Consortia

Market study: Chile

Co-funded by the European Union

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1. COUNTRY PROFILE AND SOCIO-ECONOMIC TRENDS

Chile has a total area of 756.950 km2. The Chilean population, as of the latest survey (2017), was 17.574.003 inhabitants.

It is bordered to the north by Peru, to the east by Bolivia and Argentina, to the west by the Pacific Ocean and to the south by the Antarctic territory.

Its currency is the Chilean Peso (CLP), which at the exchange rate with the Euro at the time of the analysis oscillates at a price of around 1 CLP = 0.0012 euros.

In the third trimester of 2022, the external debt lowered to 226.229 million USD (84% of GPD).[1]

Per capita income stood at USD 16.612 in 2020.

The small population and size of the country, compared to its neighbours, as well as the unequal distribution of income, limit the size of the market; but its sustained growth, transparent legislation and good macroeconomic management, as well as its openness to other markets, make it one of the most dynamic markets in the region.[2] The population is genetically very mixed, with around 12% considering themselves indigenous (although the majority are mix-race).

It is remarkable the influence that the orographic profile of the country has on the demography, being crossed from north to south by the Andes Mountain Range and by the Coastal Mountain Range, generating the Central Valley between them. This condition ultimately affects the country's economy.

[1]ttps://www.bcentral.cl/web/banco-central/areas/estadisticas/deuda-externa#:~:text=Principales%20resultados%20tercer%20trimestre%202022,d%C3%B3lar%2C%20en%20particular%20del%20euro

[2]https://www.icex.es/content/dam/es/icex/documentos/quienes-somos/donde-estamos/red-exterior/chile/DOC2021886024.pdf

The unemployment rate stood at 10,70% (2020) and the minimum wage was set at 337,000 Chilean pesos in 2021 (about 387 euros per month), although the average monthly income is 620,000 CLP (just over 720 euros).

Politically, Chile is organised as a Presidential Republic and its current president is Gabriel Boric Font of the *Apruebo Dignidad* party (a coalition of parties of the Chilean left and centre-left). Administratively, it is centralised, and is divided into 16 regions in addition to the metropolitan region.

Its market is relatively small, but its economy is strong. It is undergoing a process of internal economic liberalisation and external opening. It has thus become the country with the largest number of trade agreements signed (with a total of 65 markets, giving it access to 88% of the world's GDP). However, the Central Bank of Chile projects that the recession that will take place in 2023 will diminish next year's growth. Thus, the economy is expected to grow by 2,40% in 2023 and by 2-3% next year.

Regarding the share of each sector[3] of the economy in the national GDP, it can be observed that:

- As in most developed countries, the service sector is the largest contributor to national GDP, generating 64,40% of GDP. Moreover, 67% of the population is employed in this sector.
- It is followed by the industrial sector, which employs 23% of the labour force and generates about a third of Chile's GDP, very close to 33%.
- Finally, the agricultural sector generates 4,30% of GDP and employs 10% of the population.

The export of goods from the European Union to Chile in 2021[4] consisted mainly of industrial products such as machinery and electrical equipment (27,3%), vehicles and aircraft (19,4%), while from Chile the EU

[3] https://sumandovalor.cl/sectores/
[4] https://www.eeas.europa.eu/chile/la-union-europea-y-chile_es

imports agricultural products (31%), other mining products (26,7%), copper (21%) and chemical products (7,8%).

2. SECTOR TRENDS

Chile is starting to become an ageing population, with a low fertility rate (1,4 children per woman in 2019), below the replacement rate (with a total fertility rate below 2,1) since the early 2000s, as well as a low mortality rate and a steady increase in life expectancy at birth. With the pandemic situation, the number of births declined to a total of 194,952 in 2020, according to data from the Chilean Civil Registry. However, since the end of the pandemic situation, the country has regained its previous low birth rate[5] .

2.1. TOY MARKET

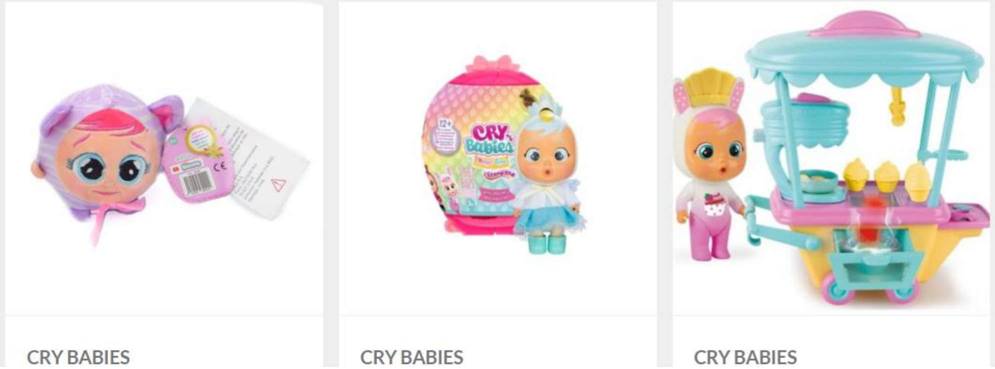
These data must be taken into consideration when observing trends in the Chilean **toy market**. These trends are clear and to obtain valid conclusions it is necessary to segment the market according to the age of the children. Therefore, the **trends in the toy market** can be differentiated between:

- **Children from 0 to 3 years old**.

They are very young children and seek all kinds of visual and tactile stimuli. In addition, symbolic games are very popular in this age group because children replicate everyday scenes while at the same time boosting their imagination, manual dexterity and creativity.

[5] *Source: National Institute of Statistics of Chile*

Examples of these are the best-selling Fisher Price Blocks or the Cry Babies (*Bebés llorones*).[6]



- **Children from 3 to 5 years old.**

They are more developed children, and this means that they can play with more complex systems. They continue to develop skills such as imagination and dexterity, but psychomotor activities are enhanced.

Some of last year's bestsellers were products such as a bicycle without pedals, construction toys like LEGO, Barbie dolls or even Walkie Talkies[7].[8]

- **Children from 5 to 8 years old.**

At this age children start to become more independent and enjoy collective games and imaginatively play characters or fictional situations that they see in first person.

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[6] Picture: https://www.falabella.com/falabella-cl/collection/bebes-llorones
[7] https://mesajuegos.com/juguetes-mas-vendidos-mejores/
[8]Picture:https://www.falabella.com/falabella-cl/search?Ntt=barbie+muneca&facetSelected=true&f.product.brandName=barbie

Products such as dolls, card games such as Dobble or UNO and construction games such as LEGO are very popular in this age group.[9]

- **Children over 8 years old.**

Children are much more independent and interested in their friendships.

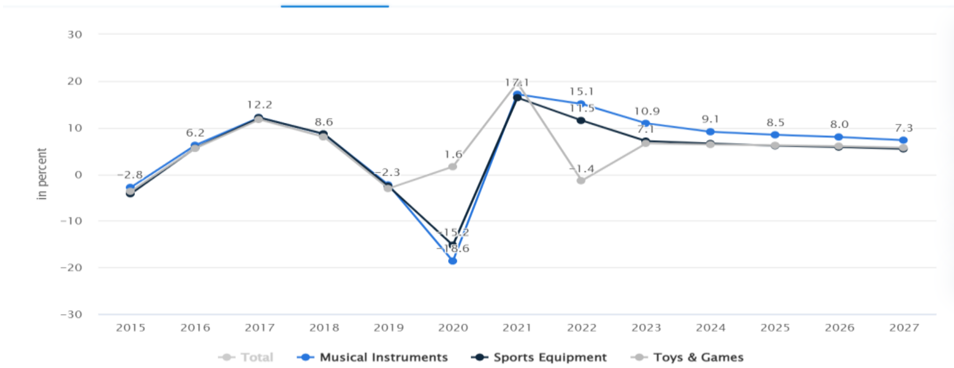
Last year's top sellers have been novelty products such as slime (Unicorn Slime Kit), trend-based products such as Nerf Fortnite or group card games such as Virus.[10]

Regarding the **different product categories** found in the sector (such as musical instruments, sports equipment and other toys and games), clear trends have been observed over the years. Thus, from 2015 to 2017, all three experienced very significant growth, reaching their peak in the aforementioned year 2017, where this growth in the sector began to decline, with the recession beginning as early as 2019 (a fall of over 2%), which was very pronounced due to the pandemic situation in 2020 (sports equipment and musical instruments fell by 15% and 18%, respectively, while games and toys were the ones that grew by just 150 basis points). With the worst part of

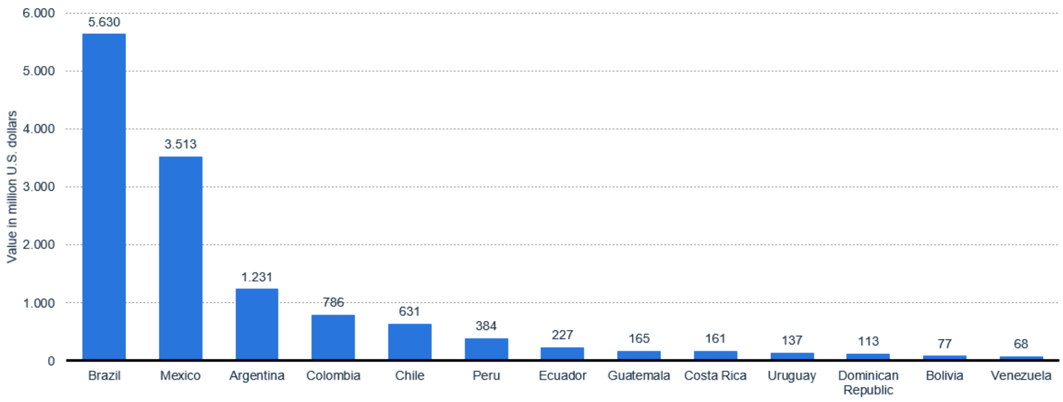
[9] Picture: https://www.ubisoft.com/es-es/game/uno/uno
[10] Picture: https://listado.mercadolibre.cl/nerf-fortnite

the pandemic over, all 3 sectors were on the rise, growing by around 17% in 2021. Last year, toys fell by 1,4% while the other two categories grew by between 11% and 15%.

The toy sector, however, is projected to recover, matching the other two, which are projected to show slower and slower growth until 2027, sustaining between 10% and 7% per annum, as shown in the following graph:



Finally, the following graph shows the **toy market value in Latin America**, shown per country and in millions of USD. [11]



As we can see, in 2018 Chile was in fifth position, with a toy market valued at 631 million USD.

[11] EAE Business School, Euromonitor

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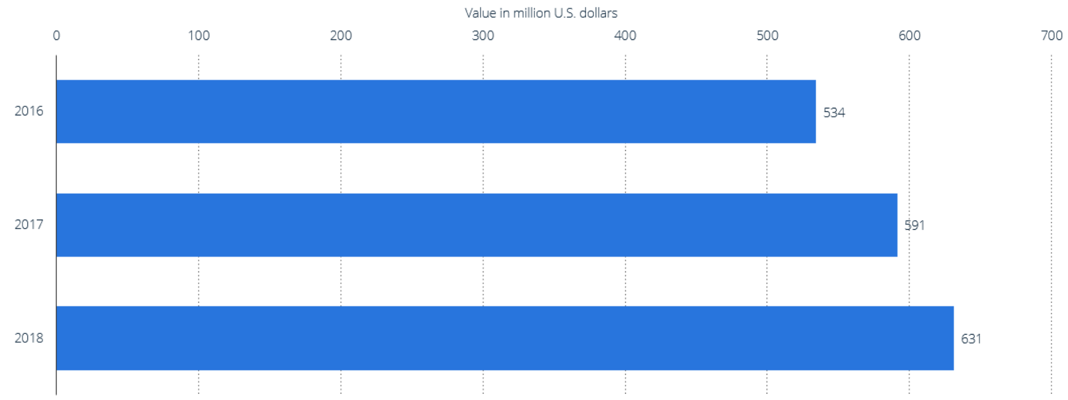


During the time period 2016-2018 the toys market value in Chile has increased from 534 mill USD to 631 mill. USD (slightly above 18% increase for two years).

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2.72	3.49	4.28	5.96	8.24	8.24	9.38	10.68	12.21	13.16	14.20

The following table gives information about revenue comparison in billion USD, concerning Chilean toy market within the period 2017-2027.

2.2. APPAREL MARKET

Regarding the **children Apparel Market**, it covers apparel for children up to the age of 14. Clothes for babies and toddlers are separately displayed in the Baby Clothes segment. The market for Children's Apparel is subdivided into the following segments: coats and outdoor jackets, blazers, suits & ensembles, dresses & skirts, trousers, shirts & blouses, sweatshirts & pullovers, sports & swimwear, night & underwear and clothing accessories. Throughout past years, this market has shown interesting data related to revenues in the sector, price per unit and its variations. As we can see, there has been a progress in terms of sales since 2014, even projecting more growth until 2027 in each category.

REVENUE in billion USD (US$)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Baby Clothes	36,99	35,26	35,72	37,52	38,82	39,07	34,00	37,32	37,60	42,51	43,71	44,84	45,99	47,15
Blazers (children)	9,15	8,69	8,43	8,58	8,95	8,84	7,83	8,77	8,42	9,35	9,55	9,73	9,95	10,21
Clothing Accessories &	20,40	19,34	19,25	20,02	21,01	21,14	18,57	20,48	20,49	23,09	23,76	24,39	25,06	25,78
Coats & Jackets (child	13,93	13,14	13,33	13,79	13,90	13,52	11,65	12,75	12,50	14,11	14,37	14,59	14,88	15,23
Dresses & Skirts (child	13,81	13,16	13,26	13,70	13,90	13,80	11,97	13,19	13,15	14,75	15,09	15,39	15,73	16,13
Jerseys, Sweatshirts &	28,08	26,30	26,23	27,20	27,79	27,67	23,81	25,82	25,81	28,69	29,16	29,57	30,10	30,75
Night & Underwear (c	14,48	13,92	14,05	14,57	15,11	15,09	13,19	14,49	14,46	16,20	16,57	16,91	17,30	17,75
Shirts & Blouses (child	23,89	21,77	21,51	22,12	22,49	22,46	19,13	20,56	20,79	23,17	23,57	23,91	24,30	24,77
Socks (children)	5,05	4,81	4,86	5,08	5,30	5,28	4,60	5,05	4,97	5,63	5,77	5,90	6,04	6,21
Sports & Swimwear (c	18,00	17,93	18,71	19,82	21,31	22,00	20,30	22,80	23,12	26,46	27,73	28,95	30,17	31,36
Suits & Ensembles (ch	4,76	4,27	4,05	4,07	4,06	3,98	3,35	3,60	3,54	3,93	3,96	3,98	4,01	4,03
Tights & Leggings (chil	1,95	1,69	1,66	1,73	1,80	1,81	1,56	1,70	1,62	1,89	1,94	1,98	2,02	2,07
Trousers (children)	36,56	34,52	34,63	35,95	37,03	36,89	32,22	35,21	34,79	38,97	39,78	40,50	41,37	42,40
T-Shirts (children)	15,84	15,10	15,41	16,21	16,83	17,00	14,77	16,25	16,55	18,74	19,29	19,81	20,37	20,98
Total	242,90	229,90	231,10	240,40	248,30	248,50	216,90	238,00	237,80	267,50	274,30	280,40	287,30	294,80
Sources	Statista													
Most recent update:	10/01/2022													
Notes	Data shown is using current exchange rates and reflects market impacts of the Russia-Ukraine war.													

AVERAGE REVENUE PER CAPITA in USD (US$)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Baby Clothes	5,28	4,98	4,99	5,18	5,31	5,28	4,55	4,95	4,94	5,53	5,64	5,74	5,83	5,93
Blazers (children)	1,31	1,23	1,18	1,19	1,22	1,20	1,05	1,16	1,11	1,22	1,23	1,25	1,26	1,28
Clothing Accessories &	2,91	2,73	2,69	2,77	2,87	2,86	2,49	2,72	2,69	3,01	3,07	3,12	3,18	3,24
Coats & Jackets (child	1,99	1,86	1,86	1,90	1,90	1,83	1,56	1,69	1,64	1,84	1,85	1,87	1,89	1,92
Dresses & Skirts (child	1,97	1,86	1,85	1,89	1,90	1,87	1,60	1,75	1,73	1,92	1,95	1,97	2,00	2,03
Jerseys, Sweatshirts &	4,01	3,71	3,66	3,76	3,80	3,74	3,19	3,42	3,39	3,74	3,76	3,78	3,82	3,87
Night & Underwear (c	2,07	1,97	1,96	2,01	2,06	2,04	1,77	1,92	1,90	2,11	2,14	2,16	2,20	2,23
Shirts & Blouses (child	3,41	3,07	3,00	3,06	3,07	3,04	2,56	2,73	2,73	3,02	3,04	3,06	3,08	3,12
Socks (children)	0,72	0,68	0,68	0,70	0,72	0,71	0,62	0,67	0,65	0,73	0,74	0,75	0,77	0,78
Sports & Swimwear (c	2,57	2,53	2,61	2,74	2,91	2,98	2,72	3,02	3,04	3,45	3,58	3,70	3,83	3,95
Suits & Ensembles (ch	0,68	0,60	0,57	0,56	0,56	0,54	0,45	0,48	0,47	0,51	0,51	0,51	0,51	0,51
Tights & Leggings (chil	0,28	0,24	0,23	0,24	0,25	0,25	0,21	0,23	0,21	0,25	0,25	0,25	0,26	0,26
Trousers (children)	5,22	4,87	4,84	4,97	5,06	4,99	4,31	4,67	4,57	5,07	5,13	5,18	5,25	5,34
T-Shirts (children)	2,26	2,13	2,15	2,24	2,30	2,30	1,98	2,16	2,17	2,44	2,49	2,53	2,58	2,64
Total	34,68	32,45	32,27	33,20	33,93	33,61	29,04	31,55	31,24	34,82	35,39	35,88	36,44	37,09
Sources	Statista													
Most recent update:	10/01/2022													

REVENUE CHANGE in percent	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Baby Clothes	-4,7	1,3	5,0	3,5	0,6	-13,0	9,8	0,8	13,1	2,8	2,6	2,6	2,5
Blazers (children)	-5,1	-3,0	1,9	4,2	-1,2	-11,4	11,9	-4,0	11,1	2,1	1,9	2,2	2,6
Clothing Accessories &	-5,2	-0,5	4,0	4,9	0,6	-12,2	10,3	0,0	12,7	2,9	2,7	2,7	2,9
Coats & Jackets (child	-5,7	1,4	3,5	0,8	-2,7	-13,8	9,4	-2,0	12,9	1,8	1,5	2,0	2,4
Dresses & Skirts (child	-4,7	0,8	3,3	1,5	-0,7	-13,3	10,2	-0,3	12,2	2,3	2,0	2,2	2,5
Jerseys, Sweatshirts &	-6,3	-0,3	3,7	2,2	-0,4	-14,0	8,4	0,0	11,2	1,6	1,4	1,8	2,2
Night & Underwear (c	-3,9	0,9	3,7	3,7	-0,1	-12,6	9,9	-0,2	12,0	2,3	2,1	2,3	2,6
Shirts & Blouses (child	-8,9	-1,2	2,8	1,7	-0,1	-14,8	7,5	1,1	11,4	1,7	1,4	1,6	1,9
Socks (children)	-4,8	1,2	4,5	4,3	-0,3	-13,0	9,8	-1,5	13,2	2,5	2,2	2,5	2,8
Sports & Swimwear (c	-0,4	4,4	5,9	7,5	3,2	-7,7	12,3	1,4	14,4	4,8	4,4	4,2	3,9
Suits & Ensembles (ch	-10,3	-5,1	0,5	-0,2	-1,9	-16,0	7,5	-1,6	10,9	0,9	0,6	0,6	0,5
Tights & Leggings (chil	-13,5	-1,4	4,3	4,0	0,4	-13,7	8,8	-4,5	16,4	2,5	2,2	2,3	2,5
Trousers (children)	-5,6	0,3	3,8	3,0	-0,4	-12,7	9,3	-1,2	12,0	2,1	1,8	2,1	2,5
T-Shirts (children)	-4,7	2,1	5,2	3,8	1,0	-13,1	10,0	1,8	13,2	2,9	2,7	2,8	3,0
Total	-5,4	0,5	4,0	3,3	0,1	-12,7	9,7	-0,1	12,5	2,5	2,2	2,5	2,6
Sources	Statista												
Most recent update:	10/01/2022												
Notes	Data shown is using current exchange rates and reflects market impacts of the Russia-Ukraine war.												

This way, variation is shown in terms of percentage and revenue per capita (USD). These revenue changes observed in the market are explained by both volume and price variables presented in last years. Revenues suffered an interesting evolution, which only by maintaining price a constant would have increased revenues final results by itself. Nevertheless, product prices have experienced higher levels last years, contributing to elevate incomes in the market.

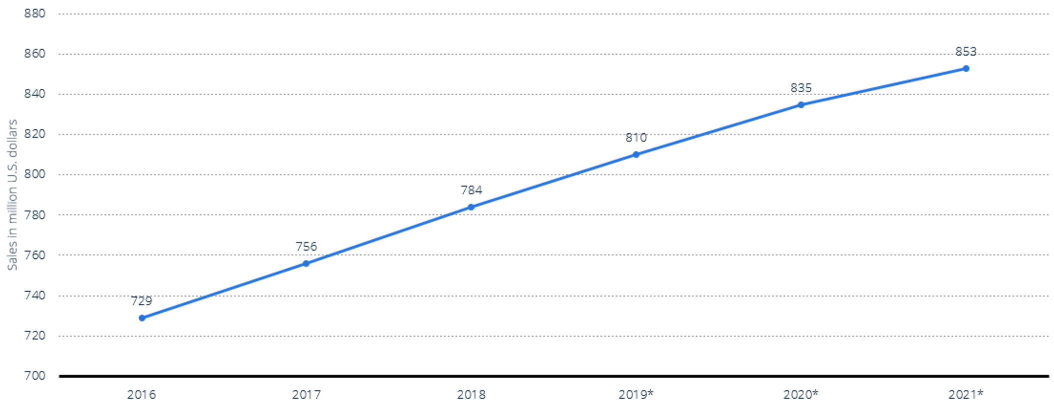
VOLUME BY SEGMENT in million pieces														
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Baby Clothes	9794,9	10031,2	10229,2	10382,6	10632,2	10788,8	9052,6	9610,2	9898,7	10856,8	11028,0	11190,6	11349,7	11510,0
Blazers (children)	612,2	599,1	583,8	575,2	580,9	584,5	505,9	547,3	513,7	555,6	556,6	556,8	556,7	556,8
Clothing Accessories &	8693,5	8672,5	8618,8	8652,5	8892,2	9104,8	7878,3	8400,0	8468,0	9261,0	9387,5	9502,0	9613,8	9726,8
Coats & Jackets (child	862,5	880,7	889,7	886,7	876,3	868,1	752,1	793,6	763,9	846,6	853,1	858,4	863,3	868,3
Dresses & Skirts (child	1921,8	1925,6	1944,3	1950,1	1957,6	1970,4	1685,5	1791,3	1805,7	1984,6	2008,8	2031,0	2052,5	2074,1
Jerseys, Sweatshirts &	6653,9	6661,1	6664,2	6690,2	6765,1	6800,6	5843,2	6153,3	6145,0	6699,3	6736,3	6766,5	6794,0	6822,5
Night & Underwear (c	12188,6	12320,9	12335,6	12282,9	12294,0	12214,8	10404,1	10961,3	10880,2	11883,0	11962,7	12030,5	12093,3	12157,8
Shirts & Blouses (child	5329,4	5226,6	5173,8	5113,8	5150,6	5178,3	4381,3	4568,0	4663,9	5089,4	5120,6	5147,5	5172,5	5198,1
Socks (children)	4375,4	4393,1	4392,4	4447,8	4573,3	4676,5	4091,3	4281,9	4227,6	4634,0	4663,7	4687,6	4709,5	4732,1
Sports & Swimwear (c	1317,9	1349,6	1387,4	1424,7	1487,8	1533,3	1374,2	1488,1	1495,4	1671,9	1719,3	1762,6	1805,5	1848,6
Suits & Ensembles (ch	427,4	417,8	391,9	377,6	369,5	373,7	318,4	340,0	348,7	381,0	386,0	390,8	395,5	400,2
Tights & Leggings (chi	2898,9	2741,7	2673,2	2685,9	2721,5	2752,3	2364,2	2451,8	2318,0	2637,7	2672,7	2704,0	2733,7	2763,9
Trousers (children)	6673,9	6838,7	6972,6	7105,7	7266,5	7370,5	6448,2	6845,8	6730,1	7414,4	7501,9	7580,8	7656,5	7733,4
T-Shirts (children)	3612,6	3693,2	3755,9	3800,3	3902,7	3983,2	3397,1	3586,0	3732,6	4085,1	4138,4	4186,3	4233,2	4280,6
Total	65362,9	65752,0	66012,9	66375,9	67470,3	68199,8	58496,4	61818,7	61991,4	68000,5	68735,4	69395,2	70029,6	70673,1
Sources	Statista													
Most recent update:	10/01/2022													

