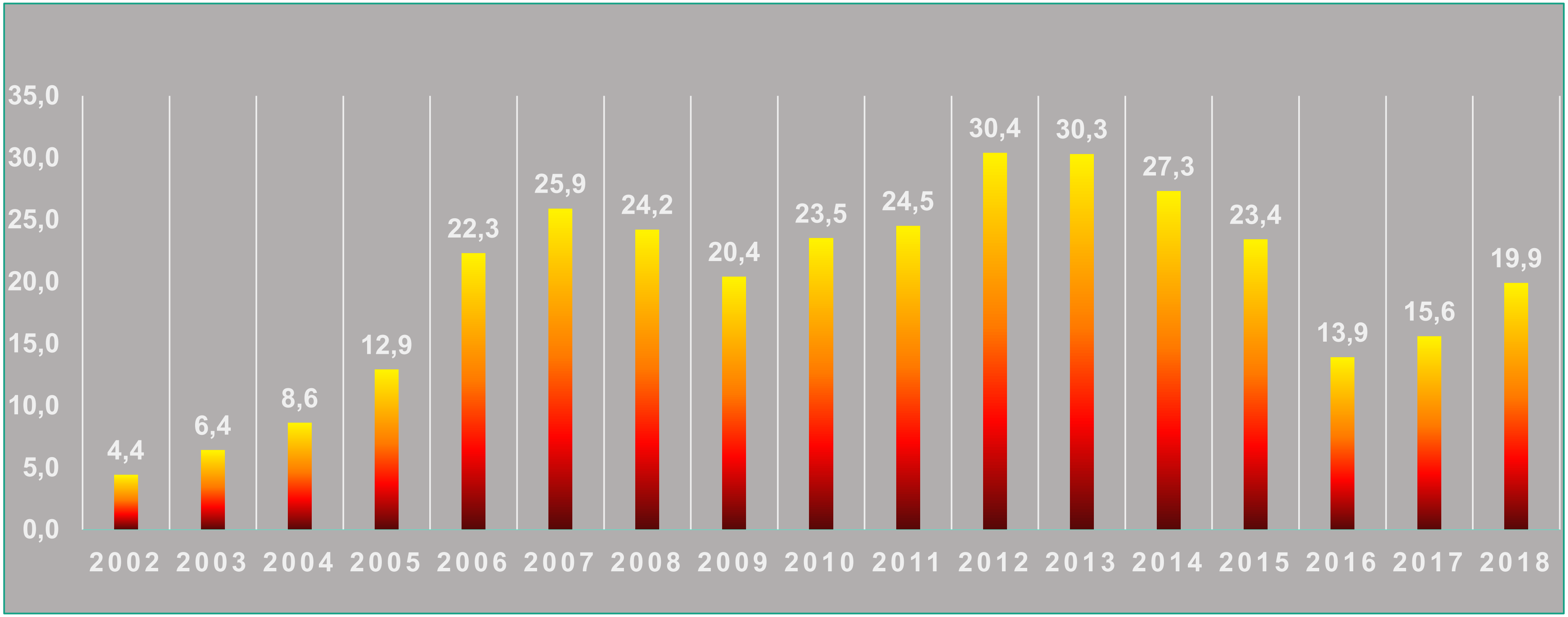
9600 PROJECTS, 123 COUNTRIES, 380 BILLION US $

1972–2018



Source: Ministry of Trade of Turkey

Annual International Contracting Services (Billion USD)



