



START-UP FACTSHEET: CHILE

The Andean country was the first OECD member of South America, is the most developed country in Latin America and leads many of the regional rankings such as WEF's Competitiveness Index.

WHY CHILE?

In comparison to its neighbors, it is known for its political stability, legal certainty and business friendliness. Chile is well connected in international trade and has signed more free trade agreements than any other country in the world.

Chile is a global player in mining and agriculture and has a very well developed infrastructure. With the highest solar incidence in the world, the country has an enormous potential for renewable energy and follows an ambitious plan to become a major player globally. In general, Chile is investing heavily in Cleantech solutions across all sectors but also in Health and Global Services. Many Life Sciences companies identified Chile as an attractive pilot market and regional hub. Government agencies like CORFO, Start-up Chile and Invest Chile provide support and funding to those innovative companies.

FOCUS INDUSTRIES

- Cleantech / Sustainability / Energy
- Mining
- Food / Agritech
- Life Science / Medtech
- Global Services
- Information Technology / Artificial Intelligence
- Fintech

OECD MEMBER

since 2010

FREE TRADE AGREEMENTS

with 65 countries

1ST RANK IN LATIN AMERICA

WEF Competitiveness
Global Innovation Index
Human Development Index HDI UNDP
Worldbank Ease of Doing Business
Forbes Best Countries for Business
Life expectancy at birth

2ND RANK IN LATIN AMERICA

GDP per capita
Corruption Perception Index
Poverty rate

ESTABLISHED TIES BETWEEN CHILE AND SWITZERLAND

Bilateral relations between Switzerland and Chile have been strong and products and services of Swiss origin are renowned for their high quality standards among the Chilean population.

Swiss companies have a long tradition of investing in Chile and have been able to adapt to the different economic fluctuations over the years. Proof of this are some significant figures, such as the stock of direct investment, which currently stands at almost US\$3.4 billion. This makes Switzerland worldwide the thirteenth most important investor in Chile. On the other hand, it is worth noting that Swiss companies generate more than 30,000 quality jobs in Chile, which represents an important contribution to the country's development. Finally, but no less important, in 2019, the trade volume amounted to around US\$1.1 billion between both countries, which represents an increase of nearly 40% since 2017. Thus, the relationship between the countries has become increasingly close.

FREE TRADE AGREEMENT

Since 2004

INVESTMENT PROTECTION AGREEMENT

Chile-Switzerland
since 2002

DOUBLE TAXATION AGREEMENT

Chile-Switzerland
since 2011

> 200 SWISS COMPANIES IN CHILE

with more than
30.000 direct jobs

DO'S AND DONT'S

- Personal connections and relationships are key; recommendations go a long way.
- Spanish language skills are helpful; business people will most probably speak English but prefer to speak Spanish.
- Always reserve time for small talk; Chileans want to know the person they do business with.
- Chileans are quite punctual for Latins; a 10 minute delay is accepted.
- Business structures are hierarchical and decision are made at the top, so it's important to meet with these decision makers.