VOLUME GROWTH BY SEGMENT in percent													
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Baby Clothes	2,4	2,0	1,5	2,4	1,5	-16,1	6,2	3,0	9,7	1,6	1,5	1,4	1,4
Blazers (children)	-2,1	-2,6	-1,5	1,0	0,6	-13,4	8,2	-6,1	8,2	0,2	0,0	0,0	0,0
Clothing Accessories &	-0,2	-0,6	0,4	2,8	2,4	-13,5	6,6	0,8	9,4	1,4	1,2	1,2	1,2
Coats & Jackets (child	2,1	1,0	-0,3	-1,2	-0,9	-13,4	5,5	-3,7	10,8	0,8	0,6	0,6	0,6
Dresses & Skirts (child	0,2	1,0	0,3	0,4	0,7	-14,5	6,3	0,8	9,9	1,2	1,1	1,1	1,1
Jerseys, Sweatshirts &	0,1	0,0	0,4	1,1	0,5	-14,1	5,3	-0,1	9,0	0,6	0,4	0,4	0,4
Night & Underwear (c	1,1	0,1	-0,4	0,1	-0,6	-14,8	5,4	-0,7	9,2	0,7	0,6	0,5	0,5
Shirts & Blouses (child	-1,9	-1,0	-1,2	0,7	0,5	-15,4	4,3	2,1	9,1	0,6	0,5	0,5	0,5
Socks (children)	0,4	0,0	1,3	2,8	2,3	-12,5	4,7	-1,3	9,6	0,6	0,5	0,5	0,5
Sports & Swimwear (c	2,4	2,8	2,7	4,4	3,1	-10,4	8,3	0,5	11,8	2,8	2,5	2,4	2,4
Suits & Ensembles (ch	-2,2	-6,2	-3,7	-2,1	1,1	-14,8	6,8	2,6	9,3	1,3	1,2	1,2	1,2
Tights & Leggings (chi	-5,4	-2,5	0,5	1,3	1,1	-14,1	3,7	-5,5	13,8	1,3	1,2	1,1	1,1
Trousers (children)	2,5	2,0	1,9	2,3	1,4	-12,5	6,2	-1,7	10,2	1,2	1,1	1,0	1,0
T-Shirts (children)	2,2	1,7	1,2	2,7	2,1	-14,7	5,6	4,1	9,4	1,3	1,2	1,1	1,1
Total	0,6	0,4	0,5	1,6	1,1	-14,2	5,7	0,3	9,7	1,1	1,0	0,9	0,9
Sources	Statista												
Most recent update:	10/01/2022												

AVERAGE VOLUME PER CAPITA in pieces														
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Baby Clothes	1,4	1,4	1,4	1,4	1,5	1,5	1,2	1,3	1,3	1,4	1,4	1,4	1,4	1,4
Blazers (children)	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1
Clothing Accessories &	1,2	1,2	1,2	1,2	1,2	1,2	1,1	1,1	1,1	1,2	1,2	1,2	1,2	1,2
Coats & Jackets (child	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1
Dresses & Skirts (child	0,3	0,3	0,3	0,3	0,3	0,3	0,2	0,2	0,2	0,3	0,3	0,3	0,3	0,3
Jerseys, Sweatshirts &	1,0	0,9	0,9	0,9	0,9	0,9	0,8	0,8	0,8	0,9	0,9	0,9	0,9	0,9
Night & Underwear (c	1,7	1,7	1,7	1,7	1,7	1,7	1,4	1,5	1,4	1,5	1,5	1,5	1,5	1,5
Shirts & Blouses (child	0,8	0,7	0,7	0,7	0,7	0,7	0,6	0,6	0,6	0,7	0,7	0,7	0,7	0,7
Socks (children)	0,6	0,6	0,6	0,6	0,6	0,6	0,5	0,6	0,6	0,6	0,6	0,6	0,6	0,6
Sports & Swimwear (c	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2
Suits & Ensembles (ch	0,1	0,1	0,1	0,1	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,1	0,1
Tights & Leggings (chi	0,4	0,4	0,4	0,4	0,4	0,4	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,3
Trousers (children)	1,0	1,0	1,0	1,0	1,0	1,0	0,9	0,9	0,9	1,0	1,0	1,0	1,0	1,0
T-Shirts (children)	0,5	0,5	0,5	0,5	0,5	0,5	0,5	0,5	0,5	0,5	0,5	0,5	0,5	0,5
Total	9,3	9,3	9,2	9,2	9,2	9,2	7,8	8,2	8,1	8,9	8,9	8,9	8,9	8,9
Sources	Statista													
Most recent update:	10/01/2022													

PRICE PER UNIT in USD (US$)														
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Baby Clothes	3,78	3,52	3,49	3,61	3,65	3,62	3,76	3,88	3,89	3,92	3,97	4,01	4,06	4,10
Blazers (children)	14,95	14,50	14,43	14,92	15,40	15,12	15,48	16,02	16,45	16,82	17,16	17,48	17,87	18,33
Clothing Accessories &	2,35	2,23	2,23	2,31	2,36	2,32	2,36	2,44	2,42	2,49	2,53	2,57	2,61	2,65
Coats & Jackets (child	16,15	14,92	14,98	15,55	15,86	15,57	15,48	16,07	16,39	16,63	16,82	16,98	17,22	17,54
Dresses & Skirts (child	7,19	6,83	6,82	7,02	7,10	7,00	7,10	7,36	7,41	7,49	7,57	7,63	7,73	7,78
Jerseys, Sweatshirts &	4,22	3,95	3,94	4,07	4,11	4,07	4,08	4,20	4,25	4,30	4,35	4,40	4,46	4,51
Night & Underwear (c	1,19	1,13	1,14	1,19	1,23	1,24	1,27	1,32	1,34	1,37	1,39	1,41	1,44	1,46
Shirts & Blouses (child	4,48	4,17	4,16	4,33	4,37	4,34	4,37	4,50	4,53	4,58	4,63	4,67	4,73	4,77
Socks (children)	1,15	1,09	1,11	1,14	1,16	1,13	1,12	1,18	1,20	1,22	1,25	1,27	1,29	1,31
Sports & Swimwear (c	13,66	13,28	13,48	13,91	14,32	14,35	14,77	15,32	15,46	15,83	16,13	16,43	16,71	16,97
Suits & Ensembles (ch	11,14	10,22	10,34	10,79	10,99	10,66	10,51	10,58	10,55	10,44	10,39	10,33	10,27	10,07
Tights & Leggings (chi	0,67	0,61	0,62	0,65	0,66	0,66	0,66	0,69	0,71	0,72	0,73	0,74	0,75	0,75
Trousers (children)	5,48	5,05	4,97	5,06	5,10	5,01	5,00	5,14	5,21	5,27	5,32	5,36	5,42	5,48
T-Shirts (children)	4,39	4,09	4,10	4,27	4,31	4,27	4,35	4,53	4,58	4,64	4,71	4,78	4,86	4,90
Average	3,72	3,50	3,50	3,62	3,68	3,64	3,71	3,85	3,89	3,95	4,00	4,06	4,12	4,17
Sources	Statista													
Most recent update:	10/01/2022													

Continuing on the apparel market for children in Chile, the next graph shows the sales of children's wear in million USD.[12]



On the other hand, the following table shows the variation of the Chilean clothing for children market, per year and compared to the past year:, since 2014 [13]:

14	15	16	17	18	19	20	21	22	23	24	25	26	27
1,01	0,94	0,96	1,05	1,11	1,03	0,79	0,98	1,08	1,16	1,19	1,22	1,25	1,28

2.3 CHILDREN'S FOOTWEAR

To understand trends in the Chilean footwear sector it is needed to infer from the overall results that Chilean society reflects approximately the same tendencies that can be seen worldwide, due to the lack of official data in this aspect.

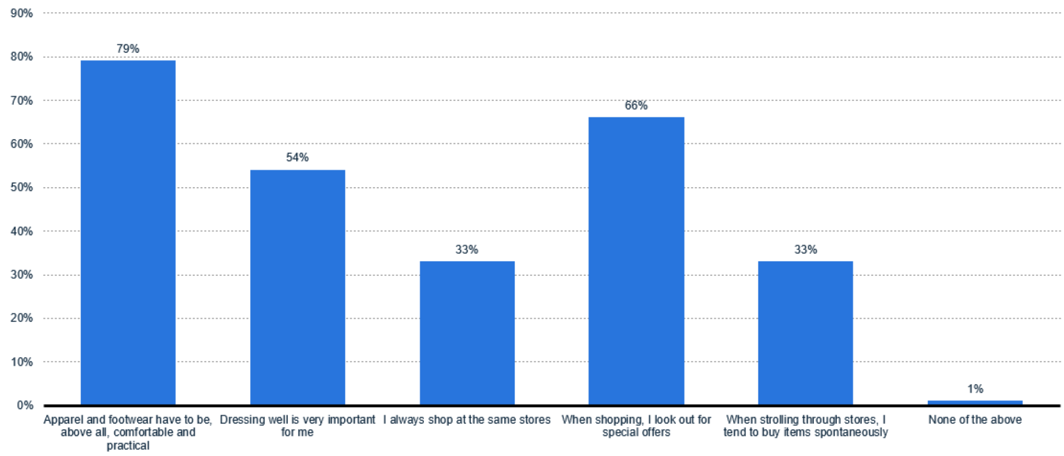
Firstly, we must analyse the necessities footwear is covering for the final consumer, and therefore what is exactly pursued for the potential buyer. Not every person develops the same needs nor impressions on fashion, so

[12] Statista: Extracted from *Euromonitor, MEA (India) (Embassy of India in Chile)*

[13] Statista: https://www.statista.com/outlook/cmo/apparel/children-s-apparel/worldwide?currency=USD

consequently there are some aspects that are very valuated for certain individuals, while not for others.

What most people seem to agree with when acquiring footwear and fashion, is that the most important aspect is its practicality and comfortability. Nearly 80% of people surveyed situates this aspect ahead of different attitudes just like looking for special offers (66%) or valuing high to be well dressed (54%). Graphically, it is explained in the next chart which shows customer's attitude towards shopping (multi-pick)[14]:



Besides the traditional classification into leather and not leather footwear, in recent years another distinction has gained weight: luxury and non-luxury footwear[15]. Nowadays, not only leather and designer shoes can be considered luxury footwear, but also sneakers have irrupted in this market niche.

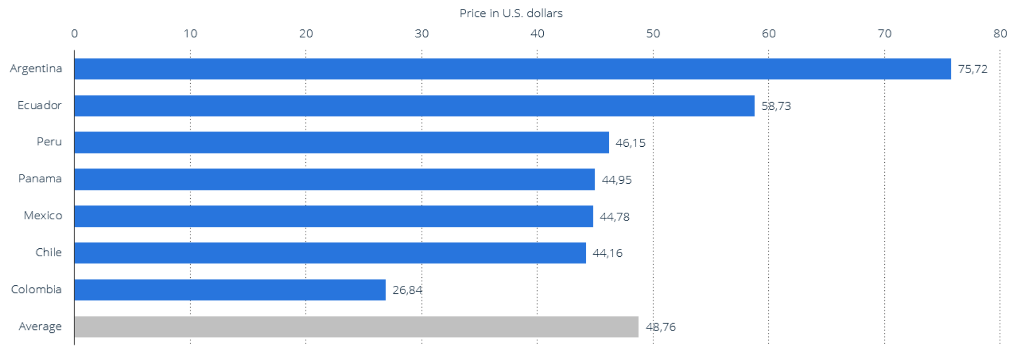
LUXURY REVENUE SHARE in percent														
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Luxury	5	5	5	5	6	6	6	7	7	7	7	7	7	7
Non-Luxury	95	95	95	95	94	94	94	93	93	93	93	93	93	93
Sources	Statista													
Most recent update:	06/01/2022													

14 Statista
15 Statista

Nevertheless, all prices in the sector suffered certain evolution (not only luxury sneakers). As we can see, average price[16] has variated all over the years, normally increasing gradually.

PRICE PER UNIT in USD (US$)														
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Athletic Footwear	119,60	112,30	111,10	113,10	114,50	112,40	112,50	115,40	115,70	116,60	117,80	118,90	120,20	121,40
Leather Footwear	35,34	33,88	33,20	33,52	34,58	34,35	35,99	37,09	36,38	36,57	37,09	37,63	38,17	38,70
Sneakers	56,74	53,54	52,60	53,30	54,41	54,25	56,33	57,56	58,34	59,30	60,29	61,27	62,27	63,23
Textile & Other Footw	12,87	12,84	12,98	13,24	13,71	13,91	14,61	14,71	14,73	14,93	15,20	15,46	15,72	15,99
Average	22,80	22,67	23,10	23,62	24,65	25,12	26,62	27,30	26,94	27,26	27,81	28,35	28,90	29,43
Sources	Statista													
Most recent update:	06/01/2022													

More specifically, in Chile[17] average price per shoe in 2018 was close to another Latin and Central American countries such as México or Panamá. That year, the most expensive shoe type were ankle boots and the cheapest were the high sandals[18]. The following chart shows the average price of shoes in different Latin American countries (2018).

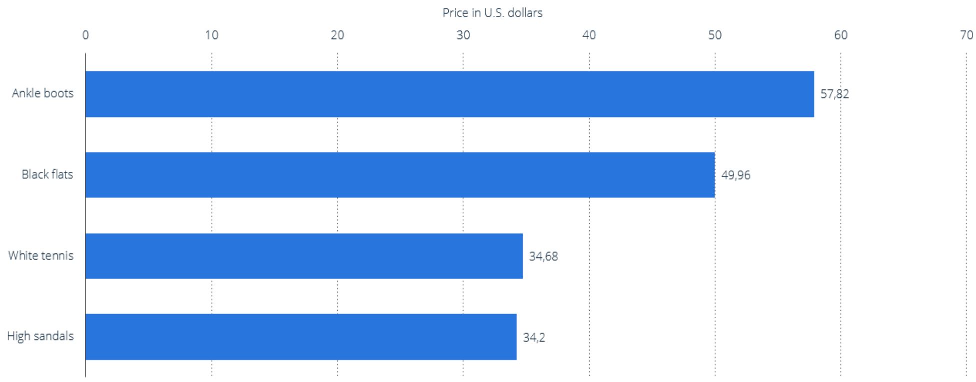


[16] Statista

[17] Statista: average price per shoe. Latin American Countries. 2018: https://www.statista.com/statistics/939139/average-prices-shoes-latin-america-country/

[18] Statista: shoe category price. Chile 2018: https://www.statista.com/statistics/939572/average-price-shoes-chile-type/

And the following graph represents the average price of selected types of shoes in Chile in USD (2018).



However, these trends are not implemented on their own. There are companies that conduct these attitudes into sales, which lead them to be the main actors in the sector at a worldwide level over the years. Companies like *Alibaba, Amazon, Nike* or *Dr. Martens* aggregate most of the sales[19].

TOP COMPANY REVENUES (WORLDWIDE & CONSOLIDATED) in billion USD (US$)					
	2017	2018	2019	2020	2021
Alibaba Group Holdin	37,03	56,96	73,78	103,90	
Amazon.com, Inc.	177,90	232,90	280,50	386,10	469,80
Asos Plc	2,48	3,23	3,49	4,19	5,44
Coupang, Inc.			6,27	11,97	18,41
Dr. Martens Plc				0,99	
JD.com, Inc.	53,61	69,83	84,07	108,10	
Jd Sports Fashion Plc	4,08	6,31	7,82	7,95	
Kohls	19,10	20,23	19,97	15,96	19,43
Nike, Inc.	36,40	39,12	37,40	44,54	
Nordstrom, Inc.	15,48	15,86	15,52	10,72	14,79
Sources	Statista Company DB				
Most recent update:	12/01/2022				

Those revenue digits are also explained by the increase of users[20] worldwide. The number is growing gradually, since the world population has reached 8.000.000.000 people in 2022[21] .

[19] Statista
[20] Statista
[21] https://www.un.org/es/desa-es/la-poblaci%C3%B3n-mundial-llegar%C3%A1-8000-millones-en-2022

REVENUE in billion USD (US$)											
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Leather Footwear	23,13	25,71	27,82	33,97	40,47	39,99	43,02	47,42	52,46	55,10	58,12
Luxury Footwear	3,29	3,87	4,37	5,24	6,03	6,36	7,24	8,43	9,80	10,47	11,29
Other Footwear	1,90	2,18	2,35	2,85	3,35	3,40	3,67	4,08	4,54	4,79	5,07
Sneakers	13,70	15,58	16,73	20,24	23,85	24,57	26,88	30,36	34,31	36,27	38,60
Textile & Other Footw	31,46	36,33	38,84	47,34	55,44	56,16	60,13	66,37	73,25	77,37	81,92
Total	73,47	83,68	90,11	109,60	129,10	130,50	140,90	156,70	174,40	184,00	195,00
Sources	Statista										
Most recent update:	02/01/2023										
Notes	Data shown is using current exchange rates and reflects market impacts of the Russia-Ukraine war.										

This finally translates to a grow in Chilean revenues over the years, as we can see (revenue in million USD[22]) in this table. Growth has been a constant, even after the pandemic, and it is projected to continue at least until 2027:

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
160,1	190,0	216,9	283,9	379,5	377,9	398,4	432,0	470,5	498,6	527,0

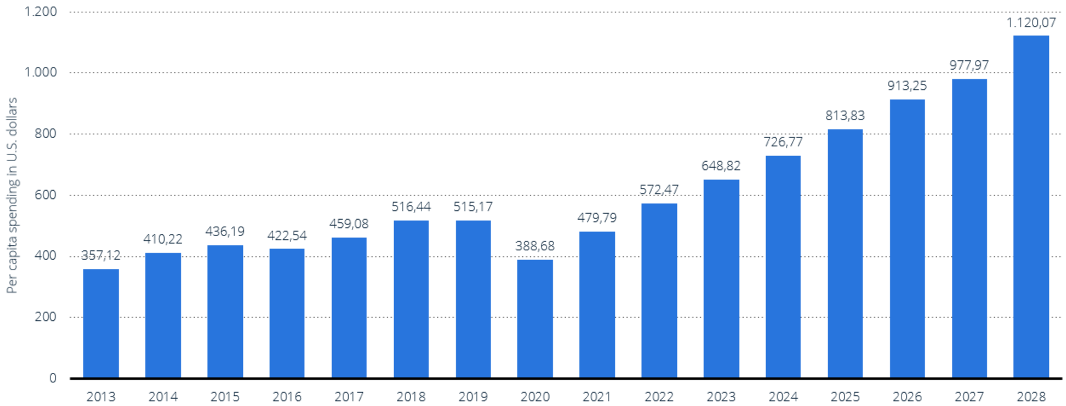
In other words, the market will grow next years, parallelly to money spent in the matter, as several forecasts[23] ensure. Combining apparel and footwear markets, it is predicted that money per capita spent will reach 1.120 USD in 2028. The following chart shows the forecast of the real per capita consumer spending on clothing and footwear in Chile from 2013 to 2018 (USD).

[22] Statista
[23] Statista

2.4 FOOD

Such as made for children footwear, we are inferring worldwide data to talk about the Chilean market for babies' food.

Globally, it is an enormous market, always increasing its revenues figures due to the unstoppable increase of population, such as forecasts determine[24].



REVENUE in billion USD (US$)

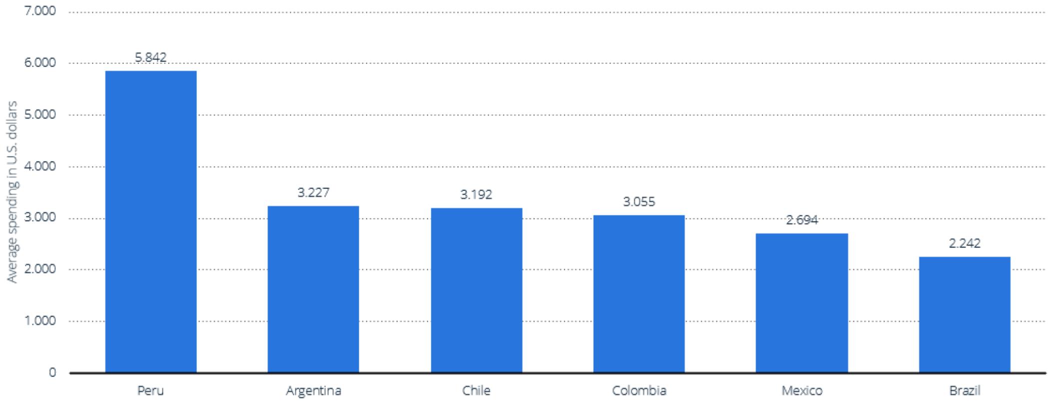
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Total	180,50	180,20	191,50	203,80	216,10	226,00	242,30	261,10	280,90	301,30	327,70	353,50	381,40	380,60
Sources	Statista													
Most recent update:	07/01/2022													
Notes	Data shown is using current exchange rates and reflects market impacts of the Russia-Ukraine war.													

It is a growing market, as many data[25] can confirm. Not only has it progressed over the years, but will also grow in the following (million USD per year).

Projected revenue evolution													
2014	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
111,20	104,00	105,70	115,70	123,10	114,30	106,40	124,90	134,90	141,80	151,20	159,90	170,30	158,90

[24] Statista
[25] Statista

However, it is not the most profitable country in the Latin American region[26] when it comes to spending money during pregnancy and first baby's year of life. Peru almost doubles Chile's spending (which is close to 3200 USD), and Argentina is also ahead.



2.5 FURNITURE & LINENS

Furniture sector is a large sector all over the world, gathering last year a total revenue of 36,27 billion USD. Throughout years, however, it has suffered certain variations[27]:

REVENUE in billion USD (US$)											
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Beds	1,27	1,38	1,49	1,87	2,03	1,84	2,27	2,61	3,00	3,17	3,38
Closets, Nightstands &	5,32	5,86	6,43	8,01	9,38	8,57	10,71	12,47	14,46	15,40	16,56
Mattresses	5,28	5,80	6,31	7,77	8,97	8,27	10,25	11,93	13,82	14,72	15,83
Other Bedroom Furni	10,79	12,23	13,45	16,17	18,45	17,59	22,01	26,07	30,74	32,79	35,40
Total	22,65	25,27	27,69	33,81	38,83	36,27	45,24	53,07	62,02	66,07	71,17
Sources	Statista										
Most recent update:	02/01/2023										
Notes	Data shown is using current exchange rates and reflects market impacts of the Russia-Ukraine war.										

[26] Statista: Picodi. Various sources: https://www.statista.com/statistics/814004/latin-america-average-spending-baby-care-country/

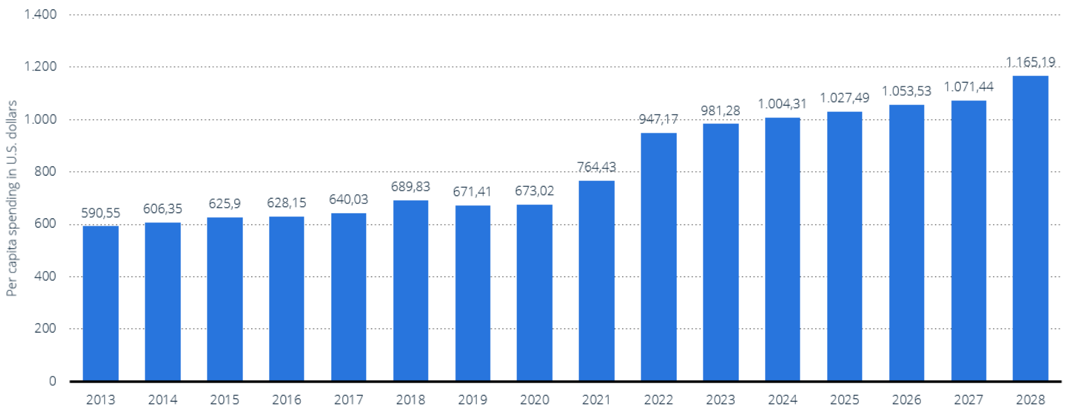
[27] Statista

Here, we find as the principal worldwide actors[28], which are the following companies:

TOP COMPANY REVENUES (WORLDWIDE & CONSOLIDATED) in billion USD (US$)					
	2017	2018	2019	2020	2021
Bed Bath & Beyond, I	12,35	12,03	11,16	9,23	
Costco Wholesale Co	129,00	141,60	152,70	166,80	195,90
Easyhome New Retail	0,58			1,29	
JD.com, Inc.	53,61	69,83	84,07	108,10	
Overstock.Com, Inc.	1,75	1,82	1,46	2,55	2,76
Target Corp.	71,88	75,36	78,11	93,56	106,00
The Home Depot, Inc.	100,90	108,20	110,20	132,10	151,20
Walmart, Inc.	500,30	514,40	524,00	559,20	572,80
Wayfair, Inc.	4,72	6,78	9,13	14,15	13,71
Williams-Sonoma, Inc	5,29	5,67	5,90	6,78	
Sources	Statista Company DB				
Most recent update:	12/01/2022				

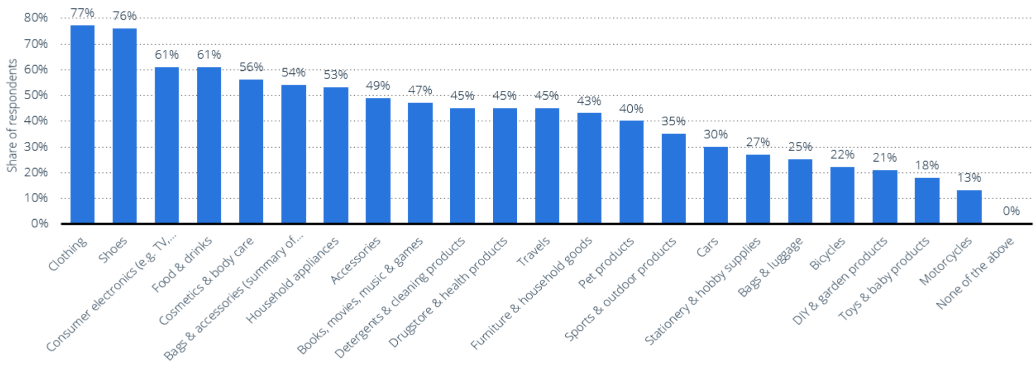
Specifically analysing Chilean data[29], we can see that there is and will be a progression of the amount of money spent on household equipment. It is expected that in 2028 it goes over 1,165 USD (more than 11 million USD in Chilean market).