Source: Ministry of Trade of Turkey

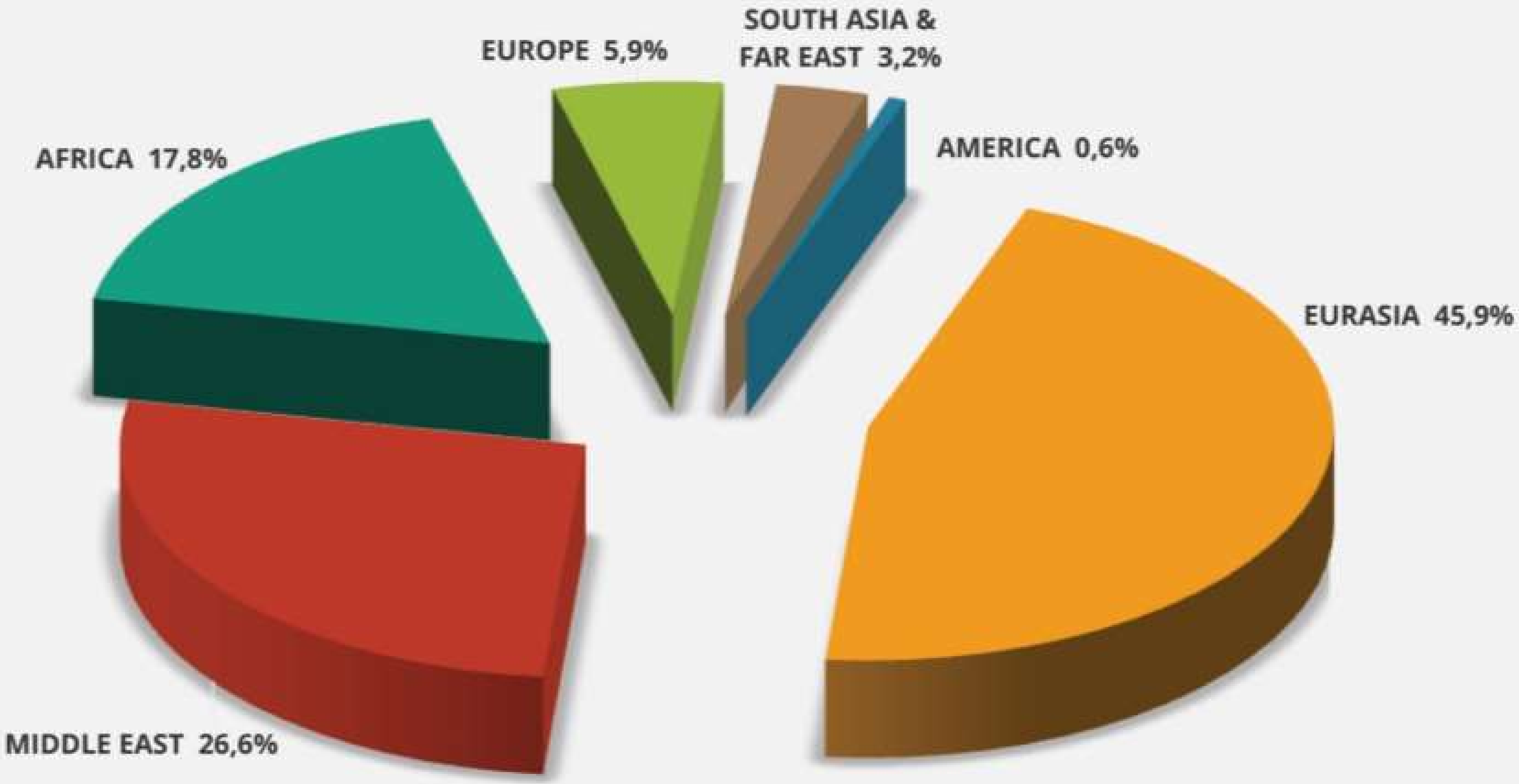
Distribution of the Top 250 International Contractors (*)

TOP 250 INTERNATIONAL CONTRACTORS (AUGUST 2018)