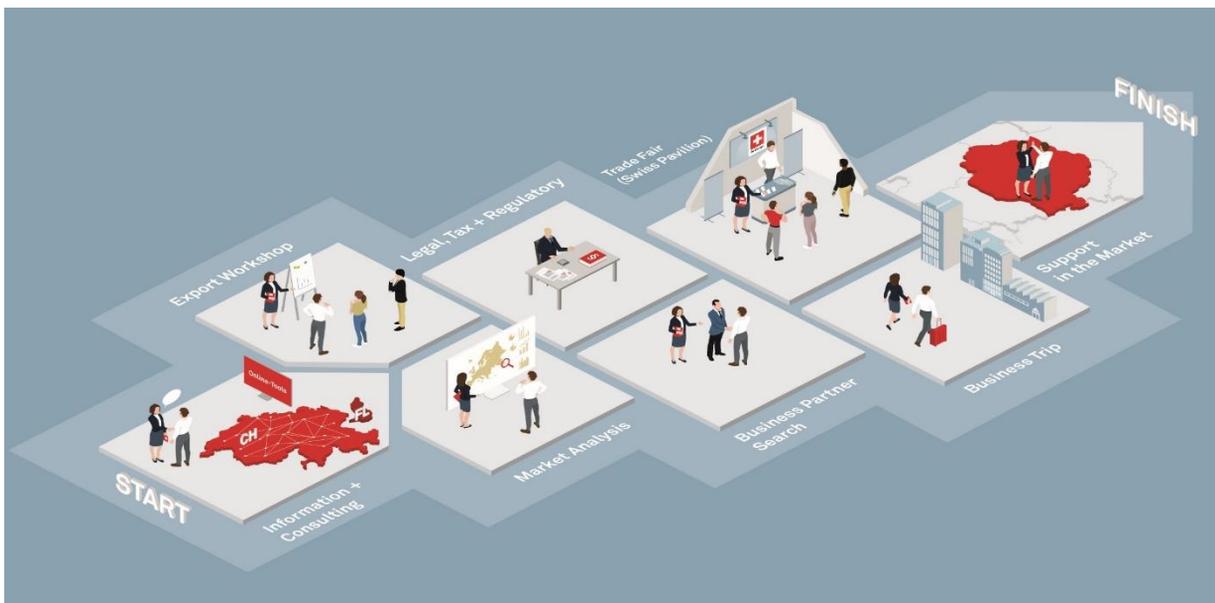
SUPPORT FOR STARTUPS

SWISS BUSINESS HUB CHILE

The Swiss Business Hub Chile, based in Santiago, represents the official agency for international export and location promotion Switzerland Global Enterprise (S-GE). As part of the Swiss Embassy in Santiago, the Business Hub is responsible for the implementation of Swiss export strategies (export promotion) in Chile as well as the promotion of Switzerland as a business location (invest promotion).

The Swiss Business Hub Chile is an important contact point for SMEs and startups from Switzerland and Liechtenstein looking for export opportunities in the Chilean market. Our services are described here:

www.s-ge.com/services.



In 2019, Switzerland Global Enterprise (S-GE) signed a **memorandum of understanding with CORFO and InvestChile** to deepen the economic cooperation and define a framework for coordination aimed at facilitating the internationalization and promotion of investments between Chilean and Swiss entities and, in addition, promoting joint projects in the areas of investment, innovation and entrepreneurship.

SUPPORT FOR STARTUPS

START-UP CHILE

Start-Up Chile (SUP) belongs to CORFO and is a public startup accelerator created by the Chilean Government for high-potential entrepreneurs to bootstrap their startups and use Chile as a foundation. Today, Start-Up Chile is the leading accelerator in LatAm, among the top 10 globally, and one of the biggest and most diverse startup communities in the world. Start-Up Chile has been a global game changer. After it was created, 50 countries followed suit and created similar programs.

Since 2016, Start-Up Chile's new goals are to ensure that Chile remains a world hub for technological innovation and to be known as drivers of technological enterprises that impact the domestic economy positively.

www.startupchile.org

Programs

- **Ignite:** The Ignite program seeks to attract entrepreneurs with a global approach to doing business in Chile. Be part of their 4-month acceleration program. They look for the best startups in any industry and country with a minimum validated product and less than three years of development.
- **Growth:** The Growth program attracts global tech-based businesses in their expansion stage. Growth accommodates startups looking to scale their sales and expand to new markets using Chile as a platform.

BENEFITS

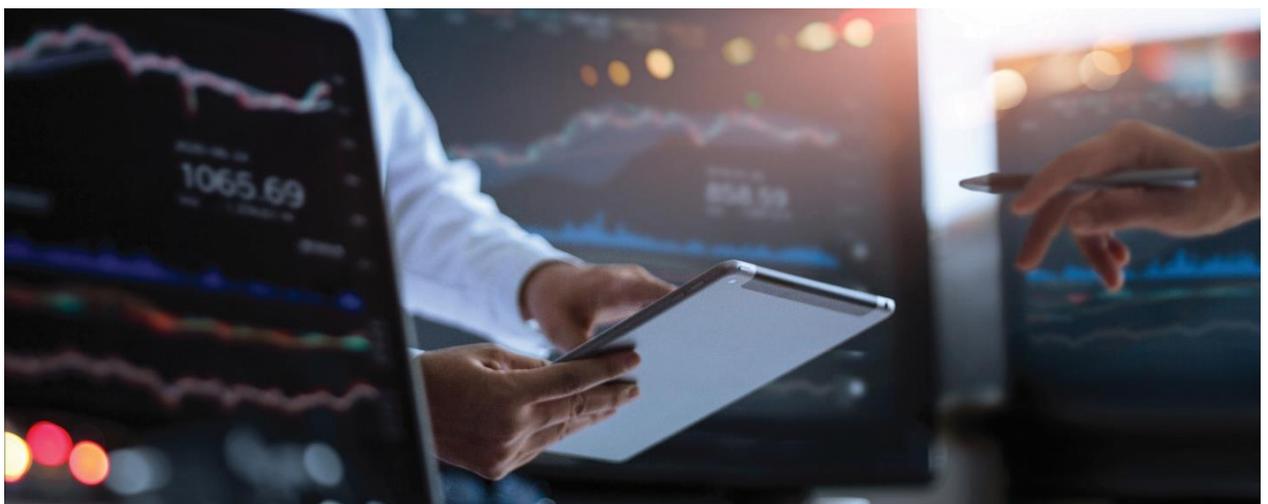
Equity free funding & over 100K of perks as a participant