The following graph shows the forecast of the real per capita consumer spending on furnishings, household equipment and routine maintenance of the house in Chile in USD (2013-2018).



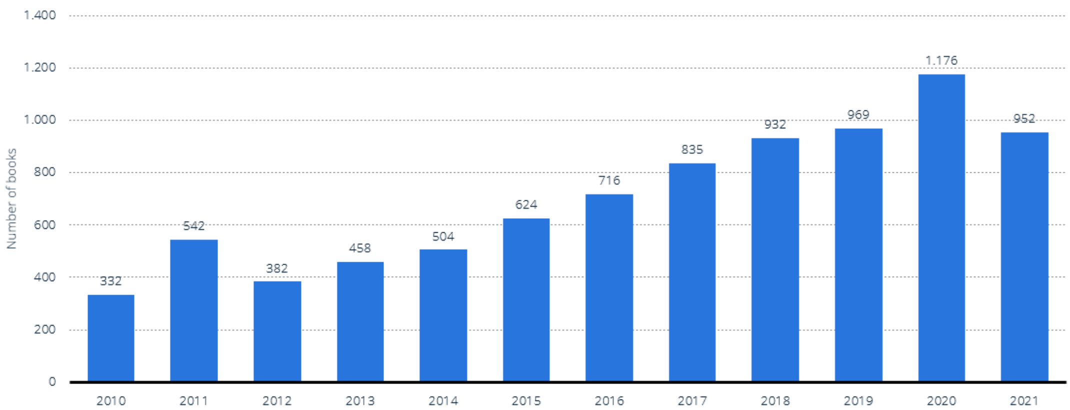
[28] Statista: *Statista Company DB*
[29] Statista

Indeed, this is explained by the interest in household equipment in Chile, which has hovered around 50%of consumers this past year (2022)[30;31]



2.6 CHILDREN BOOKS

It is convenient to underline the tendency shown in the publishment of **books for children** in the last decade, reaching an absolute record in 2020,



and finally growing gradually towards a figure close to 1,000 books a year[32]. The following graph shows the number of children's books published in Chile from 2010 to 2021:

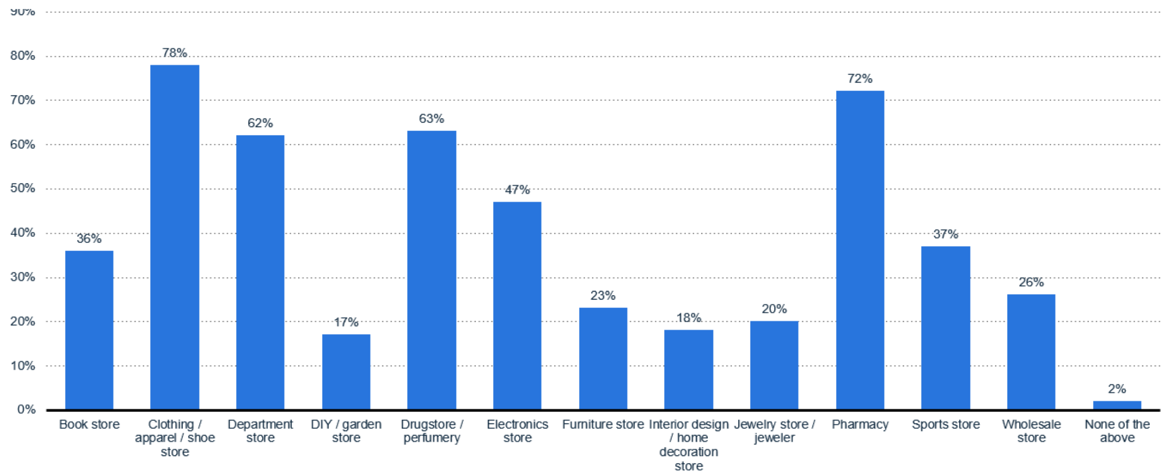
When asked about offline shopping, 36% of people answered they bought from bookstores, pushing children books demand[33] and only 34% of

[30] Statista: Consumer Insights: [Chile: real per capita consumer spending on household upkeep 2013-2028 | Statista]
[31] Picture: https://www.mueblesmaschicos.com/cunas/funcional/?mpage=2

[32] Statista: Extracted from *Cámara Chilena del Libro*
[33] Statista: Global consumer survey

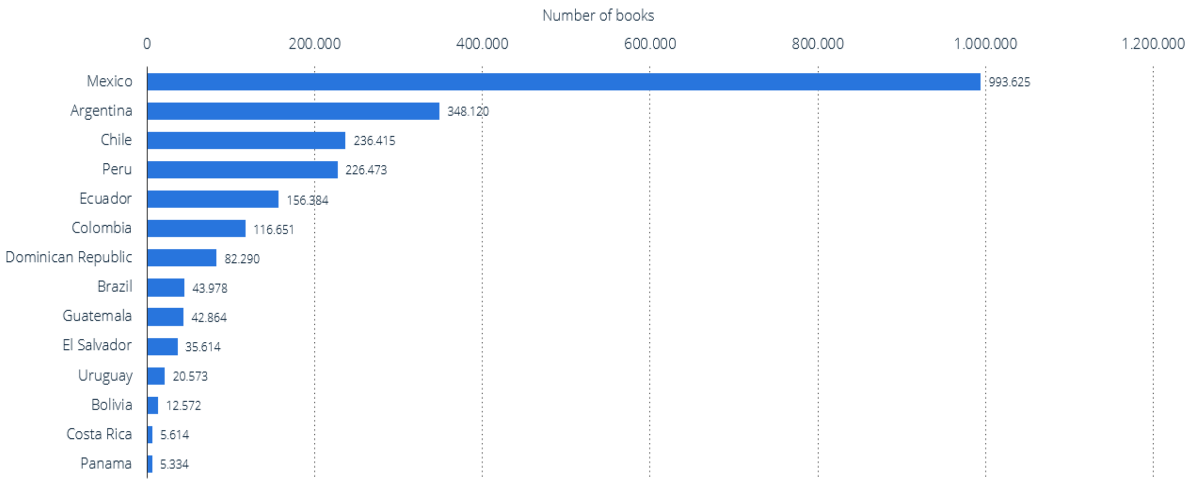
consumer search information online rather than offline[34]. So it can be inferred that it continues to be a more in-touch likely sector than others.

The following graph shows the offline purchases by type of products. Chile imports books. In fact, Spain[35], a country with which they share the language, exported to Chile over 230.000 children and youth books back in 2019. (That year, the Spanish publishing sector exported 14-million-euro worth of goods[36]).

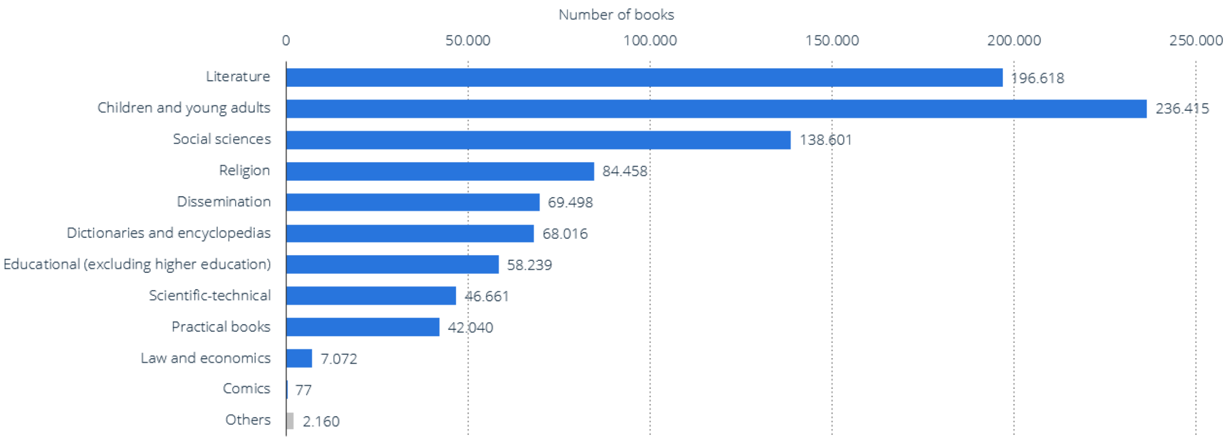


[34] Statista: *Global consumer survey*
[35] Statista*: The Ministry of Education, Culture and Sport; FGEE; FEDECALI; Agencia Tributaria; FEIGRAF; CEGAL*
[36] Statista: *The Ministry of Education, Culture and Sport; FGEE; FEDECALI*

By category, children and young adults was the most imported book category from Spain in 2019[37]. The following graph shows the number of children's and youth books exported from Spain to Latin America in 2019.



Whilst this graph shows the number of copies exported from the Spanish book sector to Chile in 2019, by book category.



[37] Statista: *The Ministry of Education, Culture and Sport ; FGEE; FEDECALI; Agencia Tributaria; FEIGRAF; CEGAL;*

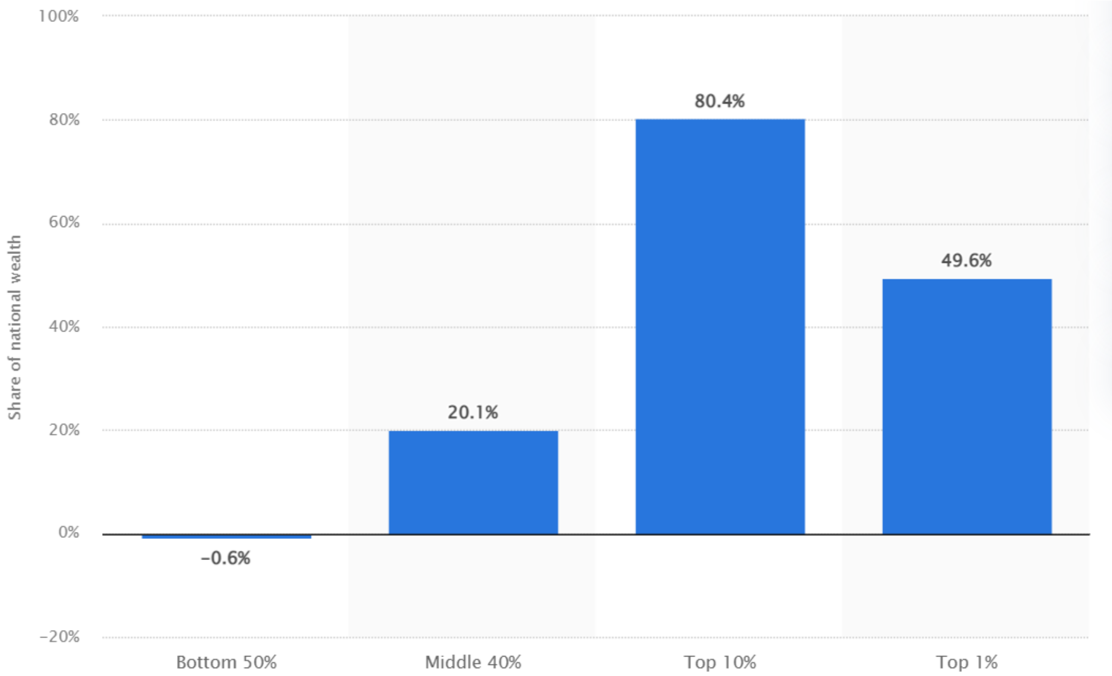
E-books are products used all over the world, and Chile is not an exception. In 2021, 9,5% of books read in these devices were addressed to children[38].

Other types of books, like the ones prepared for children to draw or paint, are obtained through importation from different economies. The most important ones back in 2017 were China (55% of total imports), Argentina (15%) and Hong Kong (9,8%)[39]:

[38] Statista: Libranda
[39] Statista: The observatory of Economic Complexity

3. CONSUMER BEHAVIOUR

There are large income differences between the average Chilean population and a small upper class. The middle class is also very small, although it has strengthened somewhat in recent years (in %, share of national wealth)[40].



With regard to the outlay on the toy sector, with the inflation that Chile is going through, last Christmas 2022[41] it was calculated that 44% of the population would buy fewer gifts and 41% would reduce spending, forecasts that at a key time for the toy sector are not good news[42][43]. It was calculated that on average the sample surveyed intended to spend around 121,000 CLP, or 140 euros, over the Christmas period. Women would on average give just over 9 gifts, compared to 7 for men.

Regarding **online commerce**, it is important to underline that in 2021, ecommerce grew by 23% according to the multinational consultancy

[40] Statista
[41] National Chamber of Commerce survey
[42] https://www.america-retail.com/chile/efectos-de-una-navidad-mas-cara-44-comprara-menos-regalos-y-41-reducira-el-gasto/
[43] https://www.df.cl/efectos-de-una-navidad-mas-cara-44-comprara-menos-regalos-y-41

Blacksip[44]. In any case, further information may be found in the *E-commerce section*.

3.1. CONSUMER PROFILE

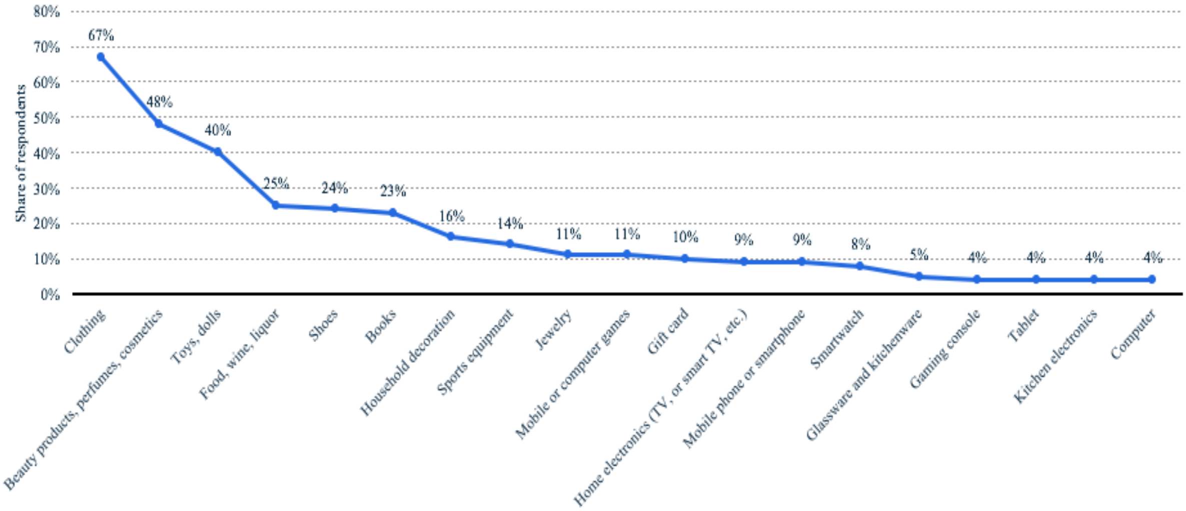
The **profile of toy/clothing buyers** does not coincide with that of their consumers. For age issues, children are not able to purchase products from toy or clothing shops, but they are the ones who will be the final consumers of the product. It will be the children's parents/guardians who will pay for these products, although we can find other adults who, without occupying this position of direct responsibility for the child, will also go to the market (close relatives such as aunts and uncles or grandparents, family friends...) It is also worth mentioning the expenditure made by children's educational centres such as nurseries and primary schools for their students (especially toys).

With regard to the consumer profile[45], it is also necessary to talk about the occasion on which to give a toy as a gift. Thus, for those who buy without a special occasion, small, low-priced items are prioritised, whereas if it is an occasion such as a birthday or Christmas, more variables are taken into account. There are also shoppers who like to surprise children, just as others give them exactly what they ask for. Other criteria are also taken into account when buying a toy, such as sustainability, novelty or perceived difference, without dethroning the fundamental criterion of providing fun for the child.

[44] https://www.elmostrador.cl/agenda-pais/2022/04/25/ecommerce-en-alza-63-de-chilenos-ya-compra-en-linea/

[45] https://www.interempresas.net/Juguetes/Articulos/351912-Adaptarse-al-nuevo-perfil-del-comprador-consumidor.html

As for Christmas gifts, one of the best periods of the year for the sector, the following graph shows the results of a survey that tried to determine what were the favourite Christmas presents to give away in Chile in 2021.[46]



According to the survey carried out in 2021 of nearly 1000 people, toys arrive in 3rd position, after clothes and beauty products, which is very encouraging for the market.

The **peak period for toy sales** in Chile does not coincide with Children's Month, which is celebrated in August (for that day the most searched toy category are puzzles, board games and dolls[47]), but it is in July (winter holidays for Chilean children) and December (Christmas). The last 30 days of the year, in fact, account for 24% of total annual sales[48].

In the **clothing sector**, products are differentiated not only by gender, but also by price. Late studies published with occasion of the last Kid International Day revealed that in Chile products addressed to girls were often more expensive than the ones destined to boys. This phenomenon, known as *the pink tax*, is present in every other sector, but it mostly occurs in fashion.

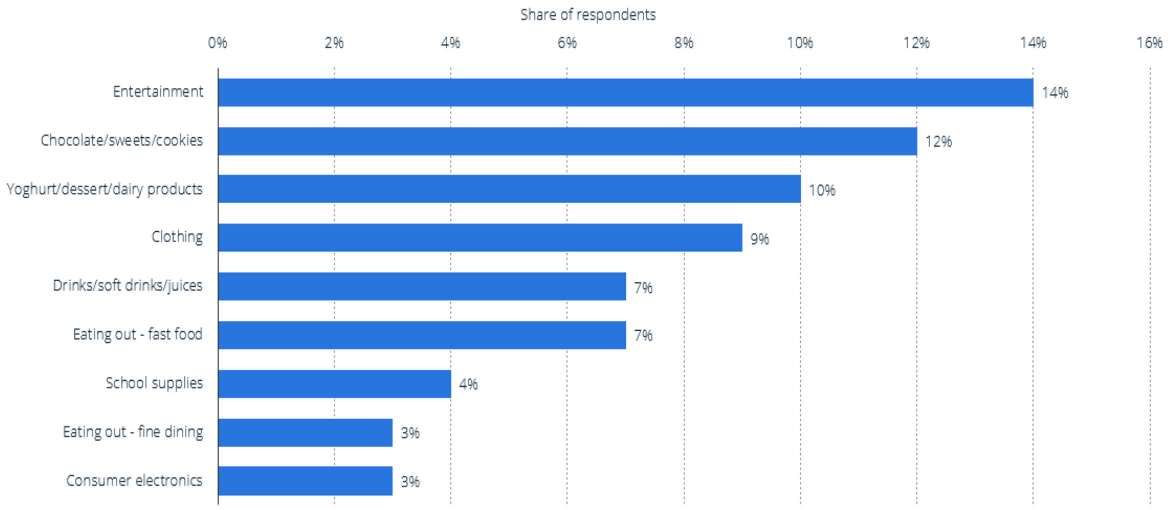
[46] Deloitte; ID 1081042
[47] Statista: Extracted from Think with Google
[48] https://www.latercera.com/pulso/noticia/los-us-269-millones-tras-mercado-los-juguetes-chile/777489/#:~:text=If%20well%20August%20is%20fairly%20fair, theycontribute%20a%2024%25%20of%20the%20total

Data shows that around 75%[49] of products in the apparel market charge more feminine products than masculine.

Furthermore, products are designed for adult women to purchase them, since a study from the prestigious Boston Consulting Group (BCG) determined that from every domestic purchase, 7 out of 10 are made by them (Deloitte insists on increasing that number)[50].

Finally, it is relevant to say that social media is affecting decision making processes, changing preferences in the market. Nevertheless, most of the clothes sold in the market are designed in an informal style, aiming to permit children to play and relax[51].

Children, as previously discussed, are not buyers of these products, but they are a key part of the family purchasing decision process. In fact, this impact in the decision making process has been studied,[52] with the results shown in the following graph:



[49] https://www.sernac.cl/portal/604/w3-article-67682.html
[50] https://forbes.es/forbes-w/opinion-forbes-w/130618/otros-porcentajes-que-importan-que-y-como-compran-las-mujeres/
[51] https://www.mordorintelligence.com/es/industry-reports/childrenswear-market
[52] Statista: Extracted from Activa Research, WIN

The graph analyses the purchase categories for which children were decision makers in 2019.It has shown that where mainly children were decision makers are products related to entertainment (17%) and sweets (14%).

At the end, we have to comment that the **furniture market** is following minimalistic designs, such as the global tendencies, and that **books** continue having traditional thematic, but with different perspectives such as we will analyse in the Gender section.

3.2. MARKETING

It has been widely studied[53] what leads children to desire a product, and **what role advertising and marketing play in this process**. What is certain is that children over the decades have increased the number of commercials they view on television.

However, not all children perceive advertisements in the same way. It has been studied that **before the age of 5, children are barely able to distinguish between the programme they are watching and the commercial**, so that they consider the latter to be part of the former. It is from the age of 5 that they develop the ability to understand and discern the advertisements, their intentions and their scope.

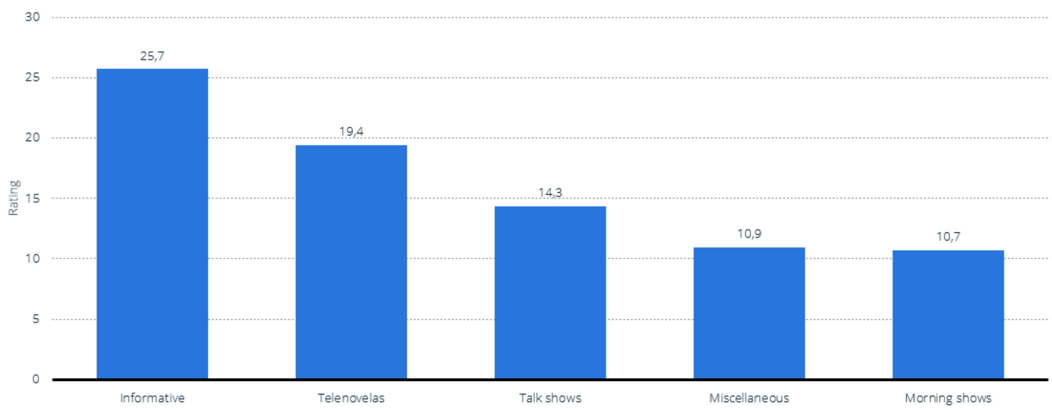
Other effects that have been measured related to the topic are product recall (more than half of children are able to remember commercials they have been exposed to if they are about topics such as toys, cereal or ice cream) and desire elicited in children. In fact, in the early 2000s, when a child was asked where he or she learned about the toy he or she wanted, the answer was largely through television. Now, with the advent of new digital technologies, this trend has also changed. Therefore, the different fashions that the child can observe in their peers or in television/digital programmes

[53] Source: La influencia de la publicidad televisiva en los niños: qué sabemos del tema en Chile, Rodrigo Uribe Bravo

can be very effective in causing desire in the child. Nowadays, when a child sees his or her favourite advertising, the action that child takes[54] becomes mainly *asking someone to buy the product for them* (52% of the children answered with this option in a multi answer survey), *be more interested in the brand* (23%) and *search for information about the brand/product* (21%).