1	CHINA	69
2	TURKEY	46
3	USA	36
4	JAPAN	14
5	SOUTH KOREA	11
6	SPAIN	11
7	ITALY	11
	OTHERS	52

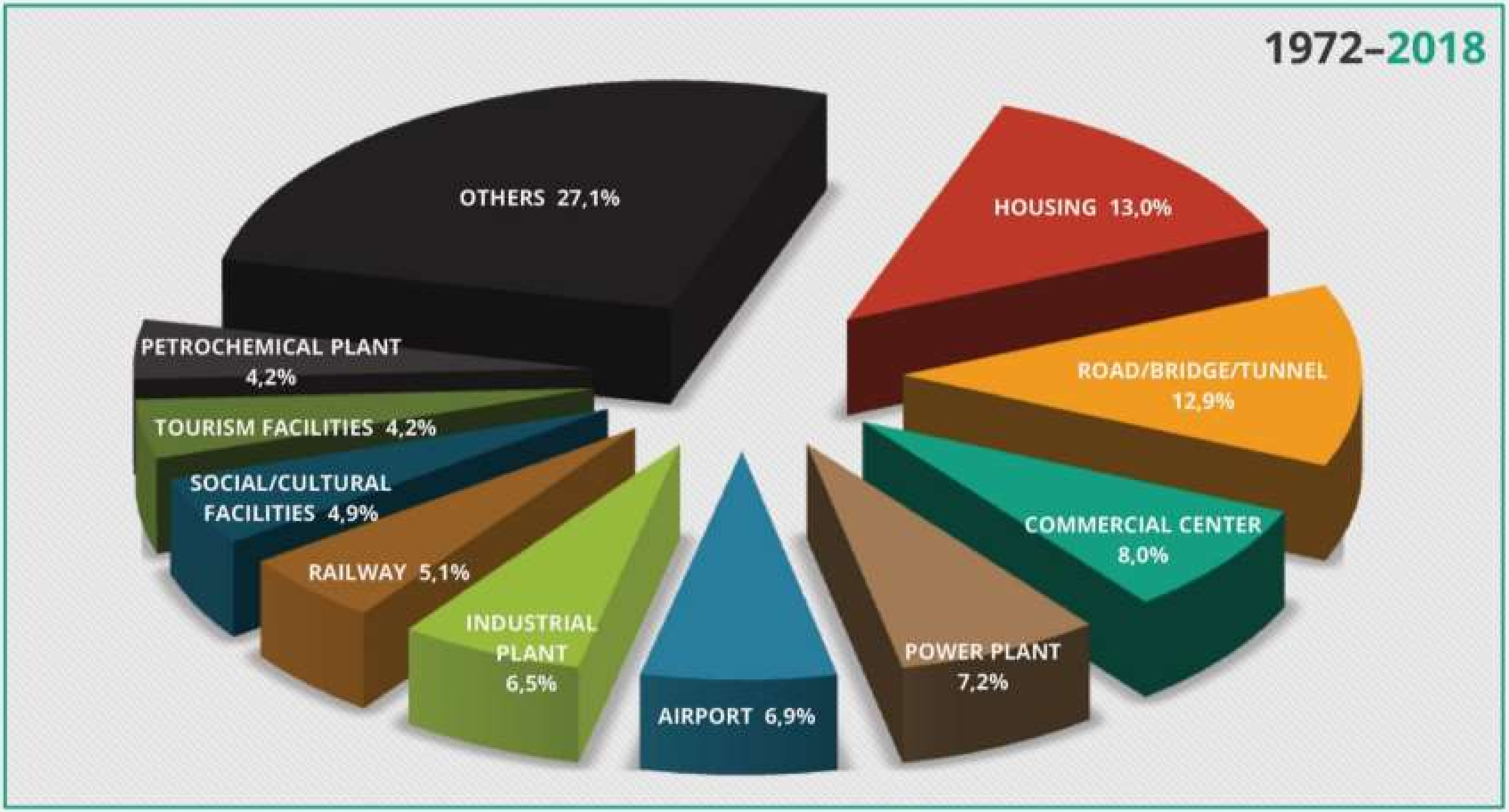
International Activities, By Region

1972–2018



Source: Ministry of Economy of Turkey

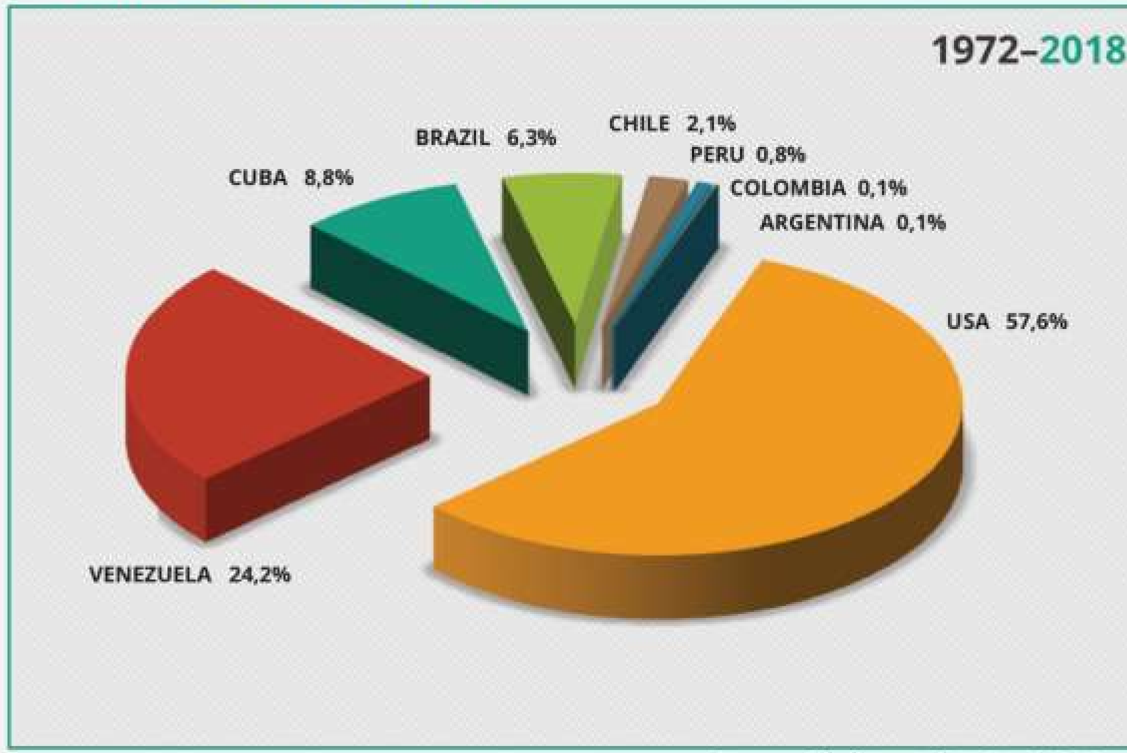
International Activities, By Nature of Work



Source: Ministry of Economy of Turkey

International Activities in America

59 PROJECTS, 8 COUNTRIES, 2,3 BILLION USD



Source: Ministry of Trade of Turkey

PROJECTS IN AMERICA

Why Turkish Contractors are Competitive

- Mostly family owned companies
  - Flexible management
  - Quick decision taking ability
  - Direct contact of the owners with clients
- Ability to quickly adopt to new business environments
  - Historical relations
  - Religious closeness
  - Language advantages
- Ability to understand the needs of clients
- Risk taking market policies
