



FTA's: an opportunity for Innovation, Research Development and Trade.

The case of Chile and Korea

Gabriel Rodríguez GH

Coordinator for Investment, Technology and Cooperation
DIRECON, Ministry of Foreign Affairs

Workshop on Chilean-Korean Web Retrieval
ITCC & Center for Web Research U de Chile

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Chile – Korea Trade relations

- Free Trade Agreement signed on 2002
- Exports moved from 1 billion to 2 billions
- Bilateral investment growing

Chile – Korea IRD relations

- High level agreements
(Conicyt with Kosef and KRF)
- Researchers exchange, training courses and Seminars

... and one “joint venture”:
CHILE-KOREA Information Technology
Center

Why I+R+D and no S&T ?

- Innovation is a concept that refers to practices and not only knowledge and information
- Every day more science is created through “technological problems”
- The frontier between science and technology is fading away
- I+R+D is a national challenge

International Positioning on I+R+D

- There is no local strategy in IRD
- IRD is a part of world networks and alliances
- Internet is a revolution in the way we do R&D

Being part of trade networks

- Chile looks to trade as a two way business:
- We are in search of
attractive markets
but also ... good suppliers

The question to be answered is about
our place in these global networks

Chile in the world

■ GNP world

■ EU: 32 - 37%

■ UE: 27 - 29%

■ Korea 2 %

■ Chile: 0,2%

■ Trade

■ OCDE: 86% comercio

■ Chile: 0.3%

¿What do we negotiate in a FTA?

■ Goods

- Tariffs
- Trade barriers to trade
- Customs
- Rules of origin

■ Disciplines

- Safeguards
- Technical norms
- Competition
- Antidumping
- Intellectual Property
- Government bids

- E-commerce rules
- Labour relations
- Environment
- Services
- Investments
- Controversy settlement



I+R+D in the new phase of internationalization

- **Free Trade Agreements as Strategic alliances to incentivate “technology business” and “joint ventures”**
- **Opportunities**
 - **New products and process development**
 - **Presence in worldwide innovation networks**
 - **Chile as a service platform for high tech investment in Latin America**
 - **Clusters development based on primary sector resources with value added outputs (mining, food, forestry)**

Moving from
Free Trade Agreements
to Strategic Partnership

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- Controversy settlement
- **Strategic partnership and cooperation**

IRD Opportunities Chile - Korea

- Acuiculture
- Biotechnology (food & biomining)
- Industrial Design
- ICT:
e-government / e-citizens / e-services
and “intelligent” FOOD CHAIN

“Intelligent” food chain

- Chile exports 7 billion in food products
- By 2010 will export 14 billions
- Food is the “second copper”
- Food is demand oriented (health, fashion)
- How to insert “intelligence” in the food chain?
- This is an ITC challenge for Chile and Korea cooperation

VALUE CHAIN IN FOOD INDUSTRY