However, the amount of free-to-air programming addressed specifically for children in Chile[55] has decreased significantly since the 2010's decade. Back in the days, 13% of free-to-air programmes were addressed to this age group, whereas nowadays only 0,2% are child content. Since free-to-air content has decreased, Chilean people often watch Pay TV. Children aged 4-12 watch an average[56] of nearly 4 hours a day of Pay TV.

Recent years (2021) have provided data[57] about which type of TV programs Chilean children often watch. Mostly, those are informative programs, *telenovelas* and *talkshows*. The next graph shows the most viewed free TV genres in 2021:

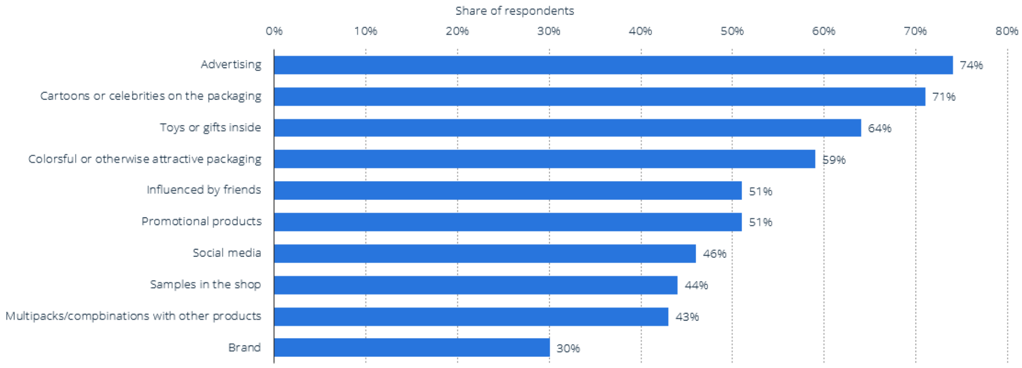


Whilst the free-to-air programme have been decreasing, YouTube[58] usage by Chilean children exponentially grew, topping Latin America countries with already 89% of Chilean children using this platform back in 2019. With this percentage, Chile is the Southern American country where

[54] Statista: Extracted from Kids Corp
[55] Statista: Extracted from Consejo Nacional de Televisión (Chile)
[56] Statista: Extracted from Consejo Nacional de Televisión (Chile)
[57] Statista: Extracted from Consejo Nacional de Televisión (Chile)
[58] Statista: Extracted from Activa Research, WIN

most children use YouTube (even more so than bigger countries like Brazil). This is important since YouTube is the main place where children see their favourite advertisements (48%), ahead of Pay TV and Free TV (32% and 31%)[59].

All the data result in a classification[60] of the **reasons that lead Chilean children to select certain products and/or brands**. Mostly, as can be inferred from our previous analysis, children follow tendencies illustrated in advertising and TV programs. The following graph shows the reasons why children selected a particular product or brand in 2019:

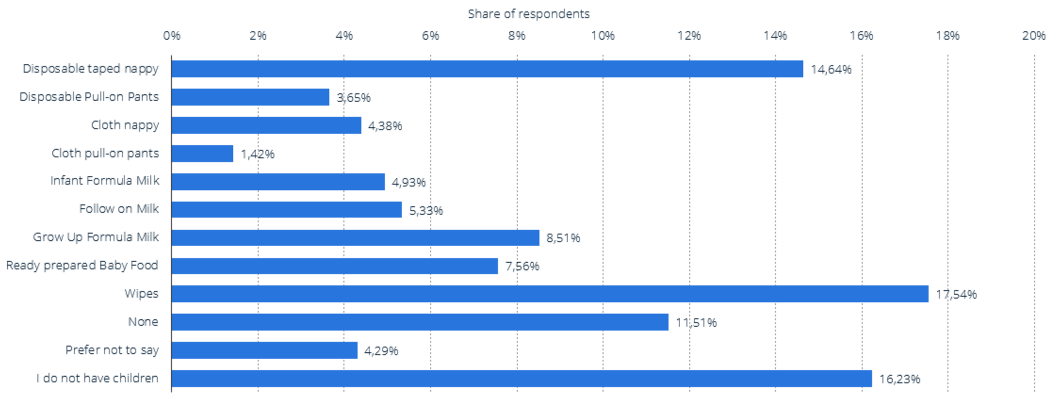


Specific to the baby related market, a survey was conducted in 2018[61] that shows which products parents of children under the age of 36 months are most inclined to buy.

The graph shows that wipes and disposable taped nappies were the main products acquired by parents, whilst the least popular products were cloth pull-on pants and disposable pull-on pants.

[59] Statista: Extracted from Kids Corp
[60] Statista: Extracted from Activa Research, WIN
[61] Statista: Extracted from *Cint*

Some studies[62] about **footwear** reveal that the largest advertisers in Chile for footwear products in 2020 were *Skechers* and *Guante* (together congregate more than 60% of advertising on the matter):



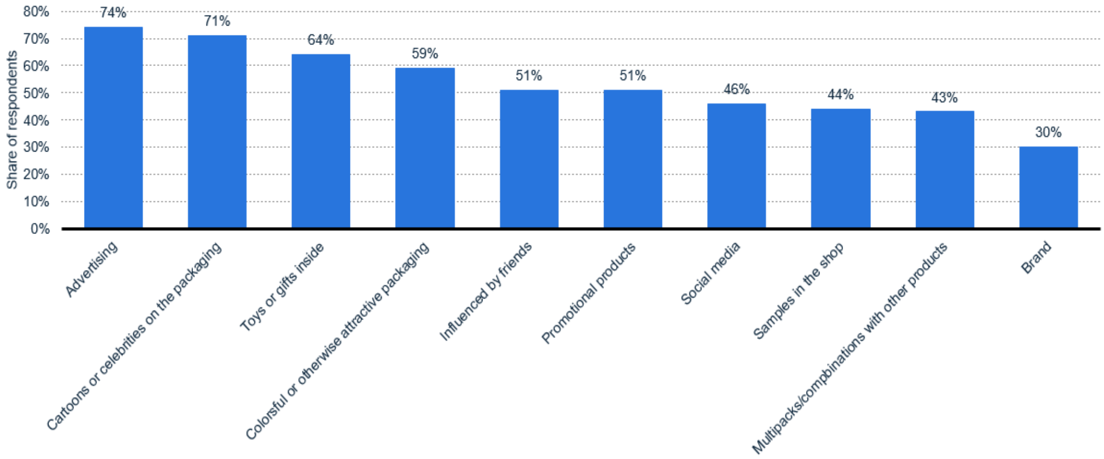
3.3. BRAND IMPORTANCE

Finally, in a survey conducted in 2022[63], with respondents aged between 18 to 64 years old, to determine **brand awareness per category**, the results showed that 71% of the interviewed paid particular attention to brand name in case of clothing and shoes, 68% in electronics. As for toys and baby products, only 11% showed brand awareness whilst 17% did for furniture and household goods.

[62] Statista: Admetrics

[63] Consumer Insights Global Consumer Survey - Chile

On the other hand, data on why children selected a particular product in Chile in 2019 is represented on the following graph:

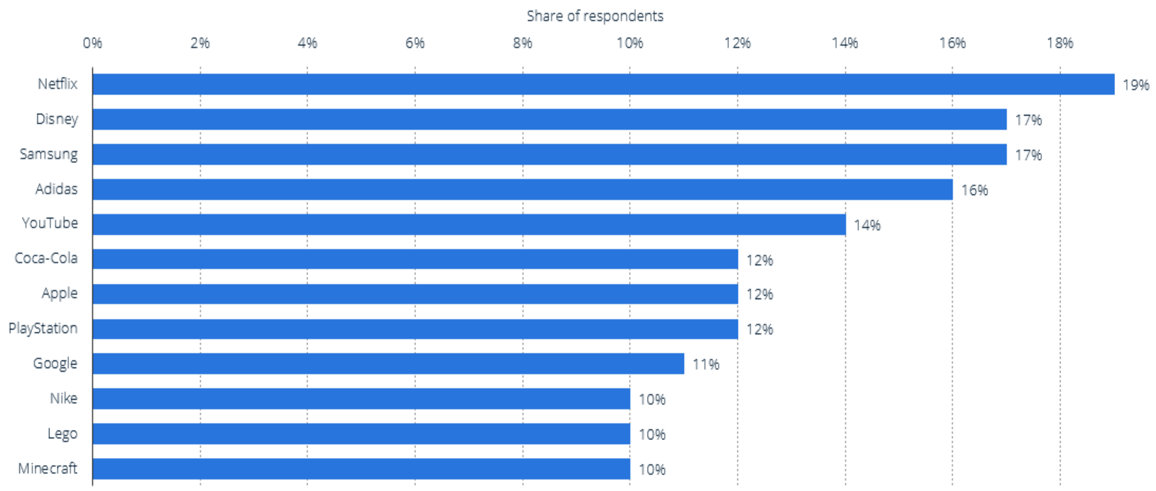


As we can see, a particular brand or product resulted the most attractive for children because of advertising, followed due to the appearance of cartoons or celebrities on the packaging. The less important reason in the child's decision making was the brand name.

Certain brands are more preferred[64] by Chilean children. In fact, 9% of children claim Disney to be their favourite brand, whilst 7% and 6% rather choose Apple or YouTube, respectively. Nevertheless, it has nothing to do when it comes to listing the most trusted[65] brands by children in Chile. Most of them match with each other, not finding a clear leader among them.

[64] Statista: Extracted from *Kids Corp*
[65] Statista: Extracted from *Kids Corp*

The following graph shows the most trusted brands among children in Chile in 2021: [66]



4. CORRUPTION INDEX

Regarding the corruption perception index, published by the Organisation for Transparency International, **Chile scored 67 out of 100** points in 2022, keeping this score stable compared to the previous year that led the south American country to reach the top 27 worldwide. Chile had the opportunity to strengthen its institutions and reverse its stagnation by incorporating anti-corruption elements and strengthening the right of access to information in the proposed new constitution. However, once it was in place, it was found that although it contained articles on prevention and punishment, it was not capable of bringing about change on its own[67].

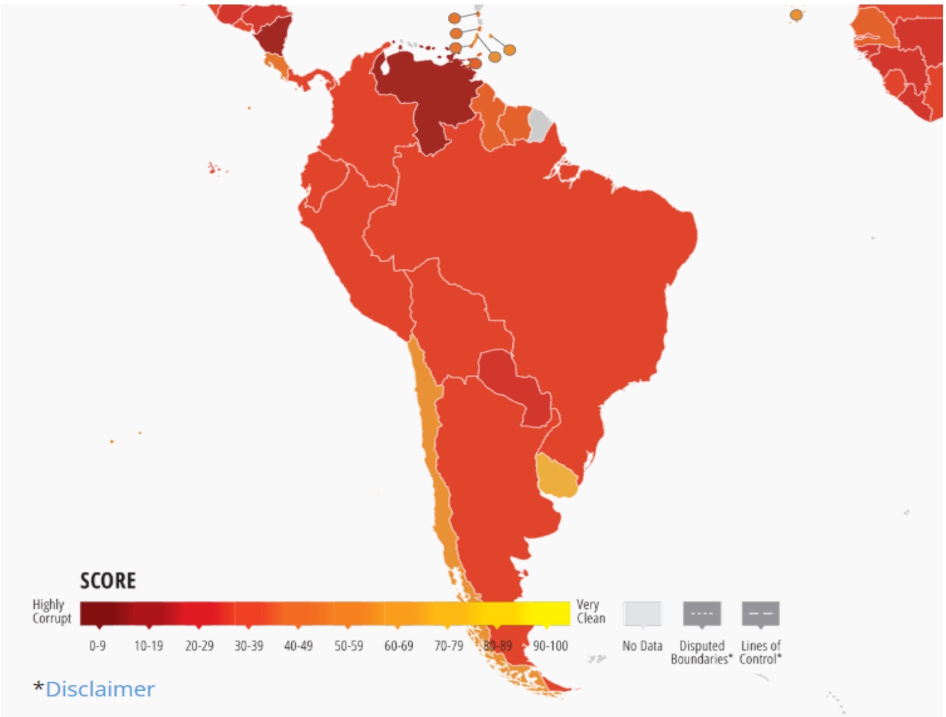
Chile is one of the countries in the region with a higher score. Only Uruguay, with a score of 74 is ahead of them. Around them, all Argentina (38), Colombia (39), Bolivia (31), Perú (36), Brazil (38), Venezuela (14), etc, score lower

[66] Source(s): Statista Survey;

[67] https://factchecking.cl/user-review/nueva-constitucion-no-evitara-la-llegada-de-la-corrupcion-al-poder/

in this aspect. As we can see, differences are really significant and situate Chile in a good position in the region[68].

When comparing Chile with the US and South Korea data, impressions are also positive. **The US scores 69 points, and South Korea is a bit lower than Chile, with 63**. In other words, Chile is at the same level as these two big economies.



[68] https://www.transparency.org/en/cpi/2022

5. IMPORTS AND EXPORTS: VOLUMNES AND TRENDS

5.1. TOY MARKET

Regarding the importations for products under tariff code (T.C.) 95: "Toys, games and sports requisites; parts and accessories thereof":

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	832,369	-818,559	100	6	95		100
China	640,199	-640,183	76.9	6	102	1	58.7
United States of America	62,735	-61,462	7.5	1	110	2	3.9
Area Nes	25,784	-25,784	3.1	30	63		
Viet Nam	15,060	-15,060	1.8	18	88	10	1.7
Mexico	11,087	-10,733	1.3	-1	113	15	1.1
Japan	9,273	-9,265	1.1	9	138	6	2.6
Taipei, Chinese	7,994	-7,993	1	2	70	8	2.4
Spain	7,446	-7,424	0.9	11	73	12	1.4
Indonesia	7,325	-7,325	0.9	14	42	25	0.4
Thailand	4,023	-4,022	0.5	14	3	21	0.5

Sources: ITC calculations based on customs statistics.

Its largest exporter is China (76.9% of imports), followed by the USA (7.5%). In total, products worth USD 832,369 thousand were imported in 2021. As for European products, we find Spain in the number 8 position, with only 0.90 % of imports and a business value slightly above 7 million USD. To find the French economy, we have to go down to the 23rd ranking, approaching 1.5 million USD with 0.20% of imports. Denmark, on the other hand, is not in the top 24 exporters to Chile.

Regarding world exports from Chile for products under this code, its world position is 75 and its main destination is 65.8% of exports to the Netherlands. Additionally, Spain is positioned on the 16th position, generating 22,000 USD and share in Chile's exports of 0.2%. On the other hand, Denmark and France do not fall into top 24 countries.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)
World	13,810	-818,559	100	62	-57		100
Netherlands	9,082	7,307	65.8	838	125,962	7	3.2
United States of America	1,273	-61,462	9.2	78	-88	1	32.4
Peru	792	-973	5.7	-3	54	47	0.2
Germany	400	-2,625	2.9	209	487	2	6.7
Uruguay	360	138	2.6	13	25	82	0.04
Mexico	354	-10,733	2.6	43	-94	16	1.7
Bolivia, Plurinational State of	331	321	2.4	4	57	86	0.03
Argentina	330	-867	2.4	39	-68	53	0.2

Sources: ITC calculations based on customs statistics.

Concerning products under T.C. 9503: "Tricycles, scooters, pedal cars and similar toy wheels, dolls' and dolls' carriages and carriages, other toys; small-scale recreational toys, whether or not for working purposes; puzzles of all kinds".

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)
World	341,719	-340,292	100	42,875	Tons	7,970	3	-22	85
China	259,947	-259,938	76.1	37,033	Tons	7,019	1	1	85
United States of America	22,407	-22,287	6.6	1,191	Tons	18,814	24	-2	156
Viet Nam	13,323	-13,323	3.9	903	Tons	14,754	32	40	108
Mexico	9,110	-8,912	2.7	373	Tons	24,424	-2	1	91
Indonesia	6,942	-6,942	2	389	Tons	17,846	18	28	44
Area Nes	6,724	-6,724	2	1,140	Tons	5,898	3	-61	70
Japan	3,656	-3,654	1.1	54	Tons	67,704	54	34	199
Malaysia	3,336	-3,336	1	301	Tons	11,083	-7	-7	1
Thailand	2,553	-2,552	0.7	140	Tons	18,236	32	27	24
Spain	1,574	-1,564	0.5	77	Tons	20,442	22	15	66

Sources: ITC calculations based on customs statistics.

Once again, the main exporter is China, with 76.10% of exports to Chile and a value of more than 259 million USD and around 37,000 tonnes. It is followed far behind by countries such as the USA with 6.60% of total imports and Vietnam with 3.90%.

The first European country we find is Spain, which is in tenth position, and further ahead we find France in 21st position (behind other countries such as Germany), with shares of 0.50% and 0.10% respectively. Additionally, France can be found on the 21st position contributing with 402,000 USD and 0.1% share. Denmark doesn't qualify in top 24 countries.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	1,427	-340,292	100	224	Tons	6,371	3		-7
Venezuela, Bolivarian Republic of	269	267	18.9	94	Tons	2,862	271	236	156
Bolivia, Plurinational State of	243	243	17	68	Tons	3,574	22	55	168
Mexico	198	-8,912	13.9	17	Tons	11,647	88		21
Peru	156	13	10.9	12	Tons	13,000	-7	-21	-45
Colombia	134	-588	9.4	11	Tons	12,182	36	-2	-22
United States of America	120	-22,287	8.4	3	Tons	40,000	24		30
Argentina	98	7	6.9	3	Tons	32,667	31		1,768

Sources: ITC calculations based on customs statistics.

Exports accounted for a relative position of 83. 224 tonnes were exported, all of which was exported to Venezuela (18.9% of exports). Spain is positioned on the 10th position, generating 10,000 USD and 0.7% share in

Chile's exports. France is positioned on the 21st place with 4,000 USD and 0.3% share. Denmark doesn't fall into the category of top 24 countries.

Following on from T.C. 9504, corresponding to "Video game consoles and machines, articles for games of chance, table or parlour games, including those with motor or mechanism, billiards, special tables for casino games and automatic bowling alley games".

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)
World	148,937	-146,995	100	0	Mixed		-1		79
China	101,038	-101,034	67.8	0	Mixed		2		61
United States of America	27,994	-27,032	18.8	0	Mixed		-10		146
Japan	4,613	-4,609	3.1	0	Mixed		-6		103
Taipei, Chinese	3,242	-3,242	2.2	0	Mixed		5		2,392
Area Nes	2,512	-2,512	1.7	0	Mixed		11		33
Spain	2,059	-2,052	1.4	0	Mixed		9		67
Mexico	1,479	-1,333	1	26,640	Units	56	29		4,640
Peru	625	-530	0.4	0	Mixed		-6		1,802
Slovenia	617	-617	0.4	107	Units	5,766	-15	-7	64

Sources: ITC calculations based on customs statistics.

Its main exporter is China, which exports 57.80% of total Chilean imports. The value is more than 100 million USD. It is followed by the United States with 18.80% of imports and Japan with 3.10%. Additionally, Spain is positioned 6th in this ranking with 2,059,000 USD and 1.4% share in Chile's imports. On the other hand, France and Denmark do not qualify in top 24 exporting countries in this category.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	1,942	-146,995	100	0	Mixed		70		-85
United States of America	962	-27,032	49.5	0	Mixed		126		-90
Germany	393	-36	20.2	24	Units	16,375	331	12	4,459
Mexico	146	-1,333	7.5	0	Mixed		-5		22
Argentina	107	-313	5.5	0	Mixed		1		80
Peru	95	-530	4.9	0	Mixed		40		-4
Uruguay	89	32	4.6	7,311	Units	12	123	166	126
Bolivia, Plurinational State of	47	42	2.4	0	Mixed		33		174
Portugal	34	34	1.8	0	Mixed				
Colombia	23	-15	1.2	0	Mixed		48		-99
Ecuador	9	9	0.5	0	Mixed		20		-31
Spain	7	-2,052	0.4	0	Mixed		71		172

Sources: ITC calculations based on customs statistics.

Concerning exports of this product category, USA is positioned as the 1st importer, generating value imported of 962,000 USD and share in Chile's exports of 49.5%. Spain is positioned on the 11th place with 7,000 USD and 0.4% share. Additionally, France and Denmark do not qualify in the top 24 countries.

Regarding the importations for products under tariff code (T.C.) 3407 "Modelling pastes, incl. those put up for children's amusement; preparations known as ""dental wax"" or as ""dental impression compounds"", put up in sets, in packings for retail sale or in plates, horseshoe shapes, sticks or similar forms; other preparations for use in dentistry, with a basis of plaster "of calcined gypsum or calcium sulphate"

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)
World	10,838	-10,766	100	3,096	Tons	3,501	3	-2	96
China	5,607	-5,607	51.7	2,219	Tons	2,527	5	0	115
United States of America	1,487	-1,487	13.7	86	Tons	17,291	7	34	140
Germany	665	-665	6.1	23	Tons	28,913	19	17	504
Thailand	654	-654	6	266	Tons	2,459	0	-5	86
Spain	533	-518	4.9	40	Tons	13,325	9	-17	93
Brazil	366	-366	3.4	52	Tons	7,038	-9	-2	170
Argentina	314	-314	2.9	80	Tons	3,925	-9	-5	-2
Italy	243	-243	2.2	111	Tons	2,189	-9	-18	-7
Malaysia	237	-237	2.2	82	Tons	2,890	14	3	1
Mexico	164	-136	1.5	77	Tons	2,130	-5	-16	53
Area Nes	97	-97	0.9	1	Tons	97,000	16	-16	313

Sources: ITC calculations based on customs statistics.

We can see that China tops the list with 51,70% of Chilean imports in the matter, followed by far by the US (13,70%) and the first European country appearing is Germany, with 6,10% of them. Spain gathers 4,90% of total imports in this market with more than 10 million value in 2021. Additionally, France is positioned on the 14th place with 62,000 USD and 0.6% share. Denmark do not qualify in the top 24 countries.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	72	-10,766	100	13	Tons	5,538	-7	10	21
Mexico	28	-136	38.9	6	Tons	4,667			113
Paraguay	17	17	23.6	2	Tons	8,500	139		190
Spain	15	-518	20.8	3	Tons	5,000	-6	-5	-48
Peru	8	1	11.1	1	Tons	8,000			44
Ecuador	3	3	4.2	1	Tons	3,000	-44	-16	
Costa Rica	1	1	1.4	0	Tons		-24		
Uruguay	1	1	1.4	0	Tons		-2		
Colombia	1	-33	1.4	0	Tons				

Sources: ITC calculations based on customs statistics.

When exporting, Chile addressed Mexico in nearly 4 of every 10 exports in 2021, followed by Paraguay. Nevertheless, the total value exported was roughly over 70,000 USD. Additionally, Spain takes the 3rd place with 15,000 USD and 20.8% share. Moreover, France and Denmark do not qualify in the top 24 countries.

Regarding imports of products under the tariff code (T.C.) 3503: "Gelatin, whether or not in square or rectangular sheets, whether or not surface-worked or coloured, and gelatin derivatives; isinglass; other glues of animal origin (excluding those packaged as glue for retail sale and weighing net <= 1 kg, and casein glues of heading 3501)":

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	22,206	-22,204	100	3,628	Tons	6,121	12	5	-2		100
China	8,394	-8,394	37.8	1,493	Tons	5,622	26	17	53	3	10.4
Brazil	6,888	-6,888	31	1,044	Tons	6,598	-5	-13	-22	2	13.7
Mexico	2,406	-2,406	10.8	375	Tons	6,416	1,751		-43	33	0.2
Italy	1,422	-1,422	6.4	209	Tons	6,804	16	10	44	8	4.3
Argentina	935	-935	4.2	130	Tons	7,192	-7	-16	2	73	0
Spain	819	-819	3.7	114	Tons	7,184	38	31	33	11	2.6
Netherlands	476	-476	2.1	113	Tons	4,212	4	17	1,442	7	5.1
Belgium	294	-294	1.3	56	Tons	5,250	76	107	-23	5	7.4
France	146	-146	0.7	31	Tons	4,710	19	7	478	4	8.1
Ireland	141	-141	0.6	3	Tons	47,000			304	44	0.06

Sources: ITC calculations based on customs statistics.

A leader exporter is China, generating value imported of 8,394,000 USD and 37.8% share in Chile's imports. Spain is found on the 6th place, contributing with 819,000 USD and 3.7% share in Chile's imports. Finally, France and Ireland share similar figures, generating value import of 146,000 USD (0.7% share) and 141,000 USD (0.6%) respectively. During the exporting of such products, Chile exported only to Peru, generating value exported of 1,000 USD. Finally, Denmark doesn't qualify in the top 24 countries.

Regarding imports of goods under the tariff code (T.C.) 3213: "Artist's, student's or signboard painter's colours, modifying tints, amusement colours and the like, in tablets, tubes, jars, bottles, pans or similar packages":

Sources: ITC calculations based on customs statistics.