- Accumulated experience in the use of
  - New management techniques
  - New construction technologies
  - Well educated, experienced, hard worker and relatively low cost work force
- Logistic advantages due to geographic location
- Ability to arrange project financing

We shall be happy to cooperate with Chilean Contractors in South America

THANK YOU

Emre Aykar
emre@ym.com.tr


CChC
Market Update: Chile
Sergio Torretti
Past President CChC


Mar de
Noruega
Islandia
Suecia
Finlandia
Noruega
Dinamarca
Reino Unido
Irlanda
Bielorrusia
Polonia
Alemania
Ucrania
Austria
Kazajistán
Francia
Rumanía
Italia
Uzbekistán
Kirguistán
España
Grecia
Turquía
Turkmenistán
Portugal
Siria
Mar
Mediterráneo
Túnez
Irak
Afganistán
Marruecos
Irán
Pakistán

Chile

18 million inhabitants

Santiago: 6.5 million inhabitants

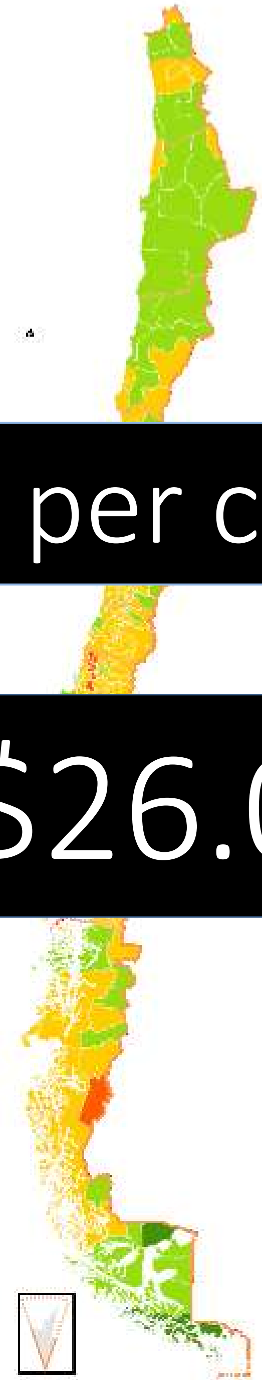
El Plomo hill: 5.430 mt (17.800 ft)