Training, mentors and investors

Community and networks

One year working visa ([Visa Tech](#) obtained within 15 days)

Soft landing



CORFO

The Corporación de Fomento de la Producción (CORFO) is the official Chilean organization to promote investment, innovation and entrepreneurship, and strengthen human capital and technological development to improve the country's productivity and achieve world leadership positions in terms of competitiveness.

Corfo has a variety of programs and grants, for domestic and foreign companies that operate in Chile. These programs can be helpful for entrepreneurs, to innovate, to improve the productivity of a business or to invest.

www.corfo.cl

Innovation Voucher

For companies that aim to develop innovation businesses collaborating with others (universities, technological centers). 12.000 USD nonrefundable grant up to 80% of the total project cost (depending on the company size).

Prototype and Validation

For companies that aim to develop tech innovation from prototype to commercial validation. Depending on the type of projects it should have R&D component. 180.000 USD nonrefundable grant, up to 70% of the total project cost (depending on the company size).

High Tech

For companies that aim to develop tech innovation (with R&D components) from prototype to commercial validation. 500.000 USD nonrefundable grant, up to 50% of the total project cost (depending on the company size). Global impact expected.

Consolidation and Commercial Expansion

For companies that aim to scale (nationally and internationally) their technological innovation. 125.000 USD nonrefundable grant, up to 50% of the total project cost (depending on the company size).

R&D Tax Incentive Law

This tax incentive allows a reduction in the Income Tax of 35% of the investment in R&D, by tax credit. With a maximum of USD 1.2 million. It also allows to consider the remaining 65% of R&D investment, as required expenses to deduct Income Tax.

BENEFITS

Pre investment studies execution

Technological infrastructure implementation

Specialized Human Capital recruitment and hiring

Activities associated to a supplier development program

INVESTCHILE

InvestChile is the government agency responsible for promoting Chile in the global market as a destination for foreign direct investment, serving as a bridge between the interests of overseas investors and the business opportunities the country offers and providing world-class services that are in line with the country's economic development policies.

Programs and incentives for investments

- **Implementation Stage:** Co-financing investment projects; supports the purchase of fixed assets, productive infrastructure and / or working capital.
- **VAT exemption:** Projects that involve an investment of at least US\$5 million can apply for a tax credit with regards to capital goods imported.
- **Remote areas:** Tax credit and grants for projects in Chile's northernmost regions of Arica-Parinacota & Tarapacá, as well as the southernmost Chilean zones of Palena Province (Los Lagos Region), Aysén and Magallanes (Chilean Patagonia).
- **Business Technological Innovation Programs:** Subsidies for development related to Product or Processes Innovation (Prototypes) and Innovation Validation & Packaging for amounts that range from US\$90,000 to US\$500,000.
- **Training Tax Franchise:** The amount invested in training for human capital can be deducted from the amount to be paid from their taxes. The maximum annual amount is 1% of the taxable salaries paid by the company in the same period.
- **Scholarships:** There are different initiatives in public-private partnerships available which focus on Information Technologies, global services, creative industries, language training, among others.



**Switzerland Global Enterprise
Swiss Business Hub Chile**

Embassy of Switzerland in Chile
Américo Vespucio Sur 100
Piso 14, Las Condes
CL-Santiago de Chile

T +56 22 928 01 00
santiago.sbhchile@eda.admin.ch

**Switzerland Global Enterprise
Headquarter**

Stampfenbachstrasse 85
CH-8006 Zurich
T +41 44 365 51 51

s-ge.com
info@s-ge.com