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	8,849	-8,828	100	2,069	Tons	4,277	17	18	84		100
China	4,467	-4,467	50.5	1,367	Tons	3,268	16	29	143	1	44.8
Colombia	641	-637	7.2	289	Tons	2,218	32	22	-13	30	0.2
United States of America	562	-562	6.4	29	Tons	19,379	31	24	271	5	5.1
Netherlands	463	-463	5.2	18	Tons	25,722	12	1	110	4	6.5
Spain	433	-433	4.9	34	Tons	12,735	70	97	103	7	2.6
Brazil	411	-411	4.6	99	Tons	4,152	14	7	52	28	0.3
United Kingdom	400	-400	4.5	54	Tons	7,407	58	96	30	6	4.7
Italy	324	-324	3.7	52	Tons	6,231	-7	-20	42	8	2.4
France	292	-292	3.3	35	Tons	8,343	1	-18	37	2	7.5

A leader in exporting is China, contributing with 4,467,000 USD and a share of 50.5% for this product category. Spain is positioned on the 5th place, generating 433,000 USD and 4.9% share in Chile's imports. On the last position, France takes place with value imported in 2021 of 292,000 USD and 3.3% share in imports. Additionally, Denmark is positioned on the 23rd position, generating 6,000 USD and 0.1% share.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)
World	21	-8,828	100	5	Tons	4,200	-42	-41	-58		100
Uruguay	7	7	33.3	1	Tons	7,000	10	7	-16	87	0.09
Costa Rica	4	4	19	1	Tons	4,000	-22	-16	-33	64	0.2
Colombia	4	-637	19	0	Tons				57	71	0.1
Bolivia, Plurinational State of	2	2	9.5	0	Tons		-34		52	81	0.1
El Salvador	2	2	9.5	1	Tons	2,000	-26	-24	-72	92	0.08
Guatemala	1	1	4.8	0	Tons		-61			66	0.2
Paraguay	1	1	4.8	1	Tons	1,000	-12	-7		93	0.07

Sources: ITC calculations based on customs statistics.

Regarding world exports of products in this category, Uruguay generate share of 33.3% in Chile's exports and 7,000 USD. Countries, El Salvador, Guatemala and Paraguay are characterized with minor contributions. Moreover, France and Denmark do not qualify as importers for this product and thus Chile doesn't generate value out of them.

5.2. APPAREL MARKET

Regarding the importations for products under tariff code (T.C.) 61: "Articles of apparel and clothing accessories, knitted or crocheted":

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	1,399,066	-1,393,079	100	0	59		100
China	953,099	-953,083	68.1	-2	55	1	31.9
Area Nes	78,207	-78,207	5.6	2	97		
Bangladesh	73,641	-73,641	5.3	12	25	2	9.4
Peru	39,290	-37,758	2.8	12	155	34	0.4
United States of America	33,286	-32,344	2.4	24	149	18	1.1
Viet Nam	26,326	-26,326	1.9	1	41	3	5.8
India	17,049	-17,048	1.2	4	41	7	2.9
Cambodia	16,324	-16,324	1.2	-6	10	10	2.1
Spain	16,085	-15,849	1.1	6	112	9	2.5
Pakistan	13,428	-13,426	1	2	84	14	1.7
Colombia	12,965	-12,924	0.9	16	96	65	0.07
Italy	11,569	-11,470	0.8	-1	85	5	4.1
Mexico	10,320	-9,847	0.7	21	87	22	0.8

Sources: ITC calculations based on customs statistics.

The largest exporter to Chile is China. Their exportations, valued at over 950 million USD, represent 68,10% of total Chilean imports. Is the greatest exporter by far, since the rest of them barely reach 5,00% of total imports.

In fact, Bangladesh is the second country in the list, holding 5,30% of the total. Other countries like the USA only export with an approximate value of 33 million USD (2,40%).

Regarding European countries, Spain is the first that comes in the list. After exporting over 16 million USD of apparel products, it only reaches 1,10% of total imports, close to Italy, who represents 0,80% of them. Additionally, France and Denmark do not qualify in the top 24 countries, thus not generating value.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	5,987	-1,393,079	100	-30	-3
Peru	1,532	-37,758	25.6	-17	-6
United States of America	942	-32,344	15.7	30	10
Venezuela, Bolivarian Republic of	670	647	11.2	112	87
Mexico	473	-9,847	7.9	-5	23
Panama	381	-2,032	6.4	7	6,229
Spain	236	-15,849	3.9	0	7
Haiti	233	138	3.9	210	978
Netherlands	183	-894	3.1	128	32
Paraguay	181	-176	3	-17	233
Dominican Republic	178	153	3	-27	164

Sources: ITC calculations based on customs statistics.

Regarding exports of products with this tariff code, Peru is positioned 1st generating 1,532,000 USD and 25.6 share respectively. Spain takes the 6th position with 236,000 USD and contributing with 3.9% share in Chile's exports. Additionally, Denmark and France do not qualify in the top 24 countries.

Regarding the importations for products under tariff code (T.C.) 62: "Articles of apparel and clothing accessories, not knitted or crocheted":

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	1,015,408	-1,004,015	100	-7	24		100
China	692,117	-692,047	68.2	-9	17	1	30.1
Area Nes	73,587	-73,587	7.2	-5	59		
Bangladesh	56,101	-56,100	5.5	9	20	2	8.4
Viet Nam	31,130	-31,130	3.1	-5	-5	4	5.9
United States of America	22,283	-16,049	2.2	12	103	22	0.9
India	21,142	-21,140	2.1	-19	4	8	3.1
Spain	17,876	-17,240	1.8	13	99	6	3.7
Colombia	17,599	-17,524	1.7	14	69	46	0.1
Italy	10,691	-10,558	1.1	0	55	3	5.9
Peru	9,186	-7,660	0.9	16	202	83	0.03
Pakistan	7,073	-7,069	0.7	7	39	14	1.5
Mexico	6,653	-6,392	0.7	-13	209	20	1
Indonesia	5,635	-5,635	0.6	-13	-18	12	1.8
Cambodia	4,450	-4,450	0.4	-12	38	21	0.9
Türkiye	4,157	-4,157	0.4	1	1	7	3.2
Brazil	3,970	-3,968	0.4	14	102	84	0.02

Sources: ITC calculations based on customs statistics.

These results are very similar to the ones explained just above. China is again the largest exporter in this category, gathering more than 68% of total exports. Bangladesh is again the second country with a share close to 5%.

European countries do not do much better here. Spain sits again in first place among them (1,80%), followed by Italy (1,10%). Additionally, France and Denmark do not qualify in the top 24 countries.

Regarding the exports for products under tariff code (T.C.) 62: "Articles of apparel and clothing accessories, not knitted or crocheted":

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	11,393	-1,004,015	100	-32	-26
United States of America	6,234	-16,049	54.7	-16	26
Peru	1,526	-7,660	13.4	-6	-32
Panama	737	-1,944	6.5	102	375
Spain	636	-17,240	5.6	-8	5
Bolivia, Plurinational State of	308	-207	2.7	-23	-46
Ecuador	280	-281	2.5	4	-7
Mexico	261	-6,392	2.3	-3	317
Argentina	254	-2,723	2.2	7	10
Uruguay	145	-242	1.3	-9	-71
Italy	133	-10,558	1.2	80	7,380

Sources: ITC calculations based on customs statistics.

USA is positioned on the 1st place, generating 6,234,000 USD and a share in Chile's exports of 54.7%. Spain takes the 4th place with 636,000 USD and 5.6% share. Additionally, France is positioned on the 19th place with 37,000 USD and 0.3% share respectively. Denmark doesn't qualify in the top 24 countries.

Regarding imports after the tariff code (T.C.) 6111: "Babies' garments and clothing accessories, knitted or crocheted (excluding hats)"

Sources: ITC calculations based on customs statistics.

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)
World	63,734	-63,514	100	3,855	Tons	16,533	-8	-6	24
China	46,372	-46,372	72.8	3,033	Tons	15,289	-11	-9	15
Peru	4,056	-4,001	6.4	238	Tons	17,042	11	18	120
Bangladesh	3,387	-3,387	5.3	259	Tons	13,077	10	12	1
Area Nes	2,653	-2,653	4.2	81	Tons	32,753	-16	-16	32
India	2,552	-2,552	4	113	Tons	22,584	10	15	67
United States of America	867	-792	1.4	14	Tons	61,929	25	4	391
Viet Nam	796	-796	1.2	19	Tons	41,895	76	67	444
Cambodia	511	-511	0.8	16	Tons	31,938	-11	-16	34
Spain	419	-416	0.7	11	Tons	38,091	24	2	69
Indonesia	329	-329	0.5	12	Tons	27,417	-8	-5	58

It is seen that China gathers 72,80% of total imports, being the absolute leader in the matter. Peru, Bangladesh and India are the following countries but none of them goes over 6,50%. Spain is positioned on the 9th place, generating 419,000 USD and 0.7% share respectively. Additionally, France and Denmark do not qualify in the top 24 countries.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	220	-63,514	100	8	Tons	27,500	28	22	30
United States of America	75	-792	34.1	2	Tons	37,500	157		302
Peru	55	-4,001	25	2	Tons	27,500	64	-28	-50
Bolivia, Plurinational State of	51	-20	23.2	2	Tons	25,500	65		159
Paraguay	10	10	4.5	0	Tons		-31		
Australia	5	-5	2.3	0	Tons				200
Belgium	3	0	1.4	0	Tons		56		
Brazil	3	-286	1.4	0	Tons				
Spain	3	-416	1.4	0	Tons				-30
Finland	2	2	0.9	0	Tons				
Netherlands	2	-3	0.9	0	Tons				82

Sources: ITC calculations based on customs statistics.

At the same time, in 2021 Chile exported to the US, Peru and Bolivia. However, the market volume is not significant (only 220 thousand USD). Spain is positioned on the 8th place with 3,000 USD and 1.4% share in Chile's exports. Moreover, France takes the 15th place with 1,000 USD and 0.5% share respectively. Denmark doesn't qualify in the top 24 countries.

Regarding imports of products with tariff code (T.C.) 6301: "Blankets and travelling rugs of all types of textile materials (excluding table covers, bedspreads and articles of bedding and similar furnishing of heading 9404)":

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	31,570	-29,395	100	0	Mixed		5		31		100
China	28,827	-28,827	91.3	0	Mixed		6		30	1	75.2
Thailand	900	-900	2.9	259	Tons	3,475	378	353	-3	26	0.3
India	409	-409	1.3	68	Tons	6,015	-28	-30	56	2	3.5
Area Nes	282	-282	0.9	0	Mixed		2		196		
United States of America	275	-227	0.9	0	Mixed		6		137	12	0.7
Peru	199	-155	0.6	22	Tons	9,045	-15	-4	15	28	0.3
Spain	89	-78	0.3	0	Mixed		-17		-11	11	0.9
Bolivia, Plurinational State of	85	3	0.3	20	Tons	4,250	4	17	146	84	0
Germany	72	-72	0.2	0	Mixed		54		298	3	1.7
Portugal	46	-46	0.1	3	Tons	15,333	4	-3	231	15	0.7

Sources: ITC calculations based on customs statistics.

A leader exporter is China, contributing with 28,827,000 USD and share in Chile's imports of 91.3%. Spain is positioned on the 7th place, generating only 89,000 USD and 0.3% share respectively. Additionally, France is positioned on the 14th place with 25,000 USD and 0.1% share in Chile's exports. Denmark takes the 23rd place with 12,000 USD.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)
World	2,175	-29,395	100	808	Tons	2,692	-4	-2	14		100
Colombia	1,824	1,818	83.9	741	Tons	2,462	-4	-2	3	50	0.3
Ecuador	91	85	4.2	42	Tons	2,167	-10	-5	88	124	0.02
Bolivia, Plurinational State of	88	3	4	9	Tons	9,778	78	46	2,700	117	0.03
United States of America	48	-227	2.2	0	Tons		-14		140	1	40.7
Hong Kong, China	46	28	2.1	0	Tons				1,308	47	0.3
Peru	44	-155	2	0	Mixed		12		298	17	1
Spain	11	-78	0.5	0	Mixed		-20			11	1.5
Brazil	5	1	0.2	1	Tons	5,000	-26	-27	-58	16	1
Mexico	5	-20	0.2	0	Tons					27	0.6
Switzerland	3	3	0.1	0	Tons					22	0.7

Sources: ITC calculations based on customs statistics.

Regarding world exports of products, falling into this category, Chile exports mostly to Colombia (1,824,000 USD value exported and 83.9% share in Chile's exports respectively). Spain is positioned on the 7th place contributing with barely 11,000 USD and 0.5% share in Chile's exports. Moreover, France takes the 14th place with 2,000 USD and 0.1% share respectively, while Denmark is positioned on the 16th place with 1,000 USD.

Regarding imports after the tariff code (T.C.) 6307: "Made-up articles of textile materials, incl. dress patterns, n.e.s."

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)
World	183,292	-176,723	100	47,559	Tons	3,854	54	51	-49
China	150,160	-150,145	81.9	42,792	Tons	3,509	70	63	-54
United States of America	7,595	-6,312	4.1	258	Tons	29,438	6	-14	22
Israel	6,628	-6,628	3.6	2,411	Tons	2,749	12	19	-28
Area Nes	1,789	-1,789	1	105	Tons	17,038	26	35	96
Mexico	1,571	-1,507	0.9	281	Tons	5,591	30	70	-50
Spain	1,448	-1,437	0.8	197	Tons	7,350	5	4	38
Colombia	1,247	-892	0.7	15	Tons	83,133	12	-20	53
Türkiye	1,189	-1,189	0.6	229	Tons	5,192	13	10	172
Italy	1,094	-1,094	0.6	147	Tons	7,442	60	110	272
Germany	1,038	-1,013	0.6	120	Tons	8,650	23	46	-46
Peru	893	218	0.5	160	Tons	5,581	75	61	-46

Sources: ITC calculations based on customs statistics.

China is again in the top of the list, collecting 81,90% of total Chilean imports. In this market with over 180 million USD value, China makes exports for 150 million value. It is followed by the US (4,10%), Israel (3,60%) and Mexico (0,90%). Additionally, France is positioned on the 14th place, generating 815,000 USD and contributing with 0.4% share. Finally, Denmark do not qualify in the top 24 countries, generating value.

And as for the exports, data is shown below.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	6,569	-176,723	100	678	Tons	9,689	28	21	-26
Brazil	1,979	1,146	30.1	404	Tons	4,899	28	34	38
United States of America	1,283	-6,312	19.5	3	Tons	427,667	177	32	8
Peru	1,111	218	16.9	109	Tons	10,193	32	22	-43
Argentina	827	525	12.6	71	Tons	11,648	77	64	136
Uruguay	380	354	5.8	27	Tons	14,074	20	15	119
Colombia	355	-892	5.4	22	Tons	16,136	-11	-21	-54
Ecuador	203	186	3.1	16	Tons	12,688	-2	2	-43
Bolivia, Plurinational State of	69	67	1.1	6	Tons	11,500	24	28	-86
Mexico	64	-1,507	1	3	Tons	21,333	-25	-31	4
Paraguay	52	27	0.8	4	Tons	13,000	-15	-15	-53

Sources: ITC calculations based on customs statistics.

Its counterpart are the Chilean exports of the matter. Over 30% of them were addressed to Brazil in 2021, whilst 19,50% were destinated to the US and 16,90% to Peru. Spain is positioned on the 17th place, generating 11,000 USD and 0.2% share in Chile's exports. Additionally, Denmark takes the 23rd place with a value of 4,000 USD and 0.1% share respectively. Finally, France doesn't qualify in the top24 countries, generating value.

5.3. FOOTWEAR MARKET

Regarding the importations[69] for products under tariff code (T.C.) 64: "Footwear, gaiters and the like; parts of such articles":

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	968,913	-961,703	100	-6	49		100
China	566,497	-566,492	58.5	-6	50	1	33.8
Viet Nam	175,135	-175,135	18.1	-6	35	2	11.9
Indonesia	56,509	-56,507	5.8	-13	70	6	4
Brazil	34,659	-34,653	3.6	-8	57	22	0.7
United States of America	20,566	-20,003	2.1	47	119	19	0.7
Area Nes	19,955	-19,955	2.1	13	69		
India	16,126	-16,126	1.7	-10	14	12	1.5
Cambodia	13,819	-13,819	1.4	-10	71	14	0.9
Italy	9,767	-9,696	1	-10	75	3	8.5
Spain	9,413	-9,287	1	-5	61	9	2.1
Peru	6,563	-3,363	0.7	4	25	77	0.01
Germany	4,011	-4,002	0.4	25	115	4	6
Argentina	3,929	-3,923	0.4	-2	212	95	0

Sources: ITC calculations based on customs statistics.

Its larger exporter is China, followed by Vietnam and Indonesia. China collects 58,50% of all imports, with a total value over 566 million USD. Vietnam is far away from those figures, with 18,10% of total imports by Chile. In any case, Indonesia is relegated to a third position with 5,80% of total imports.

Regarding European countries, Italy is the one with the largest number of exports to the South American country, with only 1% of the imports, such as Spain. Others, like Germany, do not achieve not even 0,50%. Additionally, France and Denmark do not qualify in the top 24 countries generating value.

[69]https://www.trademap.org/Country_SelProductCountry.aspx?nvpm=1%7c152%7c%7c%7c%7c64%7c%7c%7c2%7c1%7c1%7c1%7c1%7c1%7c2%7c1%7c1%7c1

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	7,210	-961,703	100	-10	-27
Peru	3,200	-3,363	44.4	8	50
Netherlands	957	-201	13.3	43	17
Venezuela, Bolivarian Republic of	750	715	10.4	277	928
United States of America	563	-20,003	7.8	56	-79
Bolivia, Plurinational State of	265	234	3.7	12	116
Uruguay	236	4	3.3	-9	1
Panama	177	-2,113	2.5	-19	0
Spain	126	-9,287	1.7	-29	-46
Nicaragua	120	120	1.7	-10	43
Ecuador	108	-20	1.5	29	37

Sources: ITC calculations based on customs statistics.

In terms of exportations[70] Chile exported footwear products to several countries during 2021. Most of these products were imported by the Netherlands (over 900 million USD value) and Venezuela. Moreover, Spain is positioned on the 8th place, generating 126,000 USD and 1.7% share. Additionally, France and Denmark do not qualify in the top 24 countries, generating value for this product type.

Regarding imports of products with tariff code (T.C.) 6402: "Footwear with outer soles and uppers of rubber or plastics (excluding waterproof footwear of heading 6401, orthopaedic footwear, skating boots with ice or roller skates attached, and toy footwear)":

[70] Statista: Chilean footwear exportations by country. 2021

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	258,396	-257,052	100	46,377,431	Pairs	5.57	-6	-5	50		100
China	192,966	-192,966	74.7	41,697,085	Pairs	4.63	-6	-5	46	1	56.9
Viet Nam	21,686	-21,686	8.4	1,238,283	Pairs	18	-13	-10	42	2	7.3
Indonesia	9,461	-9,461	3.7	601,844	Pairs	16	-19	-13	61	10	1.4
Brazil	9,107	-9,107	3.5	1,298,498	Pairs	7.01	1	2	58	13	1
Area Nes	5,753	-5,753	2.2	358,491	Pairs	16	32	18	100		
Cambodia	3,684	-3,684	1.4	197,801	Pairs	19	-16	-16	62	12	1
United States of America	3,445	-3,406	1.3	176,613	Pairs	20	45	25	156	25	0.4
Italy	2,164	-2,164	0.8	37,694	Pairs	57	-5	-17	114	4	4.1
India	2,094	-2,094	0.8	156,451	Pairs	13	13	19	205	22	0.4
Myanmar	1,320	-1,320	0.5	102,239	Pairs	13	8	13	37	44	0.09

Sources: ITC calculations based on customs statistics.

A leader exporter is China with value imported in 2021 of 192,966,000 USD, which corresponds to 74.7 share in Chile's imports. At the very bottom, Myanmar generates 1,320,000 USD and 0.5% share in Chile's imports in 2021. Moreover, Spain is positioned on the 11th place with 1,112,000 USD and 0.4% share in Chile's imports. Additionally, France takes the 21st place, generating 189,000 USD and 0.1% share respectively. Finally, Denmark doesn't qualify in the top 24 countries, generating value.

Regarding world exporting of such goods with the above-mentioned tariff code:

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)
World	1,344	-257,052	100	61,218	Pairs	22	1	-9	-47		100
Netherlands	905	824	67.3	9,932	Pairs	91	41	55	13	10	2.7
Bolivia, Plurinational State of	112	94	8.3	11,565	Pairs	9.68	38	-3	72	86	0.10
Peru	86	-684	6.4	5,968	Pairs	14	-27	-26	-89	35	0.5
Uruguay	64	28	4.8	7,000	Pairs	9.14	-11	-14	-15	97	0.07
Ecuador	50	46	3.7	7,432	Pairs	6.73	151	264	-9	67	0.2
Venezuela, Bolivarian Republic of	43	42	3.2	7,711	Pairs	5.58	118	277	112	49	0.4
United States of America	39	-3,406	2.9	4,720	Pairs	8.26	30	94	-78	1	19.6
Panama	15	-574	1.1	4,239	Pairs	3.54	-3	88	183	14	1.5
Colombia	10	-637	0.7	991	Pairs	10	-1	12	-83	40	0.4
Costa Rica	7	4	0.5	360	Pairs	19	-21	-34		74	0.1

Sources: ITC calculations based on customs statistics.

The Netherlands is positioned first, generating 905,000 USD and share in Chile's exports of 67.3%. Then, at the very bottom, Costa Rica takes place with 7,000 USD value exported in 2021 and 0.5% share in Chile's exports. Moreover, Spain is positioned on the 14th place with 2,000 USD and 0.1% share contribution to Chile's exports. Additionally, France and Denmark do not qualify in the top 24 countries, generating value for this product category.

Regarding products, having a tariff code (T.C.) 6403: "Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather (excluding orthopaedic footwear, skating boots with ice or roller skates attached, and toy footwear)"

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	357,187	-356,158	100	18,430,936	Pairs	19	-7	-16	36		100
China	203,175	-203,174	56.9	11,771,737	Pairs	17	-6	-19	41	1	18.2
Viet Nam	55,965	-55,965	15.7	2,426,904	Pairs	23	-5	-5	9	3	9.9
Brazil	20,202	-20,198	5.7	979,571	Pairs	21	-12	-7	36	23	0.6
Indonesia	18,898	-18,898	5.3	940,879	Pairs	20	-9	-7	70	5	5.5
India	12,539	-12,539	3.5	715,717	Pairs	18	-12	-8	18	10	3.1
Cambodia	7,852	-7,852	2.2	321,903	Pairs	24	-8	-9	131	20	0.9
United States of America	5,468	-5,205	1.5	114,526	Pairs	48	22	4	181	28	0.5
Area Nes	5,281	-5,281	1.5	187,691	Pairs	28	-7	-1	23		
Italy	5,191	-5,139	1.5	77,980	Pairs	67	-16	-40	55	2	14.3
Spain	4,347	-4,252	1.2	90,971	Pairs	48	-11	-14	37	11	2.8

Sources: ITC calculations based on customs statistics.

A leader in exporting is China, contributing with 203,175,000 USD and 56.9% share in Chile's imports. Secondly, Vietnam generates 55,965,000 USD and 15.7% respectively. Lastly, Spain is positioned on the 10th position with value imported in 2021 of 4,347,000 USD and 1.2% share in Chile's imports. Moreover, Spain is positioned on the 10th place, contributing with 4,347,000 USD and 1.2% share in Chile's imports. Additionally, France and Denmark do not qualify in the top 24 countries, generating value for this product category.

Regarding world exports of products, falling into this tariff codes:

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)
World	1,029	-356,158	100	31,160	Pairs	33	-36	-30	-66		100
United States of America	263	-5,205	25.6	4,025	Pairs	65	37	14	-79	1	20.3
Mexico	102	-2,367	9.9	3,062	Pairs	33	37	29	524	29	0.5
Spain	95	-4,252	9.2	2,839	Pairs	33	-24	-6	-11	12	2.3
Nicaragua	64	64	6.2	3,453	Pairs	19	-24	-19	283	109	0.01
Colombia	52	-1,063	5.1	418	Pairs	124	-25	-37	-32	63	0.1
Italy	52	-5,139	5.1	204	Pairs	255	33	11	3,741	4	5.3
Ecuador	48	48	4.7	1,439	Pairs	33	9	33	152	82	0.04
Hong Kong, China	47	-346	4.6	79	Pairs	595	-2	-24	75	14	2
Peru	44	-1,406	4.3	1,344	Pairs	33	-55	-54	-89	61	0.1
Uruguay	42	-51	4.1	1,958	Pairs	21	-9	-11	-12	85	0.03

Sources: ITC calculations based on customs statistics.