42% of the country GDP in Santiago

Shaky ground

Santiago, September 16, 2015
8,4 Richter Earthquake Live

The highest tower in Latin America (300 mt)



GDP per capita

US$26.000

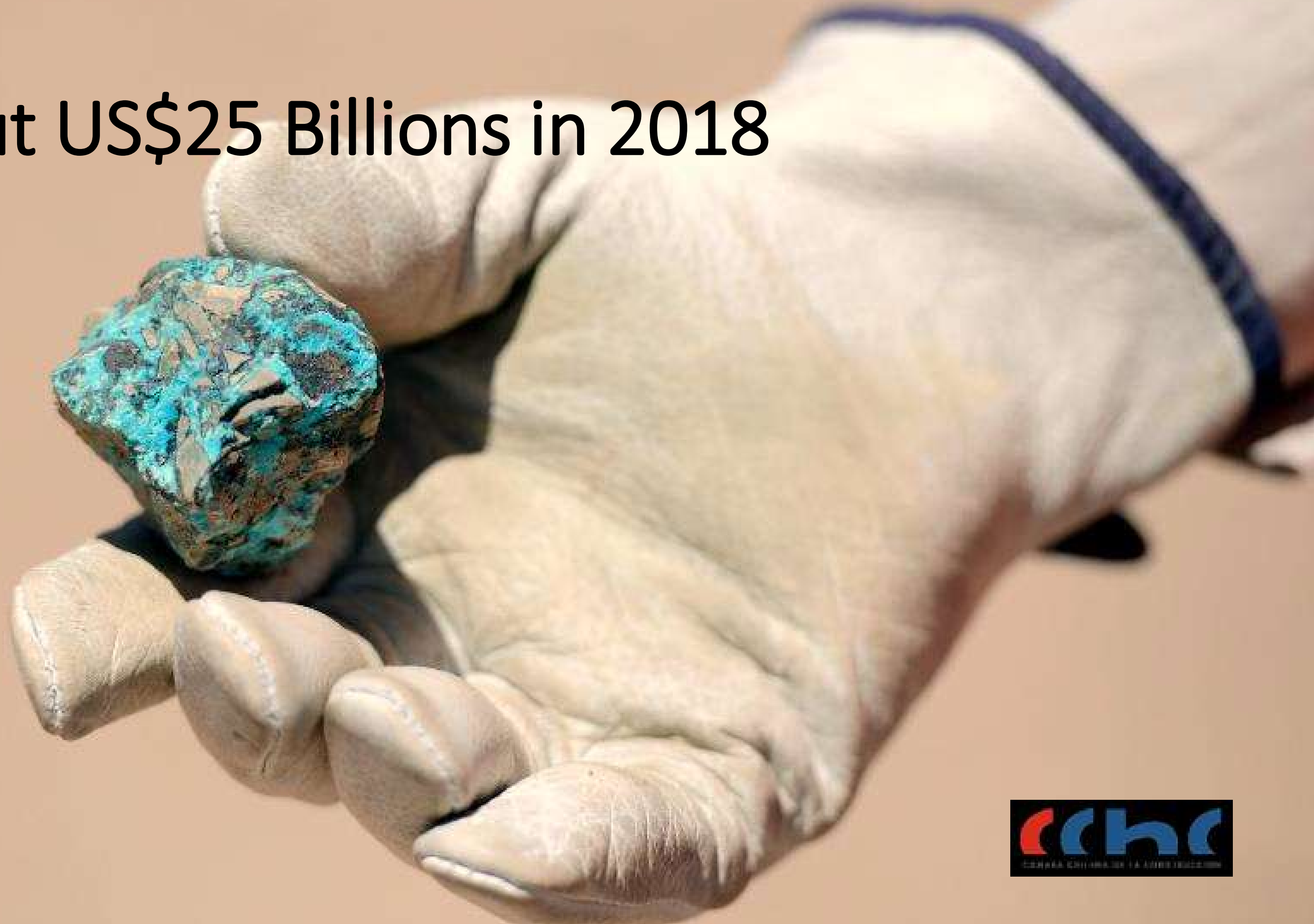
(*) IMF, 2014

2018 growth

2,8%

