

Chile and the EU are privileged partners, sharing a longstanding relationship based on the common values of democracy, human rights, promotion of multilateralism, regional cooperation, sustainable and inclusive economic growth and a rules based trade.

Chile was the first country in South America in which the European Commission established a local representation in 1967. It was also the first in Latin America to sign an Association Agreement with the EU in 2002.

In December 2023, **Chile became the first country in the region to sign a new generation Advanced Framework Agreement with the EU.** With this landmark agreement, the EU and Chile take their partnership to the next level to strengthen political dialogue, deepen cooperation and foster trade and investment opportunities based on core shared values, including major commitments and dedicated provisions on human rights, sustainable trade and gender equality.



STRENGTHENING MULTILATERALISM



REGIONAL INTEGRATION



SECURITY



IMPLEMENTING
THE AGENDA 2030



FIGHTING CLIMATE CHANGE PROTECTING THE ENVIRONMENT



ENSURING A SAFE AND FAIR DIGITAL TRANSFORMATION



PROMOTING SUSTAINABLE
AND INCLUSIVE TRADE



BOOSTING INVESTMENTS IN RENEWABLE ENERGY AND SUSTAINABLE RAW MATERIALS

POLITICAL PARTNERSHIP

The EU and Chile enjoy an extensive political cooperation through dedicated dialogues on Human Rights, climate change and environment, ocean governance, energy or security and defence.

The new EU-Chile Advanced Framework Agreement will expand political dialogue further with new full-fledged articles on democratic principles, human rights, rule of law, state modernisation, gender equality and women's empowerment and participation of civil society.

Chile and the EU also have a framework participation agreement on crisis management and Chile has participated in the EU's EUFOR Althea mission in Bosnia Herzegovina since 2004.

TRADE

The EU-Chile Free Trade Agreement (FTA) entered into force in 2003. Since then, bilateral trade between the EU and Chile has more than doubled. The EU is currently Chile's third largest trading partner and first investor in the country. On 13 December 2023, the EU and Chile signed the new Advanced Framework Agreement (AFA) to boost their bilateral trade and investment relations even further.



THE EU IS CHILE'S 3RD TRADING PARTNER (10%)

TOTAL EXPORTS **EU-CHILE**: **€10.7 BN** (2022)

Mainly industrial products, such as machinery, transportation equipment; and other manufactured goods such as chemical products.

TOTAL EXPORTS CHILE-EU: €7.8 BN (2022)

Mainly copper, base metals, vegetable products and chemicals.



THE EU IS CHILE'S 1ST INVESTOR

EU FDI STOCKS REPRESENTED 1/3 OF TOTAL
FDI STOCK IN CHILE.
EU INVESTMENTS ARE PRESENT IN ALMOST ALL
SECTORS OF THE CHILEAN ECONOMY AND ARE
LEADERS IN RENEWABLE ENERGIES.





As part of the Global Gateway initiative, the EU is implementing ambitious projects in the field of green and digital transition in Chile.

The EU's cooperation with Chile addresses areas such as governance and human rights, environment, sustainable growth and jobs, sustainable agriculture and food systems, green mining, digitalisation, science and technology, with Chile participating in global and regional programs and triangular cooperation. The EU also works with Chile in the design and implementation of public policies through programs such as Euroclima LAC on climate change, <u>Inclusive societies LAC</u> on social cohesion, and <u>EL PAcCTO</u> on organised crime.



GREEN TRANSITION & RENEWABLE ENERGY

The EU and Chile are like-minded partners when it comes to greening their economies. They are committed to renewable energy development and working to achieve carbon neutrality. Through LAIF, the EU awarded a grant of €15 million to the first solar thermal power plant in Latin America, Cerro Dominador. Within the framework of the Mitigation Action Facility, the EU contributed €15 million for SMEs to access renewable energy for self-consumption.

The EU and its Member States have developed Team Europe Initiative for the Development of Renewable Hydrogen in Chile (TEI RH2) in the framework of Global Gateway to support the decarbonisation of the Chilean economy, creating green jobs and generating business opportunities, whilst meeting Europe's own demand for import of

> green hydrogen (RepowerEU). The aim is to boost investment opportunities for Chilean and European companies in the field of clean hydrogen by supporting technological, technical,

> > financial and business cooperation. order to achieve this, together with Germany, the EU is financing the Team **Europe RH2 Technical** Assistance Project, with an amount of €8 million. In addition,

> > together with KfW and

the EIB, the EU finances

through LACIF the creation

of the Global Gateway RH2 Financing Platform, which has a combined budget of €216.51 million to finance renewable hydrogen

production and use projects in Chile.



The EU has been cooperating on raw materials with Chile at regional level through the project EU - LATAM partnership on raw materials and the EU—Latin America Mineral Development Network Platform (MNDP). On 18 July 2023 the EU and Chile signed a Memorandum of Understanding (MoU) on establishing a partnership on sustainable raw materials

VALUE CHAINS

value chains that are necessary for the clean energy and digital transition of both partners. In the framework of Global Gateway, this partnerships aims to develop a competitive and sustainable industry for processing raw materials and local value added in the mining sector, creating quality employment and sustainable and inclusive economic growth, to the mutual benefit of both sides.



TOULTURAL TIES

The and its Member States maintain close cultural ties with Chile that are reflected in many public diplomacy initiatives, including:

- Erasmus+ programmes: between 2015-2023, more than 1700 individuals participated in EU-Chile mobility exchanges
- European Film Festival and Jazz Festival ChilEuropa
- Beach cleanup with youth participation
- Family bicycle rides to promote clean transportation
- 'Euromodelo Chile' capacity building programmes for university students



RESEARCH AND SCIENCE

Chile is one of the four Latin American countries to have a bilateral Science & Technology Cooperation Agreement with the EU, which was renewed in January 2022 for another 5-year period.

Chile hosts a data hub of Copernicus, the European Commission's leading provider of Earth observation data, which allows users to access free and open data provided by the Sentinel Satellites, with time savings of up to 90%, with the aim to improve emergency response, monitor climate change, food security, border control and maritime surveillance, among other applications.

In the framework of the Global Gateway's **EU-LAC Digital Alliance**, the EU has allocated €4 million for a new programme with the University of Chile to strengthen and improve the Copernicus data repository in Chile, in order to give it a regional outreach and to support the access to earth observation tools and technology. The Copernicus Emergency Services also played a relevant role in assisting the Chilean government (and firefighters organized through ECHO) in combating the historic wildfires that devastated the country's southern zone in February 2023.

The BELLA submarine and terrestrial interconnection cable is a digital highway between the EU and Latin America that will benefit 3,000 institutions and support more than 65 million students. The cable reaches Chile and it is expanding to other countries in the region.

New opportunities for cooperation with Chile are available under the current EU Research and Innovation Programme Horizon Europe (2021-2027) following the Horizon 2020 that allocated €9,7 million to Chile.