The United States of America are the main importer for these Chileans products with value exported in 2021 of 263,000 USD and generating 25.6% share in Chile's exports. At the bottom, on the 10th position, Uruguay takes place with 42,000 USD and 4.1% contribution respectively. Moreover, Spain is positioned on the 3rd place with 95,000 USD and 9.2% share respectively. Additionally, France and Denmark do not qualify in the top 24 countries, generating value for this tariff code.

5.4. FOOD

Since there are so many HS codes that encompass the object of interest, we will study two of them, significant to the aimed market, that will be the following:

Regarding the importations for products under tariff code (T.C.) 19: "Preparations of cereals, flour, starch or milk; pastrycooks' products"

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	359,512	-192,224	100	15	37		100
Argentina	43,940	-42,037	12.2	0	29	55	0.2
Peru	32,211	-14,994	9	12	6	49	0.3
Spain	32,106	-32,106	8.9	17	64	10	2.8
Mexico	27,512	-25,853	7.7	5	52	9	3
United States of America	22,327	-13,837	6.2	4	23	7	4.8
China	22,051	-19,475	6.1	40	154	11	2.7
Brazil	18,060	-15,494	5	4	76	38	0.5
Poland	17,943	-17,943	5	130	80	8	3.4
Italy	17,523	-17,503	4.9	16	9	2	8.4
Germany	17,479	-17,474	4.9	9	15	1	9
Colombia	14,106	3,794	3.9	48	0	56	0.2
Canada	10,041	-3,311	2.8	36	5	5	5.7
Belgium	9,930	-9,930	2.8	15	157	6	5.5
Lithuania	7,775	-7,775	2.2		54	43	0.4

Sources: ITC calculations based on customs statistics.

Its largest exporter is Argentina (12.2% of imports), followed by the Peru (9,0%). In total, products worth USD 359 million were imported in 2021. As for European products, we find Spain in the number 3 position, with 8,90% of imports and a business value slightly above 32 million USD. As we can see, it is a very concentrated market. Additionally, France takes the 19th place with 4,403,000 USD and contribution of 1.2%. Denmark doesn't qualify in the top 24 countries, generating value.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)
World	167,288	-192,224	100	-7	-2		100
United Arab Emirates	47,360	47,360	28.3	1,833	-2	18	1.1
Colombia	17,900	3,794	10.7	-12	19	62	0.3
Peru	17,217	-14,994	10.3	-8	-23	74	0.2
United States of America	8,490	-13,837	5.1	-25	8	1	12.5
Canada	6,730	-3,311	4	70	-7	6	3.9
Ecuador	6,447	2,973	3.9	-16	2	95	0.1
Guatemala	5,633	5,092	3.4	-29	-11	50	0.4
Bolivia, Plurinational State of	5,013	832	3	-7	-10	110	0.08
Paraguay	4,571	3,137	2.7	-5	19	108	0.08
Panama	4,405	4,400	2.6	-17	-15	67	0.2
Honduras	4,073	4,073	2.4	-29	-22	75	0.2

Sources: ITC calculations based on customs statistics.

When talking about exports, the United Arab Emirates is the country where more Chilean products are addressed (28,30%), ahead of Colombia

(10,70%) and Peru (10,30%). Additionally, Spain, France and Denmark do not qualify in the top 24 countries, generating value.

Regarding the importations for products under tariff code (T.C.) 21: "Miscellaneous edible preparations":

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	715,995	-503,718	100	18	34		100
Brazil	220,913	-218,971	30.9	33	40	21	1.2
United States of America	176,074	-136,559	24.6	11	32	1	11
China	33,734	-33,523	4.7	24	-5	5	6
Argentina	28,580	-16,540	4	3	1	63	0.1
Spain	24,417	-24,381	3.4	30	10	12	2.5
United Kingdom	23,138	-22,992	3.2	26	154	10	2.9
Germany	20,522	-20,352	2.9	15	44	2	8.1
Italy	20,193	-20,097	2.8	9	42	6	4
Colombia	16,732	-9,322	2.3	3	40	40	0.5
Mexico	16,660	-13,959	2.3	10	10	18	1.4
Korea, Republic of	15,417	-14,796	2.2	137	118	16	1.5
Uruguay	14,903	-11,513	2.1	18	50	85	0.03
Peru	12,770	10,060	1.8	28	65	64	0.1
Singapore	12,153	-11,533	1.7	56	-2	3	7.1

Sources: ITC calculations based on customs statistics.

Its largest provider is Brazil (30.9% of imports), followed by the USA (24,60%). In total, products worth USD 715 million were imported in 2021. As for European products, we find Spain in the number 5 position, with only 3,40% of imports and a business value above 24 million USD. Additionally, France takes the 17th place with 10,882,000 USD and 1.5% share in Chile's imports. Denmark is positioned on the 21st place, generating 3,318,000 USD and contributing with 0.5% share.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)
World	212,277	-503,718	100	-9	-14		100
Ecuador	67,044	66,946	31.6	-2	11	58	0.3
United States of America	39,515	-136,559	18.6	14	12	1	11.6
Peru	22,830	10,060	10.8	-27	-59	47	0.5
Argentina	12,040	-16,540	5.7	-10	24	69	0.2
Paraguay	10,410	10,373	4.9	-4	-18	95	0.1
Bolivia, Plurinational State of	8,389	8,191	4	-30	-53	80	0.2
Colombia	7,410	-9,322	3.5	-1	-27	49	0.4
Costa Rica	5,045	5,044	2.4	-3	8	70	0.2
Canada	4,446	82	2.1	9	-30	7	3.4
Uruguay	3,390	-11,513	1.6	6	10	114	0.08
Honduras	3,018	3,018	1.4	-8	-12	53	0.4
France	2,873	-8,009	1.4	-5	65	6	3.7
Dominican Republic	2,854	2,669	1.3	34	54	66	0.3
Panama	2,792	2,733	1.3	-16	-45	63	0.3
Mexico	2,701	-13,959	1.3	-23	-21	16	1.7

Sources: ITC calculations based on customs statistics.

When talking about exports, Ecuador is the country where more Chilean products are addressed (31,60%), ahead of the USA (18,60%) and Perú (10,80%). Other economies are far away from these numbers. Moreover, France is positioned on the 12th place with 2,873,000 USD and 1.4% share respectively. Finally, Spain and Denmark do not qualify in the top 24 countries, generating value.

5.5. FURNITURE AND LINENS

Regarding the importations for products under tariff code (T.C.) 6302 Bedlinen, table linen, toilet linen and kitchen linen of all types of textile materials (excluding floorcloths, polishing cloths, dishcloths, and dusters)

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)
World	186,969	-185,829	100	33,668	Tons	5,553	5	3	111
China	109,846	-109,845	58.8	21,711	Tons	5,059	8	8	118
Pakistan	39,824	-39,824	21.3	6,365	Tons	6,257	5	8	154
India	25,789	-25,789	13.8	4,078	Tons	6,324	-3	-2	53
Türkiye	2,658	-2,658	1.4	598	Tons	4,445	14	12	214
Area Nes	1,664	-1,664	0.9	300	Tons	5,547	10	40	124
United States of America	1,355	-1,057	0.7	139	Tons	9,748	24	13	288
Spain	1,256	-1,244	0.7	56	Tons	22,429	-3	-58	119
Portugal	955	-953	0.5	51	Tons	18,725	-7	-5	89
Brazil	903	-892	0.5	98	Tons	9,214	22	22	81
El Salvador	444	-444	0.2	41	Tons	10,829	446		75
Bangladesh	359	-359	0.2	30	Tons	11,967	66	66	159
Panama	309	-309	0.2	36	Tons	8,583	116	124	16
Peru	202	-55	0.1	32	Tons	6,313	-1	15	211

Sources: ITC calculations based on customs statistics.

Chile imports good with a value close to 190 million USD, 58,80% of them from China, 21,30% from Pakistan and 13,40% of them from India. Spain only gathers 0,70% of them. Additionally, France is positioned on the 14th place with 190,000 USD and 0.1% share. Finally, Denmark doesn't qualify in the top 24 countries, generating value.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	1,140	-185,829	100	77	Tons	14,805	10	11	-1
Bolivia, Plurinational State of	589	587	51.7	56	Tons	10,518	33	29	165
United States of America	298	-1,057	26.1	2	Tons	149,000	37	12	52
Peru	147	-55	12.9	10	Tons	14,700	1	16	-68
Colombia	30	-121	2.6	2	Tons	15,000	-39	-50	-3
Mexico	24	-41	2.1	2	Tons	12,000	-28		694
Uruguay	14	2	1.2	1	Tons	14,000	82		470
Spain	12	-1,244	1.1	1	Tons	12,000	59		-66
Brazil	11	-892	1	2	Tons	5,500	102	19	-83
Ecuador	4	4	0.4	0	Tons		-35		-89

Sources: ITC calculations based on customs statistics.

Half of the Chilean exports went to Bolivia in 2021 (51,70%), followed by the US, that received a quarter of them. Spain only received 1,10% of total exports. Moreover, France and Denmark do not qualify in the top 24 countries, generating value.

Regarding the importations for products under tariff code (T.C.) 9403: "Furniture and parts thereof, n.e.s. (excluding seats and medical, surgical, dental or veterinary furniture)"

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)
World	404,837	-398,944	100	0	Mixed		9		110
China	199,016	-199,016	49.2	0	Mixed		10		125
Brazil	112,401	-112,303	27.8	0	Mixed		30		152
Colombia	14,171	-14,002	3.5	0	Mixed		23		90
Malaysia	11,420	-11,420	2.8	0	Mixed		-13		25
Spain	10,717	-10,660	2.6	0	Mixed		2		48
Viet Nam	8,862	-8,862	2.2	0	Mixed		6		108
Denmark	7,370	-7,370	1.8	0	Mixed		-15		80
Italy	5,530	-5,523	1.4	0	Mixed		-3		7
Argentina	5,290	-5,219	1.3	0	Mixed		10		84
United States of America	4,757	-3,845	1.2	0	Mixed		-16		20
Area Nes	4,100	-4,100	1	0	Mixed		-3		149
Indonesia	3,280	-3,280	0.8	0	Mixed		23		102

Sources: ITC calculations based on customs statistics.

China is the main exporter for Chile in the matter, with almost 50% of total Chilean imports made from the Asian country, relatively closely followed by Brazil (27,80%). Spain and Denmark are far away from these figures (2,60% and 1,80%, respectively), whie France is positioned on the 18th place with 824,000 USD and contribution of 0.2%.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	5,893	-398,944	100	0	Mixed		-29		-13
Peru	3,049	1,393	51.7	0	Mixed		1		5
United States of America	912	-3,845	15.5	0	Mixed		-1		-17
Mexico	532	-1,581	9	0	Mixed		-25		-6
Haiti	358	358	6.1	152,760	Units	2.34			173
Bolivia, Plurinational State of	184	182	3.1	0	Mixed		-15		234
Colombia	169	-14,002	2.9	0	Mixed		-18		37
Panama	108	-76	1.8	0	Mixed		-5		-29
Brazil	98	-112,303	1.7	0	Mixed		44		-43
Ecuador	80	-722	1.4	0	Mixed		27		17
United Arab Emirates	72	72	1.2	0	Tons				38
Argentina	71	-5,219	1.2	0	Mixed		-46		-55
Germany	59	-1,956	1	0	Mixed		-7		-45
Spain	57	-10,660	1	0	Mixed		-17		-70

Sources: ITC calculations based on customs statistics.

1 of every 2 exports on this matter is addressed to Peru, whilst US gathers 15,50% of them and Mexico only 9%. Moreover, Spain takes the 13th place (1% share), followed by France on the 15th place (0.3% share). Finally, Denmark doesn't qualify in the top 24 countries, generating value.

Regarding the importations for products under tariff code (T.C.) 9404: "Mattress supports (excluding spring interiors for seats); articles of bedding and similar furnishing, e.g. mattresses, quilts, eiderdowns, cushions, pouffes and pillows, fitted with springs or stuffed or internally filled with any material or of cellular rubber or plastics, whether or not covered (excluding pneumatic or water mattresses and pillows, blankets and covers)"

Sources: ITC calculations based on customs statistics.

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)
World	166,953	-160,198	100	0	Mixed		14		143
China	143,833	-143,833	86.2	0	Mixed		13		146
Peru	3,675	-240	2.2	58,019	Units	63	159		920
India	3,002	-3,002	1.8	401	Tons	7,486	10	5	44
Brazil	2,272	-2,226	1.4	0	Mixed		24		311
Germany	2,265	-2,265	1.4	0	Mixed		29		258
Portugal	1,911	-1,911	1.1	0	Mixed		66		569
United States of America	1,621	-1,557	1	0	Mixed		8		81
Area Nes	1,375	-1,375	0.8	0	Mixed		23		179
Türkiye	1,091	-1,091	0.7	0	Mixed		53		120
Korea, Republic of	1,041	-1,041	0.6	0	Mixed		7		56
Italy	857	-857	0.5	0	Mixed		15		66

Chile imports 86,20% of these goods from China, being the Asian country in the top of the list. The 15% remaining is shared by the rest of the countries, which by their own do not have a significant presence. Moreover, Spain and France are presented in the ranking on the 14th (0.3% share) and 15th (0.2% share) place respectively. Finally, Denmark generates 156,000 USD on the 18th place with 0.1% share.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world imports
World	6,755	-160,198	100	0	Mixed		-5		19	
Peru	3,435	-240	50.9	0	Mixed		-3		33	44
Argentina	1,634	1,616	24.2	0	Mixed		-13		-21	65
Bolivia, Plurinational State of	823	823	12.2	0	Mixed		20		88	72
Colombia	578	497	8.6	0	Mixed		-11		30	56
Mexico	77	-246	1.1	7	Tons	11,000	39	37	504	23
Ecuador	68	66	1	24	Tons	2,833	115		-2	107
United States of America	64	-1,557	0.9	1	Tons	64,000	5		204	1
Brazil	46	-2,226	0.7	3	Tons	15,333	68	5	617	36
Hong Kong, China	14	-31	0.2	0	Tons		149			25
Spain	7	-449	0.1	0	Mixed		-12		-60	10

Sources: ITC calculations based on customs statistics.

Chile exports to Peru 50% of good on this matter, whilst Argentina only gathers 24,20% and Bolivia 12,20%. To find a European country on the list we have to look at Spain, which only receives 0,10% of the total. Additionally, France and Denmark do not qualify in the top 24 countries, generating value.

5.6. BOOKS FOR CHILDREN

Regarding the importations for products under tariff code (T.C.) 49: "Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans":

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world exports	Share of partner countries in world exports (%)
World	151,631	-140,963	100	-1	54		100
Spain	33,722	-33,230	22.2	9	55	13	2
Malta	22,411	-22,411	14.8	678	93	22	0.9
United States of America	21,286	-20,264	14	0	55	3	11.2
China	13,651	-13,646	9	-7	28	1	11.6
Argentina	11,145	-10,352	7.4	11	103	63	0.07
Netherlands	9,849	-9,845	6.5	-4	72	6	5.1
Peru	6,230	-4,912	4.1	-7	42	61	0.08
Brazil	6,166	-5,780	4.1	10	397	49	0.2
Mexico	5,416	-3,673	3.6	-6	34	19	1
Colombia	4,100	-3,044	2.7	7	82	57	0.1
Area Nes	3,217	-3,217	2.1	-21	39		
Uruguay	2,808	-1,431	1.9	15	209	93	0
United Kingdom	1,566	-1,501	1	-10	-13	4	7.8

Sources: ITC calculations based on customs statistics.

Its largest exporter is Spain (22,20 % of imports), followed by Malta (14,60%) and the US (14%). In total, products worth USD 151 million were imported in 2021. Language is relevant in these types of products and there are no countries with minority spoken languages in the category. Additionally, France is on the 20th place with 527,000 USD and contribution of 0.3%, while Denmark doesn't qualify in the top 24 countries, generating value.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)	Ranking of partner countries in world imports	Share of partner countries in world imports (%)
World	10,668	-140,963	100	-19	-26		100
Mexico	1,743	-3,673	16.3	-10	51	16	1.7
Uruguay	1,377	-1,431	12.9	18	-59	102	0.06
Peru	1,318	-4,912	12.4	-20	61	52	0.2
Colombia	1,056	-3,044	9.9	6	31	60	0.2
United States of America	1,022	-20,264	9.6	10	64	1	13
Ecuador	935	919	8.8	-30	18	88	0.08
Argentina	793	-10,352	7.4	-33	-40	68	0.1
Malaysia	677	649	6.3	-19	61	44	0.4
Spain	492	-33,230	4.6	25	-59	19	1.5
Brazil	386	-5,780	3.6	14	117	47	0.3
Paraguay	145	125	1.4	-28	-47	131	0.03
Canada	102	-200	1	79	343	4	5.6
Belgium	86	-558	0.8	59	2,813	12	2.3

Sources: ITC calculations based on customs statistics.

When talking about exports, México is the country where more Chilean products are addressed (16,30%), ahead of Uruguay (12,90%) and Perú (12,40%). Colombia, the US, Argentina and Ecuador follow them with similar numbers. Moreover, Spain takes the 9th position, generating 492,000 USD and 4.6% share in Chile's exports. Additionally, France is positioned on the 17th place with 60,000 USD and 0.6%, while Denmark doesn't qualify in the top 24 countries, generating value.

5.7. OTHERS

Regarding the importations for products under tariff code (T.C.) 3304: "Beauty or make-up preparations and preparations for the care of the skin, incl. sunscreen or suntan preparations (excluding medicaments); manicure or pedicure preparations".

Exporters	Value imported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's imports (%)	Quantity imported in 2021	Quantity unit	Unit value (USD/unit)	Growth in imported value between 2017-2021 (%, p.a.)	Growth in imported quantity between 2017-2021 (%, p.a.)	Growth in imported value between 2020-2021 (%, p.a.)
World	307,677	-283,038	100	28,739	Tons	10,706	11	18	71
France	47,952	-47,951	15.6	2,254	Tons	21,274	12	12	80
United States of America	45,417	-44,809	14.8	1,751	Tons	25,938	7	-2	57
China	43,558	-43,558	14.2	8,110	Tons	5,371	23	35	89
Colombia	29,866	-28,752	9.7	2,684	Tons	11,127	7	8	66
Spain	24,044	-24,032	7.8	1,131	Tons	21,259	16	17	103
Mexico	19,957	-18,643	6.5	6,027	Tons	3,311	15	15	111
Argentina	17,611	-12,234	5.7	1,696	Tons	10,384	9	16	31
Germany	16,711	-16,710	5.4	1,379	Tons	12,118	27	41	110
Brazil	16,346	-8,796	5.3	1,554	Tons	10,519	0	18	30
Korea, Republic of	11,384	-11,360	3.7	251	Tons	45,355	55	30	127
Area Nes	5,760	-5,759	1.9	250	Tons	23,040	2	7	49
Poland	5,336	-5,331	1.7	481	Tons	11,094	-5	-8	89

Sources: ITC calculations based on customs statistics.

France, the US and China top the list, gathering around 15% of total imports each. Spain collects 7,80% of this 307 million USD value market. Finally, Denmark doesn't qualify in the ranking of top 24 countries, generating value.

Importers	Value exported in 2021 (USD thousand)	Trade balance 2021 (USD thousand)	Share in Chile's exports (%)	Quantity exported in 2021	Quantity unit	Unit value (USD/unit)	Growth in exported value between 2017-2021 (%, p.a.)	Growth in exported quantity between 2017-2021 (%, p.a.)	Growth in exported value between 2020-2021 (%, p.a.)
World	24,639	-283,038	100	3,562	Tons	6,917	-7	-10	-20
Brazil	7,550	-8,796	30.6	1,005	Tons	7,512	19	26	-33
Argentina	5,377	-12,234	21.8	1,164	Tons	4,619	-18	-18	-22
Peru	2,630	2,024	10.7	277	Tons	9,495	-16	-12	-20
Bolivia, Plurinational State of	2,182	2,182	8.9	326	Tons	6,693	-8	-10	-14
Mexico	1,314	-18,643	5.3	68	Tons	19,324	1	-13	49
Colombia	1,114	-28,752	4.5	130	Tons	8,569	-21	-28	-3
Uruguay	1,014	697	4.1	196	Tons	5,173	6	8	36
Paraguay	991	991	4	181	Tons	5,475	-13	-14	-9
Guatemala	740	740	3	70	Tons	10,571	-7	-10	-2
Ecuador	694	693	2.8	82	Tons	8,463	-16	-15	-15
United States of America	608	-44,809	2.5	41	Tons	14,829	18	-4	-17
Italy	99	-3,435	0.4	1	Tons	99,000	-32	-29	74

Sources: ITC calculations based on customs statistics.

Brazil is the destiny of 30,60% Chilean exports in this ground, followed by Argentina (21,80%) and Peru (10,70%). The first European country is Italy, collecting 0,40% of the total exports. Moreover, Spain is positioned on the 19th place, contributing with 12,000 USD, while France and Denmark do not qualify in the top 24 countries, generating value.

6. IMPORT POTENTIAL

For toys, games and sports requisites; parts and accessories thereof (TC 95) the main providers are China and the United States. Concerning European countries, the main provider is Spain. The economic value of Chile's imports for products under the general code 95 was 832,369,000 USD

For articles of apparel and clothing accessories, knitted, crocheted, or not and footwear (TC 61, 62, 64) the main provider is China. Concerning European countries, the main provider are Spain (TC 61,64) and Italy (TC 62). The economic value of Chile's imports for products under the general codes 61,62,64 was over 3,383,387,000 USD.

For preparations of cereals, flour, starch or milk; pastrycooks' products and miscellaneous edible preparations (TC 19,21) the main providers are Argentina (TC 19) and Brazil (TC 21). Concerning European countries, the main provider is Spain. The economic value of Chile's imports for products under the general codes 19 and 21 was over 1,075,000,000 USD.

For bedlinen, table linen, kitchen linen (TC 6301, 6302, 6307, 9403) the main providers are China (for products under the code 9403, Brazil is also an important provider). Concerning European countries, the main provider is Spain. The economic value of Chile's imports for products under the general codes 63 and 94 was over 1,037,000,000 USD.

For printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans (TC 49) the main provider is Spain. Another important providers are Malta and the United States with almost identical contributions. The economic value of Chile's imports for products under the general code 49 was 151,631,000 USD.

7. DISTRIBUTION CHANNELS

A large percentage of total offline sales are concentrated in supermarkets, hypermarkets - the largest market share is concentrated in Walmart, Cencosud and SMU – and department stores (Falabella, Paris and Ripley have almost 100% of the market share).[71] The shopping centers, Parque Arauco and Alto Las Condes, are the most traditional centers in Chile and are located in Las Condes, one of the districts with the highest income level in the city. However, new shopping centers such as Mallplaza Los Dominicos and Mallplaza Egaña have created competition for them.

MAIN COMMERCIAL AREAS OF SANTIAGO

Axis Alonso de Córdova - Nueva Costanera - it is where the stores that offer medium-high and high-end products are concentrated. In recent years, this axis has been characterized by a strong remodeling aimed at luxury retail, led by exclusive shops and trendy restaurants. Additionally, some homes in the area have been converted for commercial sale. It should be noted that the construction of the Casa Costanera mall has strengthened and attracted new businesses to Avenida Nueva Costanera, to the detriment of Alonso de Córdova, who was also affected by the creation of the Luxury District in the Parque Arauco shopping center.

Tobalaba - Providencia Axis - this area has seen its flow of visitors increase, thanks to the inauguration of the Costanera Center shopping center. This opening has led to the appearance of many stores around and has also boosted trade in the Providencia neighborhood. Very close to this axis, reference should be made to Avenida Isidora Goyenechea, located in the

[71] https://www.icex.es/content/dam/es/icex/documentos/quienes-somos/donde-estamos/red-exterior/chile/DOC2021886024.pdf

financial area of Santiago, in the neighborhood of El Golf, more popularly known as "Sanhattan", which concentrates a large number of shops and restaurants.

Talking about **children clothing**, the sale channels show interesting data[72]. Such as in the toy market, electronic commerce has gained relevant importance in terms of sales. Therefore, offline commerce has relatively decreased in terms of percentage.