Copper represent half of chilean exports

About US$25 Billions in 2018

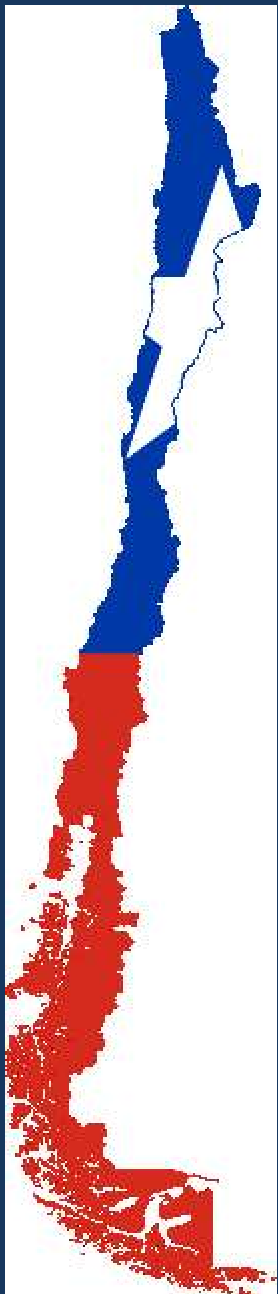


A world class mining industry

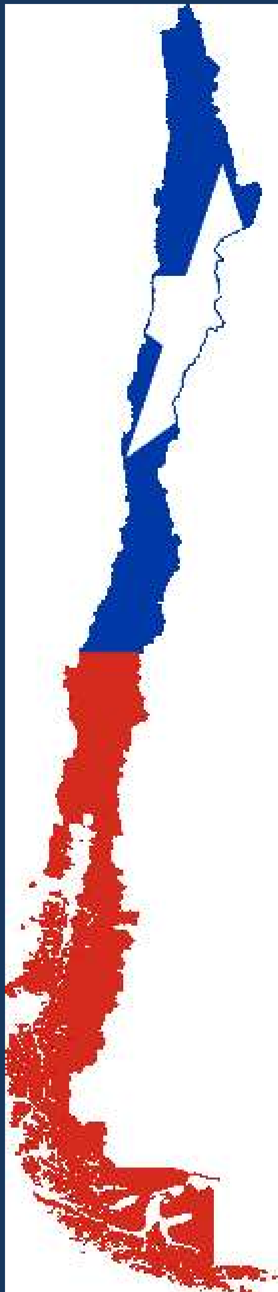
Mining construction represents approximately 20% of the investment in infrastructure

