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CHILE

Market Overview for Foreign Companies Selling in Chile

July 2026

Demand, routes to market and partners — what exporters and suppliers need to know

CAPITAL **Santiago**	POPULATION **19.9 M**	CURRENCY **Chilean Peso (CLP)**	FX (USD/CLP) **~929**
GDP (NOMINAL) **~US$357 B**	GDP / CAPITA **~US$18,000**	GDP GROWTH '26F **1.0–1.75%**	INFLATION '26F **~4.2%**
POLICY RATE **4.50%**	UNEMPLOYMENT **~9.0%**	SOVEREIGN RATING **A / A2 / A-**	IMD COMPETITIVENESS **43rd/70 · 1st LatAm**
IMPORT VAT (IVA) **19%**	GENERAL TARIFF **6% (0% via FTAs)**	FTA NETWORK **US · EU · China · CPTPP**	MAIN PORTS **San Antonio · Valparaíso**

POLITICS

- **New government.** President José Antonio Kast (Republican / right) took office 11 March 2026 with a 58% mandate — Chile's most pro-market administration in decades.
- **Reform agenda.** The RED bill (some 40 measures) cuts corporate tax 27% → 23% over four years and speeds environmental permitting — the change that unlocks project demand. The Senate approved it on 16 July; it now returns to the lower house, where Kast's coalition holds a majority.
- **Divided Congress.** No single-bloc majority — reforms will be negotiated and moderated, but the direction is clearly business-friendly.
- **Stable institutions.** Strong rule of law and contract enforcement remain Chile's core differentiators, and make distribution and agency agreements dependable.

ECONOMY

- **Outlook downgraded.** The central bank cut 2026 growth to 1.0–1.75% in June (from 1.5–2.5%), citing weak copper mining, agriculture and fishing. Rates on hold at 4.5%.
- **Copper: price vs output.** Elevated prices still support export earnings, but weak output drove the June downgrade; lithium remains the medium-term catalyst.
- **Sentiment vs data.** Confidence and equities have rallied on the reform outlook even as forecasts are cut. Inflation was 4.3% in June; the bank sees 3% only by Q2 2027.

MOST ATTRACTIVE SECTORS

- **Mining & inputs.** Copper and lithium plus the supplier chain — equipment, engineering, water, automation and services.
- **Energy & clean tech.** World-class solar/wind; green hydrogen, storage, transmission and desalination advancing.
- **Infrastructure & construction.** Permitting reform opens opportunities in materials, machinery and project services.
- **Technology & services.** Data centers, cybersecurity, SaaS and fintech; a preferred LatAm hub for regional tech.
- **Agribusiness & food.** Premium fruit, wine, salmon and processed foods — receptive to foreign inputs and technology.

SELLING INTO CHILE

- **Market access.** A 6% general tariff, but most goods enter duty-free under FTAs with the US, EU, China and CPTPP. Imports carry 19% IVA, recoverable by registered buyers.
- **Route to market.** Distributors are well developed and Santiago-based; buying is concentrated, so a short list of partners covers most of the market.
- **Certification lead time.** Approvals can gate entry — SEC (electrical), ISP (health), SAG (agricultural). Confirm before quoting.
- **Practicalities.** English is workable in business; Santiago is a natural base for the Southern Cone.

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