ONLINE REVENUE SHARE in percent									
	2017	2018	2019	2020	2021	2022	2023	2024	2025
Offline	81,1	79,4	77,5	72,2	68,7	67,5	65,2	62,3	59,5
Online	18,9	20,6	22,5	27,8	31,3	32,5	34,8	37,7	40,5
Sources	Statista								
Most recent update:	10/01/2021								

MOBILE/DESKTOP SPLIT in percent									
	2017	2018	2019	2020	2021	2022	2023	2024	2025
Desktop	55,5	51,4	48,1	47,9	44,5	42,1	40,0	38,4	36,9
Mobile	44,5	48,6	51,9	52,1	55,5	57,9	60,0	61,6	63,1
Sources	Statista								
Most recent update:	10/01/2021								

Talking about **children footwear**, data[73] reveals interesting information. It is clear that ecommerce is a tendency in all economy sectors, even with more presence in footwear as the following table underlines:

Market: Ecommerce - Fashion - Footwear, Region: Worldwide, Currency: USD

ONLINE & OFFLINE SPLIT in percent											
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Offline	74,3	72,3	70,9	63,4	60,1	61,7	63,3	61,5	59,6	59,1	58,4
Online	25,7	27,7	29,1	36,6	39,9	38,3	36,7	38,5	40,4	40,9	41,6
Sources	Statista										
Most recent update:	02/01/2023										

MOBILE/DESKTOP SPLIT in percent											
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Desktop	46,2	44,3	43,2	42,6	42,7	41,9	41,2	40,8	40,3	40,1	39,9
Mobile	53,8	55,7	56,8	57,4	57,3	58,1	58,8	59,2	59,7	59,9	60,1
Sources	Statista										
Most recent update:	02/01/2023										

72 https://www.statista.com/outlook/cmo/apparel/children-s-apparel/worldwide?currency=USD#volume
73 Statista Fashion Footwear

In addition, many businesses in the **apparel and footwear sectors** participate in events like CyberMonday or CyberDay[74] in Chile. Over a hundred last year.

About the **baby food market**, it has also experienced changes in the last years, and will experience more in the following[75].

Market: Food - Baby Food, Region: Worldwide, Currency: USD									
ONLINE REVENUE SHARE in percent									
	2017	2018	2019	2020	2021	2022	2023	2024	2025
Offline	95,5	94,1	92,6	89,9	86,9	86,3	85,6	84,9	84,0
Online	4,5	5,9	7,4	10,1	13,1	13,7	14,4	15,1	16,0
Sources	Statista								
Most recent update:	10/01/2021								

Talking about **furniture**, most sales are made offline[76] nowadays, and will continue this way the following years too:

ONLINE & OFFLINE SPLIT in percent											
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Offline	76,6	76,8	75,7	72,4	72,0	73,0	71,2	69,7	68,2	67,9	67,6
Online	23,4	23,2	24,3	27,6	28,0	27,0	28,8	30,3	31,8	32,1	32,4
Sources	Statista										
Most recent update:	02/01/2023										

After having gone through all different sectors with precise details, general information may come as relevant to understanding the market. Global phenomena such as the pandemic situation affected businesses and therefore their sales channels.

This impact has been studied[77] in detail in many countries, often because it has pushed even more the process of digitisation in countries like Chile.

Not only due to the restrictions but also to a significant change in consumer habits have resulted in descents in the number of physical sales. However, it has not had the same impact in all sales channels. On the one

[74] Statista: CCS
[75] Statista
[76] Statista
[77] https://www.marketinginsiderreview.com/principales-canales-venta-chile/

hand, we can see that supermarkets now sell 83% of their products in their establishments, when in the pre-Covid 19 situation they were rounding 87% of their total sales. Similar effect has been appreciated in pharmacies, which nowadays sell around 13% more online than before. But the largest changes are presented in multi-shop spaces (like malls), household shops and fast food restaurants. In multi-shops spaces and household shops the decrease is around 49% of total sales, and for fast food restaurants it goes around 32%. Nevertheless, the principal physical sales channel continues to be the supermarket.

Online sales have increased, on the other hand, thanks to platforms such as *Marketplace, Baby Tuto, Falabella, Ripley*[78][79][80]. This growth can be explained by some strategies they have followed:

- Use of communication channels such as social media, influencers and community groups.
- Implementations of SEO and SEM.
- Creation of user communities.

In different sectors it has had a great impact, like in banking (as we analyse in the *Digitisation* section), with a 7% growth, and in basic services, with over a 10% increment.

As it could be supposed, age plays a big role in online sales channels selection. As data has revealed, baby boomers shop in pharmacies, department stores and free fairs (like X generation, with the only difference that they prefer department stores), whilst millennials and Z generation do their shopping mostly in department stores and mini markets.

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78 https://www.babytuto.com/
79 https://www.falabella.com/falabella-cl
80 https://simple.ripley.cl/moda-infantil/eventos-y-promociones/ver-todo?s=mdco

8. COST OF ESTABLISHMENT

The costs of establishment in the country according to the ICEX[81] study are shown in the following table:

Corporate taxation	Personal income tax	Incorporation of the company (€)	Min. capital (€)	Min. time needed (days)	Average legal advice (€)
27%	0%-40%	1.052,98 €	0. 100% paid up within 3 years.	5 days.	1.169,97 €

To contract some personnel in the country, minimum salary must be taken into account. Nowadays, it reaches 473,93 €/month. For foreign workers, a visa is needed. The average period of obtention is between 30 and 60 days.

When exporting to the south American country, some data is interesting:

- Approximate cost per m^3 maritime (Santiago): 63€ (fixed costs -70€- for FOB must be included)
- Approximate cost per kg, aerial transport: 3,50€.

However, these approximate costs may vary due to international fluctuation of prices as a consequence of war in Europe or global inflation.

[81] https://www.icex.es/es/todos-nuestros-servicios/servicio-a-medida/simulador-costes-establecimiento/seleccion-ficha/datos-ficha.4747682

9. TARIFFS AND OTHER BARRIERTS TO THE ENTRY OF FOREIGN GOODS

9.1. ENTRY RATE AND REQUIREMENTS, PER PRODUCT

The **custom rates** applicable per product, necessary to enter the country can be found in the following table. Because of the large amount of tariff codes used by the companies, we have applied a few which encompass a wide number of products.

Chile and the EU have registered serious agreements in the past, in order to promote political dialogues and commerce. Proof of that consensus is the agreement reached in 2002, of which its main consequence for this study is a 0% tariff rate of European products imported by Chile. This measure enormously favours exporting from countries within the Union.

Tariff Code	Product	General Tariff***	MFN Tariff
321310	Sets of artist's, student's or signboard painter's colours, modifying tints, amusement colours and the like, in tablets, tubes, jars, bottles, pans or similar packages	(MFN) 6%	EU preferential rate 0%
392410	Tableware and kitchenware, of plastics	(MFN) 6%	EU preferential rate 0%
4420	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles of wood; statuettes and other ornaments of wood; wooden articles of furniture not falling in chapter 94	(MFN) 6%	EU preferential rate 0%

610452	610452 Women's or girls' skirts and divided skirts of cotton, knitted or crocheted (excluding petticoats	(MFN) 6%	EU preferential rate 0%
610610	Women's or girls' blouses, shirts and shirt-blouses of cotton, knitted or crocheted (excluding T-shirts and vests)	(MFN) 6%	EU preferential rate 0%
611120	Babies' garments and clothing accessories of cotton, knitted or crocheted (excluding hats)	(MFN) 6%	EU preferential rate 0%
620442	Women's or girls' dresses of cotton (excluding knitted or crocheted and petticoats)	(MFN) 6%	EU preferential rate 0%
630210	Bedlinen, knitted or crocheted	(MFN) 6%	EU preferential rate 0%
640220	Footwear with upper straps or thongs assembled to the sole by means of plugs	(MFN) 6%	EU preferential rate 0%
640391	Footwear with outer soles of rubber, plastics or composition leather, with uppers of leather, covering the ankle (excluding incorporating a protective metal toecap,	(MFN) 6%	EU preferential rate 0%

	sports footwear, orthopaedic footwear and toy footwear)		
940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)	(MFN) 6%	EU preferential rate 0%
95030010	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; reduced-size scale"" recreational models, working or not; puzzles of all kinds	(MFN) 6%	EU preferential rate 0%
9504908 0	Tables for casino games, automatic bowling alley equipment, and other funfair, table or parlour games, incl. pintables (excluding operated by any means of payment, billiards, video game consoles and machines, and playing cards)	(MFN) 6%	EU preferential rate 0%

9.2. IMPORT PROCEDURE. GENERAL INSIGHT

Certain **procedures and formalities** are also necessary when importing products in Chile. These can be divided as general procedures (applicable to every product) and specific (depending on the product).

Starting with the general procedures and formalities, necessary to enter the Chilean market:

- Manifest

A document notifying the authorities of the arrival of a vessel or an aircraft and summarising the goods loaded therein. It is mandatory and does not depend upon the specific purpose of arrival. Required for customs clearance. The document is a prerequisite for the Customs Import Declaration.

- Customs Import Declaration

Official form for the customs clearance of goods. The responsible authority is the National Customs Service. To be completed by the importer or customs agent in Spanish.

- Commercial Invoice

A document containing the details of the transaction. To be submitted in the original or electronically. In the latter case, a signed copy is additionally required.

- Pro Forma Invoice

A document containing the details of the transaction made out prior to the proper invoicing and in addition to the Commercial Invoice. May be required by the importer or the competent authorities of the importing country.

- Packing List

A document containing the details of the shipment. It serves as a basis for the customs treatment of goods. Required for customs clearance if the goods are shipped in containers. However, it may be substituted by a sworn declaration made by the consignee which contains a detailed list of the commodities in each package. To be prepared by the exporter in Spanish or English.

- Certificate of Non-Preferential Origin (not needed if the origin of the good is in the EU)

A document certifying the non-preferential origin of the goods to be imported. May be required for the customs clearance of plants and plants products and other media possibly carrying plant pests if deemed necessary by the Agriculture and Livestock Service (SAG) as well as for endangered species subject to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Otherwise, it is only required if specifically requested by the importer, by the customs authorities or by other authorities involved in import procedures. In particular, the customs authorities may demand the provision of the certificate if they have any doubt as to the origin of the goods. The certificate is to be submitted by the exporter.

- Air Waybill

A document containing the details of the international transportation of goods by air and proving the transport contract between the consignor and the carrier's company. Required for customs clearance. To be prepared by the carrier or his agent.

- Bill of Lading

A document containing the details of the international transportation of goods by sea. It serves as proof of receipt of goods by the carrier. Furthermore, it serves as a transportation contract obliging the carrier to deliver the goods to the consignee. The Bill of Lading is a document of title to goods, thus its bearer is the owner of the goods. If goods are shipped by sea without a document of title to goods, a Sea Waybill is used instead. Required for customs clearance. To be prepared by the carrier or his agent as a clean or unclean Bill of Lading

- Insurance Certificate

A document indicating details of an insurance contract for the importation of goods. Required for customs clearance if the respective value is not indicated on the Commercial Invoice. The certificate is to be issued by the insurance company of the exporter or the importer.

- Proof of preferential origin / origin documentation

A document confirming the preferential origin of the goods to be imported. Such document is only required to claim preferential tariff treatment under a free trade agreement.

Depending on the nature of each product, specific requirements are applied, as follows:

Product Code	Specific Documents Required
9503	• Declaration on Toluene Contents • Prohibited Imports
61	• Permit to Import Endangered Species Subject to the Washington Convention (CITES) (only required in certain cases)
62	• Permit to Import Endangered Species Subject to the Washington Convention (CITES) (only required in certain cases)
64	• Permit to Import Endangered Species Subject to the Washington Convention (CITES) (only required in certain cases)
19	• Assessment of the Production Process of Industrialised Animal Products • Licence for Dealing in Foodstuffs, Chemicals and Radioactive Substances • Certificate of Analysis • Free Sale Certificate • Veterinary Health Certificate for Animal Products • Warehousing Certificate for Foodstuffs, Chemicals and Radioactive Substances
21	• Licence for Dealing in Foodstuffs, Chemicals and Radioactive Substances • Certificate of Analysis • Free Sale Certificate • Veterinary Health Certificate for Animal Products • Warehousing Certificate for Foodstuffs, Chemicals and Radioactive Substances
44	• Permit to Import Endangered Species Subject to the Washington Convention (CITES) (only in certain cases)

49	-

9.3. COMMERCIAL OBSTACLES

Here we find some obstacles[82] in the Chilean Market throughout the years:

- Many original documents are needed as part of the registration process for the "registro de consultores".
- Many unnecessary notarised documents (certificates of good conduct of workers, certification of previous projects etc.) are needed.
- "RUT" (a tax identification number which foreign companies obviously don't have) is required.
- Experience of sister companies is not recognised.
- The Regulation on Consultants by the MOP requires, for registration/bidding purposes, consortia with foreign consultants to include at least a national consultant with a minimum participation of 30% of the value of the contract.
- The same legislation does also, under certain conditions, prohibit foreign companies from participating in tender procedures.
- The regulation relating to public works by the Ministry of Health provides discriminatory provisions giving higher value to local experience (80%) than experience gathered abroad (20%).
- Also the application by MOP of dictamen 22728 by the General Comptroller is not recognising experience and/or studies acquired before the recognition in Chile of a foreign diploma. Issues related to the recognition of professional titles (responsibility of the Ministry of Foreign Affairs) were raised in the Association Committee on 6 November 2014 and 2015.

[82] https://trade.ec.europa.eu/access-to-markets/es/barriers/details?barrier_id=10080

- The Contraloria Dictamen 22728 of 13 April 2011 on the recognition of work experience abroad is discriminatory against foreign workers when applied in the area of public procurement. A meeting on recognition of diplomas between the EU and with the Universidad de Chile, which is the responsible authority for the homologation of professional titles, took place on January 25, 2016.

Such as we have previously analysed, toys are among the products that **require pre-market certification**. They must follow the standards imposed by the Ministry of Health with regard to physical and chemical properties, which ensure minimum safety requirements. The label must include: the generic name of the product (if it is not identifiable by sight), name and address of the producer or responsible person and country of origin, the recommended age of use and "warning, use under adult supervision" when necessary.[83]

9.4. STRATEGIES TO OVERCOME THE BARRIERS IN THE CHILEAN MARKET

As a foreign company looking to enter the Chilean market it is necessary to overcome the various barriers and restrictions. They may vary depending on the exact product that is being tried to be commercialised in the South American country, but in general, foreign companies might have to cope with the following:

- Scale economies. Some of the local producers (also other foreign companies) will benefit from large productions, reducing costs and therefore prices.

[83] https://www.icex.es/content/dam/es/icex/documentos/quienes-somos/donde-estamos/red-exterior/chile/DOC2021886024.pdf

- Product differentiation. Chileans may not differentiate the product; hence the company would be losing one of their competitive advantages. Also, it is possible that, since it is a different culture, they value certain aspects over others, and they could be different to the most valued in European markets.
- Necessary big investments. Some industries may require big investments in capital.
- Access to distribution channels. Already placed businesses may have power into the distribution chain, which could increase costs to the foreign companies.

Having looked through the different barriers present in the different markets; some solutions can be proposed so as to deal with them:

Toy market

Regarding the toy market, the most challenging barrier that is placed in the market is the economy of scale. European companies will have a lot of difficulties competing in costs with other exporters like China or Bangladesh. Therefore, it is more convenient to position the different products in other categories.

The offered value should be **quality**. European businesses have a large tradition with this type of intelligent designs and will stand among other products. Many cheap toys might be also dangerous for young children (tiny pieces might break and be swollen, toxic materials, sharpen borders…) and parents will thank toys that take care of their children in that aspect.

Also, as commented in this study, gender perspective is being introduced in Chile and Europe is a pioneer in this thinking and social movement. SDGs are also a great point for European businesses. The more committed the products are to them, the more differentiated they can get.

Apparel and footwear

Just like with toys, it is difficult to compete with fast fashion phenomena. Businesses like the Inditex group have many advantages in costs and are also competing lately in the design ground very effectively.

Therefore, it would be interesting to try to differentiate from that business model, committing to a more sustainable production chain, circular economy and recycling. This will also allow products to be positioned as high quality, and more margin of profit will be available for businesses. SEO and SEM would be fundamental in this sector, specially

Baby food

If cultural differences do not make it impossible to export European gastronomy, differentiating these products is the right choice for businesses. European products are considered of high quality and would have a good impact in the market.

Also, there are certain gastronomic cultures that are known worldwide as healthy, such as the Mediterranean diet. Presenting these products for children will lead to parents preferring these products.

Also, sweets have been one of the most wanted products by children all over the years, and can be positioned in different ways and niches (for everyday consumption, Christmas sweets…).

Children books

The best strategy in the sector would be to investigate different trends in the market. Also, different values are being introduced in the country (we have talked about gender perspective, sustainability, environmental concerns, etc), and books that educate in these thoughts will be a sensible positioning for products. In addition, using recycled paper would be well considered by Chilean consumers.

Furniture and linens

As for the furniture market, one strategy would be to differentiate products as high quality and sustainable, informing consumers of the importance of sustainable consumption and the use of circular economy in our products, this circular economy has not been fully explored in Chile. However, sustainable products are a trend in consumers' minds.

Another barrier facing this market will be the high logistical costs of transporting the product, so we should aim to reduce logistics costs as much as possible, for example, by shipping, when possible, products without being fully assembled.
For linen, especially for children, a market study should be made and guided by current trends to make creative and innovative designs and manufacture them quickly because it is a highly sensitive market.

10. ECONOMIC FREEDOM INDEX

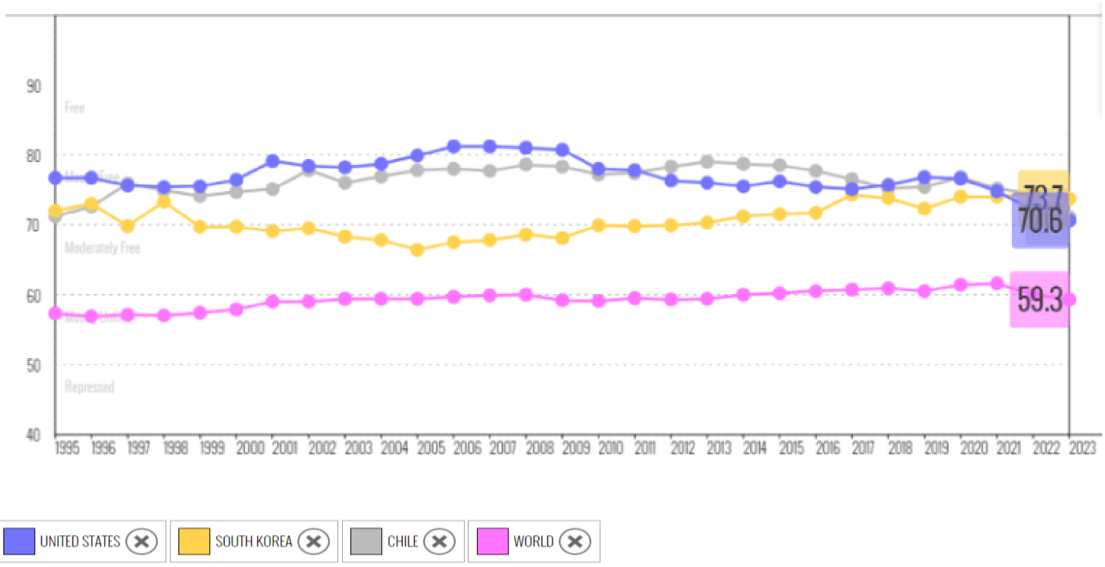
The index of economic freedom, calculated as the arithmetic mean of 12 fundamental freedoms for individuals and their states, shows very positive data for Chile.

The Latin American country is **ranked 20th in the world ranking**[84] after 2022, just behind South Korea (tied in the ranking) and ahead of countries such as the United Kingdom, the United States and Spain.

It has a **score of 74.4 out of 100**, down 0,8 points from its score in 2021. This score earns it a Mostly Free rating, just 5 points short of the highest category of Totally Free, which is occupied by only seven economies, including Singapore and Switzerland.

[84] https://www.heritage.org/index/ranking

According to the Index of Economic Freedom report (2023), here are the key figures and rankings of the United States, Chile, and South Korea[85].



As we can see on the chart, the US ranked as being mostly free, closely followed by Chile. Meanwhile, South Korea varies between being considered mostly free and moderately free. In any case, the three countries ranked above world average.

It's important to note that the Index of Economic Freedom is not a comprehensive measure of a country's economic health or social well-being, and it has its own limitations and critiques. For example, it may not capture the distributional effects of economic policies or the impact of external factors such as global trade or climate change. Additionally, different countries may have different priorities or interpretations of economic freedom.

Overall, the Index of Economic Freedom can provide a useful perspective on the economic policies and institutions of different countries, but it should be complemented by other indicators and assessments to gain a more holistic understanding of a country's economic performance and challenges.

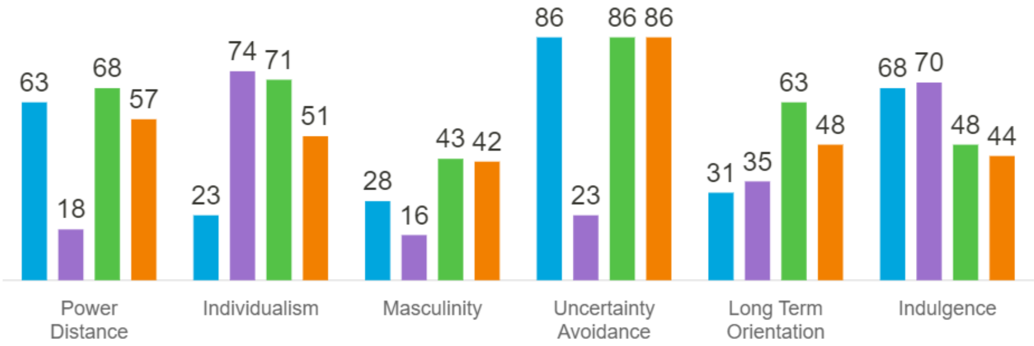
85 https://indexdotnet.azurewebsites.net/index/visualize

11.CULTURAL DISTANCE ANALYSIS

Considering that the cultural distance **between Spain, France, Denmark and Chile** is small, one could choose to deal directly with the relations between the countries, rather than delegating the related tasks to a local partner. [86]

There is a difference between the two cultures in the perception of free time: in Spain it is considered very valuable, whereas for Chileans "it is only time when you are not at work".

To analyse the culture distance among several countries (Spain, Denmark, France and Chile), a useful method is through **Hofstede variables**. [87]. The graph[88] below shows the result for cultural distance among them:



* estimated

By colours, Chile is represented by blue, Denmark by purple, France by green and Spain by orange.

In terms of **power distance**, a variable that measures the acceptance of power not to be distributed equally in the country. In other words, how people in the country accept hierarchy, both in the workplace, familiar situations, society, etc. Chile has a value of 63, close to France and Spain.

86 http://www.scielo.org.co/scielo.php?script=sci_arttext&pid=S0120-35922007000100011
87 https://www.hofstede-insights.com/country-comparison/chile,spain/
88 https://www.hofstede-insights.com/country-comparison/chile,denmark,france,spain/

However, the cultural difference in this aspect with Denmark is remarkable and is a critical aspect.

Regarding **individualism**, Chile has a very low punctuation in this aspect, situating the country in a more collectivist view of life. Denmark and France are very individualist and Spain is halfway between those two stages.

Talking about **masculinity**, (according to Hofstede, a masculine -high score in this category- country will focus on competition, achievement and success, whilst a feminine country -low score- will focus on caring for others and quality of life), Denmark is the most “feminine” country, Chile would be close to them and France and Spain would be topping the list, but always under the score of 50. However, this distinction masculine-feminine is antiquated and must not be understood literally.

Uncertainty avoidance measures how society fears ambiguous and unknown situations. Here again Denmark is different from the rest of the countries, but Chile, France and Spain score very high.

Regarding **long term orientation**, Chile has the lowest score. Ahead of them by little is Denmark (both under a score of 35). Spain nearly gets to 50 points and France is over 60.

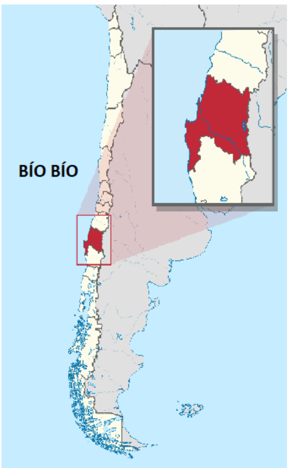
Finally, we are talking about **indulgence**. Indulgence is the measure of the amount of restraining people apply on their desires and impulses. As we can see, Denmark and Chile are very similar in this aspect, being both very indulgent. However, France and Spain are more restrained in comparison to them, with a score lower to 50.

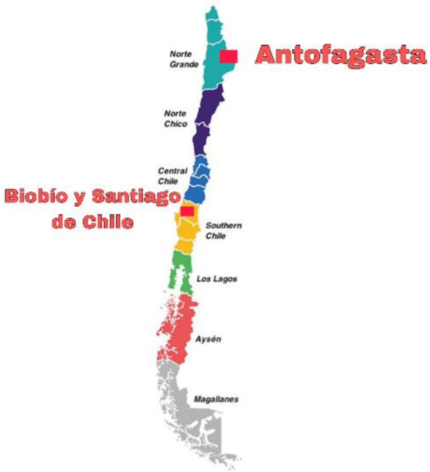
12. BEST LOCATIONS FOR MARKETING

Santiago is Chile's business centre, with 40% of the country's population. The cities of Concepción and Valparaíso are becoming increasingly important.[89]

Another option would be to go to the Biobío region, with its capital in Concepción (200 000 inhabitants). It is the third most populated and densely populated region in Chile.