Commodities have supercycles

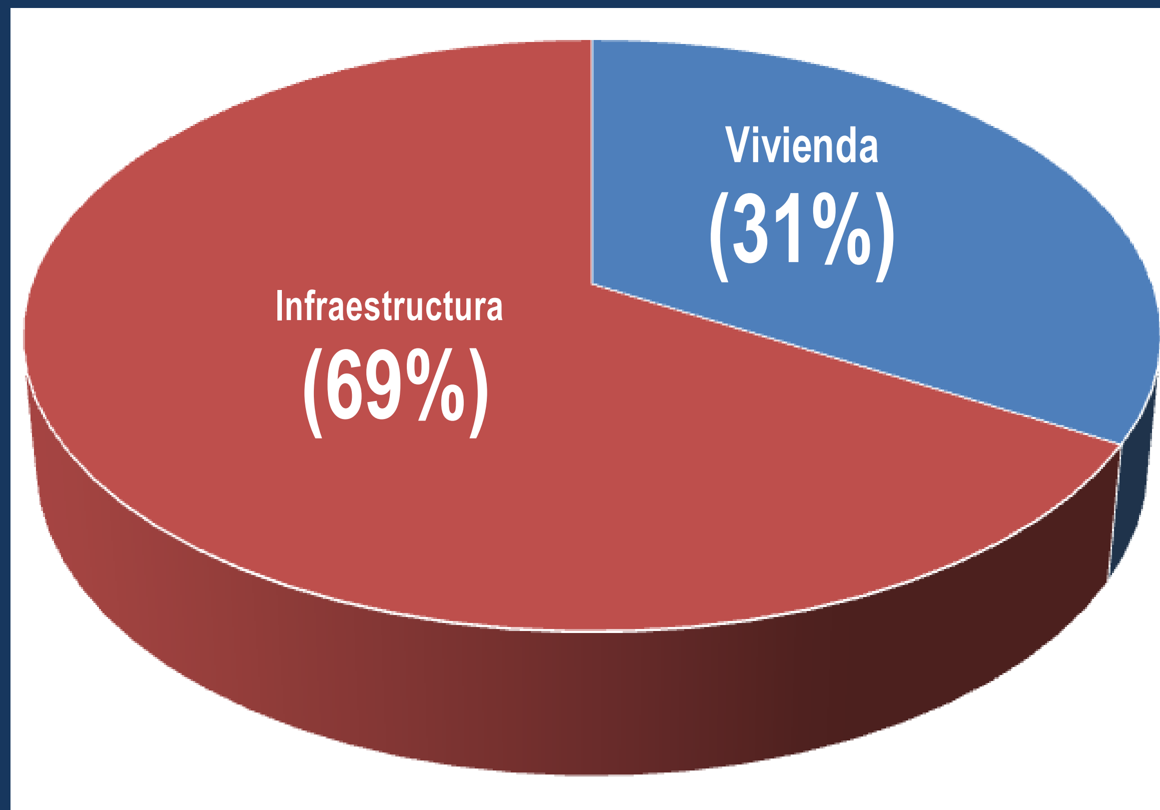
Construction is a relevant sector in the chilean economy



- ✓ 64,4% investment
- ✓ 8,7 employment
- ✓ 7,3% national GDP



Investment in infrastructure represents 70% of total construction investment



Housing is 31% of construction

Urban development and quality of life

Our economies require anual infrastructure investment of

5-7% of GDP

In Chile: 2,5% and 3,5%

The case of Los Libertadores

The main terrestrial connection between Chile and Argentina

An example of low infrastructure investment

High logistic costs

The Chilean concession model

Concessions Program
2015 – 2018
US$6.3 billions

Public policy / Private action

Most of the road infrastructure developed through long-term concessions (PPP)


Infraestructure requirements in 10 years
US$ 150 billions

Infrastructure Fund

Not only road infrastructure…

Airports

Ports

Water supply…

…and treatment

Detention centers

Hospitals

Housing

And also suppliers

Concessions projects for 2019

Project	Type	Amount [MM USD]	
Red Hospitalaria Grupo I: Maule	Hospital	363	
Segunda Concesión Ruta 5 Tramo Talca - Chillán + Bypass Talca	Road	521	
Red Aeroportuaria Austral (C. Ibañez y Balmaceda)	Airport	151	
Tercera Concesión Aeródromo La Florida de La Serena	Airport	92	
Centro Cívico de la Región de Los Ríos	Build	40	
Tercera Concesión Acceso Vial AMB	Road	42	
Red Hospitalaria Grupo II: Bío Bío y Concepción	Airport	390	
Ruta del Villarrica (Freire-Villarica-Pucon)	Road	363	
Corredores de transporte público - Grupo 1	Others	30	
Red Hospitalaria Grupo III: Centro Sur	Hospital	329	
Ruta 5 Longitudinal Chiloé	Road	375	
TOTAL	**2.696**		

Working together: trust and good regulation

Currently government will have to focus in economic growth

Between 3.5 – 4% GDP

There is a lot to do and we invite you To do it with us

The chilean construction industry is ready for the challenge

In summary,

Chile is open for opportunities

We appreciate knowledge & technology

Construction and related companies are welcome

Torres del Paine

In summary,

Chile is open for opportunities

We appreciate knowledge & technology

Construction and related companies are welcome

Thank you