The Antofagasta region, on the other hand, is the region with the highest GDP per capita in the country, exceeding USD 25,000 per person. Its population is small, barely over 600,000, but most of the population is concentrated in the urban centre of the same name, Antofagasta, with a population of over 390,000.[90]





[89] https://www.icex.es/content/dam/es/icex/documentos/quienes-somos/donde-estamos/red-exterior/chile/DOC2021886024.pdf
[90] http://chato.cl/blog/es/2005/08/diferencias_y_semejanzas_entre_chile_y_espana.html

13. E-COMMERCE

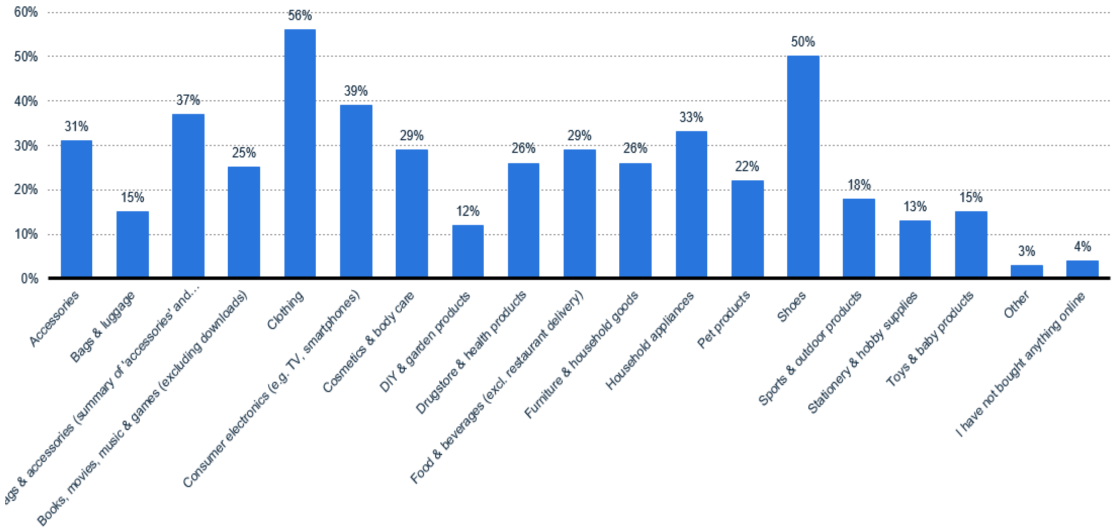
Regarding online commerce, it is difficult to find reliable official data, as the Santiago Chamber of Commerce (CCS) does not provide documentation of the method of data collection and/or analysis. However, other private organisations provide information on Chilean e-commerce, reporting data that attest to the growth of this sales channel in the South American country. **In 2021, *ecommerce* grew by 23% according to the multinational consultancy Blacksip**[91] , and 63% of the Chilean population already accesses this sales channel. This places Chile as the 31st largest economy in percentage terms, just behind Finland.

The profile of the Chilean online consumer is distinguished by the type of device through which they carry out their transactions. Thus, "smartphones (57.98%), laptops and desktop computers (41%) and tablets (1.2%) are the main channels for connecting, searching and buying. Likewise, there are some categories that are preferred by Chileans, among which clothing, shoes and electronic products stand out".

Average spending per internet user would be around USD 842 per year (2021). This increase in consumption and sales is explained by the liquidity that families obtain from the availability of provisional funds for pensions and Chilean government bonds for economic recovery, among other reasons. Also, important dates such as Cybermonday or Cyberday, which increase consumption and sales of electronic products.

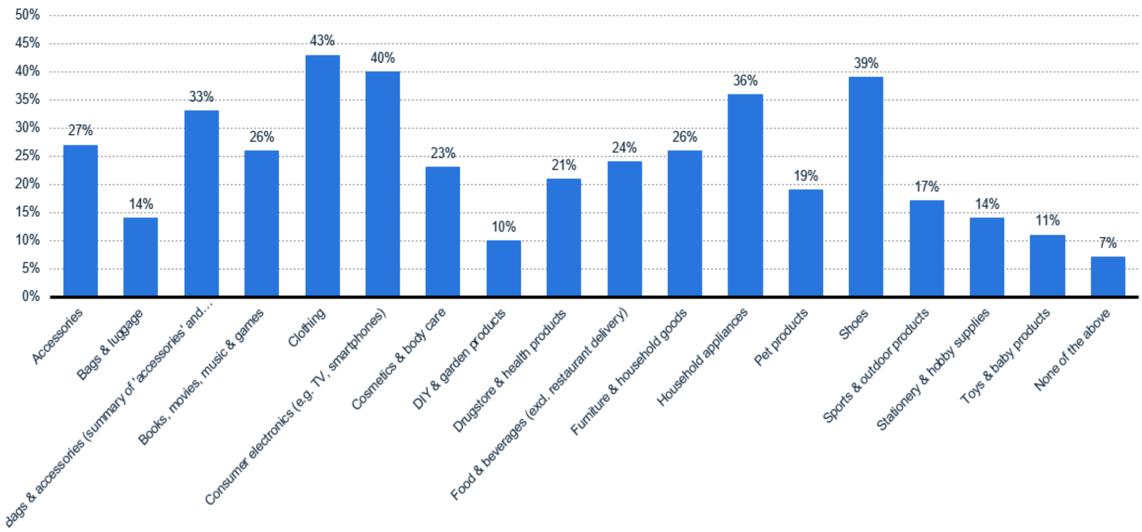
An online survey conducted in 2022, with 2097 respondents in Chile aged 18 to 64 tried to determine **what were the items people were most inclined to buy online**. The results are shown in the following graph[92]:

[91] https://www.elmostrador.cl/agenda-pais/2022/04/25/ecommerce-en-alza-63-de-chilenos-ya-compra-en-linea/
[92] Source: Statista Consumer Insights Global Consumer Survey - Chile



As we can see, the principal items were clothing (56%), shoes (50%) and electronics (39%). The least bought online were other products not included in the list (3%), DIY and garden products (12%). As for toys and baby products, 15% were bought online.

On the other hand, the following graph shows **which products consumers would rather buy online, rather than offline.** [93]



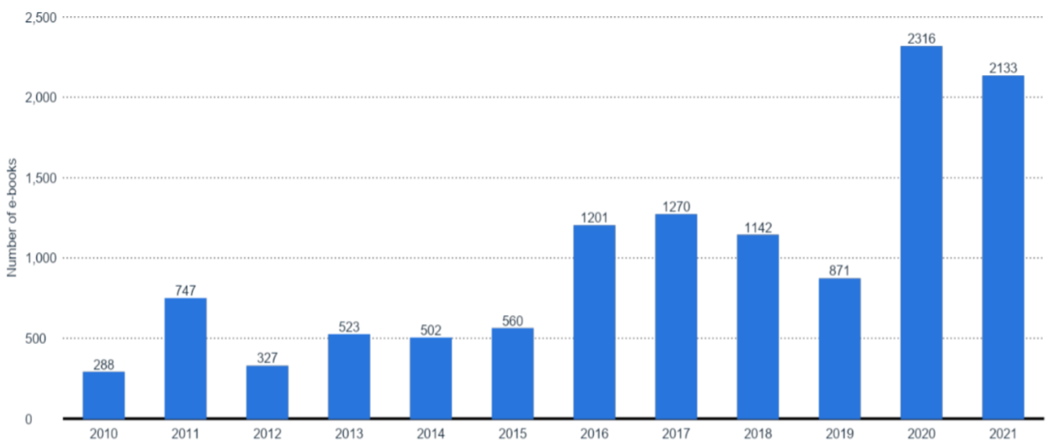
[93] Source: Statista Consumer Insights Global Consumer Survey - Chile

As we can see, **clothes** (43%), **Books, movies, music & games** (26%), **food and beverages** (24%), **furniture and household goods** (26%) and **shoes** (39%) continue to be the most popular items. As for toys and baby products, only 11% of the participants would rather buy the products online.

Thus, we can see in the **toy market** in Chile that there are already many options for buying toys online. Some examples are the *Mercado Libre* platform and toy shops such as *Falabella, ToysCenter, Jugueterías Ansaldo, Bodega Outlet, TicTacToys, Importadora Luo* or *Juguetería Caramba.*

With regard to the **children's clothing** market, there are also a large number of shops and department stores adapted to online shopping. Indeed, the number of online consumers in Chile has increased to 40% in 2022[94]. Of course, companies such as Zara or Bershka belonging to the Inditex group, but also national shops such as *Pillin, Ficcus, Ama kids, Dafiti, Colloky, Milou, Falabella, LB Chile, Cozy Kids* or *María Pompón*, are some of the examples currently on the market.

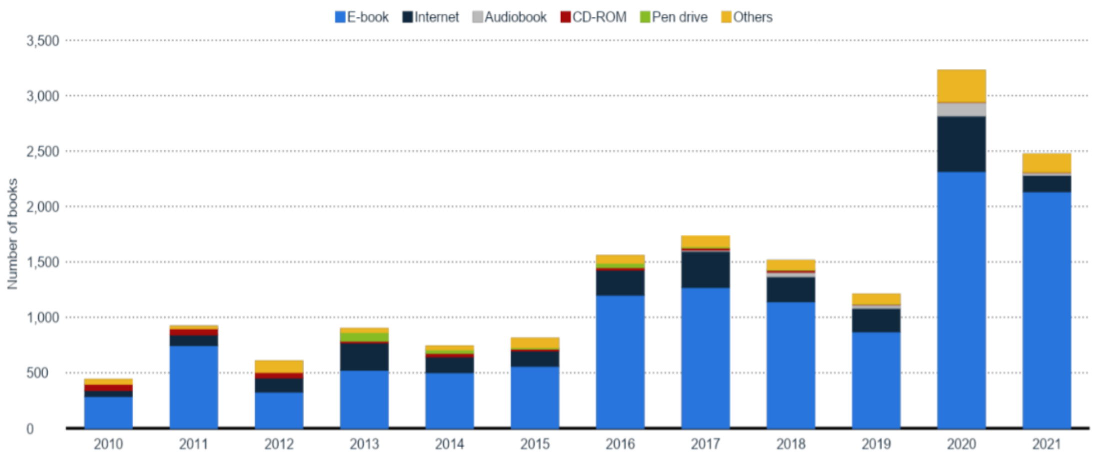
Regarding books in Chile, ecommerce has increased throughout the years. Back in 2010, only 288 e-books were published in Chile. More than 10 years later, that number has grown more than 7 times, going over 2.000 books



[94]https://pe.fashionnetwork.com/news/Un-40-de-los-usuarios-en-chile-compra-moda-online,1425704.html

a year. That shows a big tendency in the market, as we can see in the following graph[95]:

It is true that e-books are not the only format sold online in Chile, finding others like CD-ROMs or audiobooks easily. However, is the most purchased category[96]: The following graph shows the number of non-paper books published in Chile from 2010 to 2021, by format.



14. CIRCULAR ECONOMY

The circular economy is a relatively new concept in our society that is gaining more weight in business models. The aim of this philosophy is to reduce the impact of economic activities on the environment by keeping products in circulation as long as possible, either by reusing them or by converting them, giving these materials a new life. It is a stance that confronts head-on the disposability of products in the linear economy.

In Chile we find the Circular Economy Office, under the Ministry of Environment, which promotes initiatives such as **Chile Circular Sin Basura**, providing Chilean citizens with methods and strategies for reuse and recycling.

[95] Statista: Cámara Chilena del Libro
[96] Statista: Cámara Chilena del Libro

The main functions of the Circular Economy Office are:

1. Exercise technical coordination in the implementation of policies, programs, plans and standards in matters of:
    - Reduction and control of waste generation, including its valorization, production, and consumption.
    - Circular economy.
    - Ecolabeling and deposit and refund systems.
2. To participate in the collaboration actions that the Ministry provides to the competent bodies, in the formulation of environmental policies in the matters of its competence.
3. To collaborate in the scope of its competence in the pronouncements of the Undersecretariat, on the interregional projects submitted to the System of Evaluation of Environmental Impact when the Service of Environmental Evaluation so requires it.
4. To collaborate in the proposal of mechanisms and actions tending to promote and facilitate citizen participation in the formulation of policies, plans and norms in the matters of its competence.
5. Propose, formulate, and carry out the necessary actions to ensure compliance with international conventions in matters within its competence.[97]

And its main lines of work are:

1. Implementation of the REP Law

Law 20.920, which establishes the framework for Waste Management, Extended Producer Responsibility and the Promotion of Recycling, seeks to reduce the generation of waste and promote its reuse, recycling and other types of valuation. The law obliges producers of certain priority products to organize and finance the collection and recycling or recovery of the waste

[97] https://mma.gob.cl/economia-circular/

they generate. In order to operate, a series of regulations must be drawn up, work that is being carried out by the Circular Economy Office.

2. Circular Economy Roadmap

The Office is leading the development of a Circular Economy Roadmap, a long-term planning instrument that has been used by most of the countries at the forefront of the issue, which have understood that the challenge of moving towards a circular economy requires a far-reaching vision that goes far beyond mere recycling and rethinks the current production and consumption model, which is based on the paradigm of take - make - dispose. The participatory process of developing the roadmap seeks to connect key actors, imagine the Circular Chile of the future, reach a consensus on the major changes that will be necessary to get there, design the actions that will give the initial impetus to the transition to this new economic paradigm, and highlight the issue of the circular economy in the country.[98]

[98] https://www.greencarcongress.com/2021/01/20210125-csiro.html

3. Recycling Fund

The Office oversees managing the Recycling Fund, which was created by the REP Law. The fund finances projects of municipalities and associations of municipalities aimed at preventing the generation of waste in their municipalities and promoting its separation, reuse, and recycling. In this way it supports compliance with the Recycling Promotion Law at the communal level.

4. Action Plan Against Plastic Pollution

There is a worldwide consensus on the need to reduce the use of plastic and redesign the production of the material to make it reusable and recyclable. This challenge is addressed through various initiatives aimed at minimizing the consumption of single-use plastics in commerce and by the State, as well as Chile's adherence to the "Global Commitment to the New

Plastics Economy", and the creation of an Eco-label standard that allows consumers to know the recyclability of containers and packaging, among other measures that encourage the cultural change required for this purpose.

5. Organic Waste Management Strategy

This strategy seeks to optimize the collection and handling of organic waste, preventing it from being deposited in dumps or landfills, thereby reducing the uncontrolled emission of greenhouse gases. Organic matter can be treated separately to produce compost and fertilizers as well as biogas.

6. Construction and Demolition Waste (CDW)

Joint intersectoral work between MINVU, MOP, CORFO and Construye 2025, which seeks to contribute to solve the problems derived from the high generation of CDW, its poor management and final disposal in unsuitable areas, the scarce prevention and valorization of these wastes. CDW can achieve high recovery rates since most of it is waste that can be incorporated into circular economy cycles, reducing the extraction of raw materials from the environment.

7. Transboundary Waste Movement

Work related to compliance with the Basel Convention on the "Control of Transboundary Movements of Hazardous Wastes and their Disposal", promulgated by Supreme Decree No. 685 of 1992 of the Ministry of Foreign Affairs; the OECD recommendations and the obligations established in Article 8 of Law No. 20,920.

On the other hand, the case of the Atacama Desert, which has become the world's largest garment dumping ground, is a high-profile one. Chile is the South American country that imports the most used clothing per year - some

59,000 tons - yet it is estimated that half of these imports end up in illegal dumps like the one in Atacama Desert.

Despite cases like the Atacama Desert, the circular economy is starting to take root in the country. Proof of this is the second Cleaner Production Agreement (APL) Transition to the Circular Economy (TEC). It is a public-private agreement, promoted jointly by a number of large companies (up to 27) and the Agency for Sustainability and Climate Change (ASCC), which was joined by others such as the Ministry of the Environment. In fact, one of the companies with which this project would collaborate is SMU, a supermarket chain committed to the circular economy that has also integrated several of its subsidiaries' stores (Unimarc, Alvi and Mayorista 10). Moreover, the Chilean Council of Ministers for Sustainability approved and published the roadmap for a circular Chile in 2040, with 100,000 green jobs by 2030. As a result, programs such as the Territorio Circular Programme have been underway since May 2022.

Under this objective, multiple initiatives have emerged from Chile that are setting the pace in the transition to a circular economy in different sectors. Some examples of circular economy initiatives carried out in Chile are:

Integrity, new packaging made from recycled plastic. This Chilean family company recycles plastic waste from beverage, water and juice bottles and transforms it into raw material for new packaging, which is also incorporated into the recycling circle. In 2021 alone they manufactured 12,000 tons of PET containers, including varieties for fresh fruit, pastries, food and nut jars, packaging for sushi and pasta and even eggs. All of them are made with 90% recycled PET, leaving a small percentage to resin in some cases, as it provides the necessary strength to support greater weight. For this work, they take waste from the work of small and medium-sized recyclers, as well as from large companies.

Ecocitex, giving new life to unused clothing. The fashion industry is responsible for 20% of industrial water pollution, 10% of carbon emissions and often incorporates exploitative labor practices. Combating this problem is the driving force behind Ecocitex, a national enterprise that creates recycled wool from clothing in poor condition, which is collected and recycled in Chile, without using water or dyes in the process. In 2022 they set new milestones by making fabric from their recycled clothing yarn and reaching important retail chains.

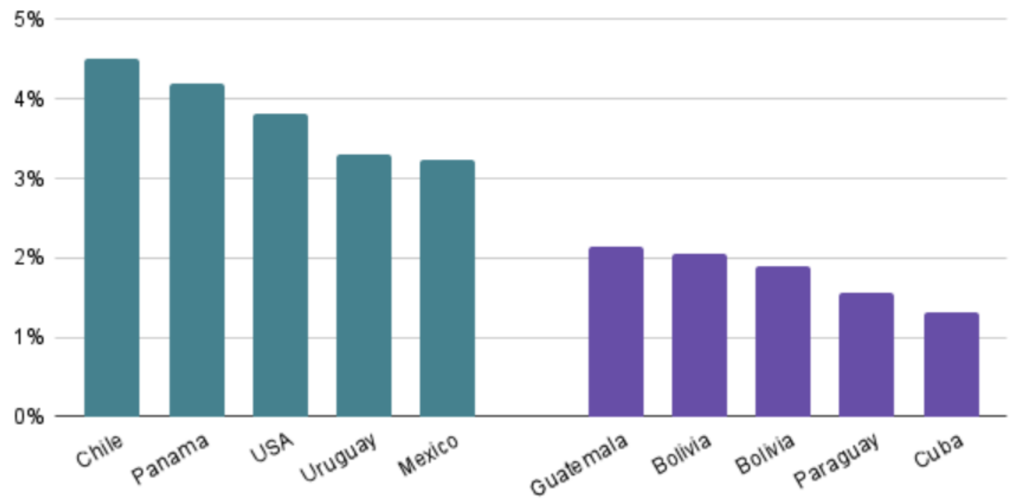
Mochacó Bags, sustainability from Patagonia. "In the era of use and throw away, in Mochacó we propose a solution". So reads the website of Mochacó Bags, a Chilean project that manufactures products with farming nets that, instead of being sent to landfills, are reused thanks to the talent of local artisans who transform them into bags, key rings and backpacks. Thus, they recover, repair, reuse and recycle.

DISAL Chile. A comprehensive and circular economy friendly for waste, drainage, water treatment plants, sewage networks, wastewater reuse. These are the main activities of DISAL Chile. 99

In 2019, the reuse rate of toys in Chile was only 10% and, with the intention of promoting the circular economy and reverse this low rate, a Parisian company launched the "Juguete x juguete" initiative, which advocates extending the life cycle of toys and raising awareness of the importance of repairing and reusing. Modulab collected used toys and then gave them to corporations and children's foundations to give them a second life. Toys that cannot be repaired will be sent to a company for recycling. To promote citizen collaboration, they gave a 30% discount in toy shops for depositing the toys in the containers. In the end, this initiative managed to collect more than 30,000 toys throughout Chile, 91% of which were repaired and given to other users. It started as a seasonal initiative but is now part of its sustainability strategy called *Conciencia Celeste*.[100]

[99]https://portalinnova.cl/tres-iniciativas-chilenas-que-destacan-en-economia-circular/

[100] https://www.paiscircular.cl/economia-circular/reconocen-a-paris-con-premio-a-la-mejor-iniciativa-de-sostenibilidad-del-mundo/



Chileans are the people in the Americas who are most concerned about the circular economy. According to statistics gathered from 1 January 2022 to 11 April 2022, debates relating to the circular economy account for 5% of national discourse in Chile (as opposed to the other American countries where they account for just about 3% of national discourse). The desire for more effective recycling technology is particularly strong.[101]

15. SUSTAINABILITY

Chile is one of the developed countries most committed to sustainability. Thus, in 2020, **the Sustainable Development ranking, a study led by Cambridge University professor J. Sachs, ranked Chile as the most advanced Latin American country** in this aspect, and in **28th position worldwide, ahead of countries such as the United States, Australia, and Italy**.

To achieve its objectives, the country is promoting legislative tools with a clear focus on sustainability, such as the law to promote recycling (Law No. 20.920), the Climate Change Action Plan (PANCC 2017-2022), the law on General Bases for the Environment (Law No. 19.300) and the creation of the Ministry of the Environment and other collaborating state offices. It should be

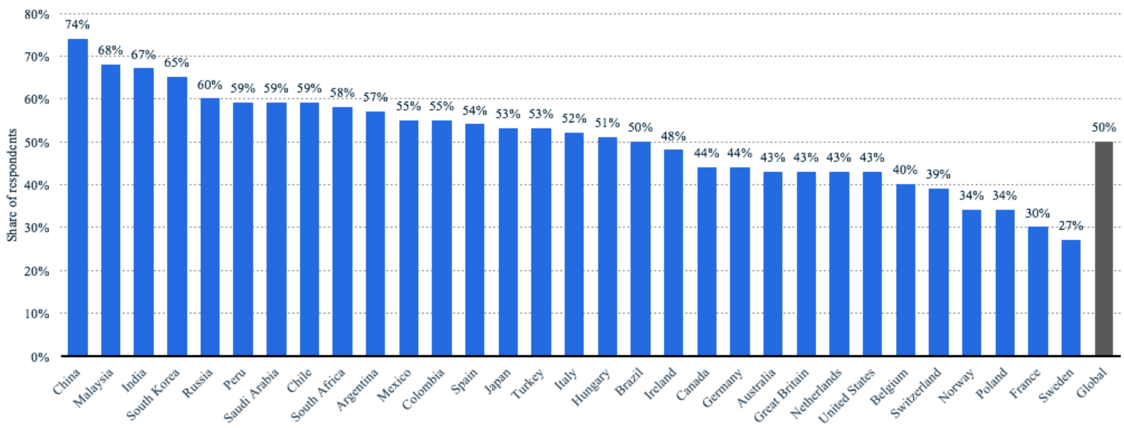
101 https://www.citibeats.com/center-for-knowledge/countries-are-expressing-an-emerging-interest-in-circular-economy

added that the Chilean population itself can actively participate in these decisions, since thanks to legal instruments such as Law 20.417, there is a process of citizen participation in the process of environmental impact statements that may be caused by a given project that could potentially generate environmental burdens in a nearby community.

Certifications for carbon emissions can also be obtained:

- ISO 14064-1: is the standard for quantifying and reporting GHG emissions.
- Greenhouse Effect (GHG).
- ISO 14064-2: determines the design and implementation of GHG initiatives.
- ISO 14067: enables product life cycle accounting and reporting.
- ISO 14069: calculates the carbon footprint of an organisation.

Sustainability isn't only at a State level, but even for citizens. The graph below shown the share of respondents who are more likely to begin recycling materials to limit their contribution to climate change, extracted from a survey conducted in 2022. [102]



[102] Ipsos; ID 1311128

The data provided in the chart above demonstrates once again the country's dedication to the sustainability of its economy. Indeed, more than 50% of the country's inhabitants are ready to start recycling in order to reduce their impact on the environment, which places the country in 8th position globally (58%) and above the global average (50%).

On the other hand, the following chart collected the investors' approach towards investing only in sustainable funds in 2021, per country. [103]

	Positive	Neutral	Negative
Thailand	76%	21%	3%
India	74%	22%	4%
China	74%	24%	2%
Indonesia	72%	28%	1%
Brazil	69%	25%	7%
United States	68%	25%	7%
Mexico	67%	30%	2%
Greece	62%	15%	22%
Malaysia	62%	33%	5%
Chile	62%	34%	4%
United Arab Emirates	61%	36%	2%
Portugal	60%	33%	7%
Argentina	59%	36%	5%

Thanks to the data from 2021, we can see that investors in Chile are favourably inclined to turn their investments towards companies and funds with a very pronounced sustainable value. This only confirms the interest of the country and its citizens in developing a sustainable society for future generations. 62% of Chilean investors want to invest in sustainable funds against only 4% who are not in favour. These figures reveal the mentality of its investors even if 34% are indifferent to this issue.

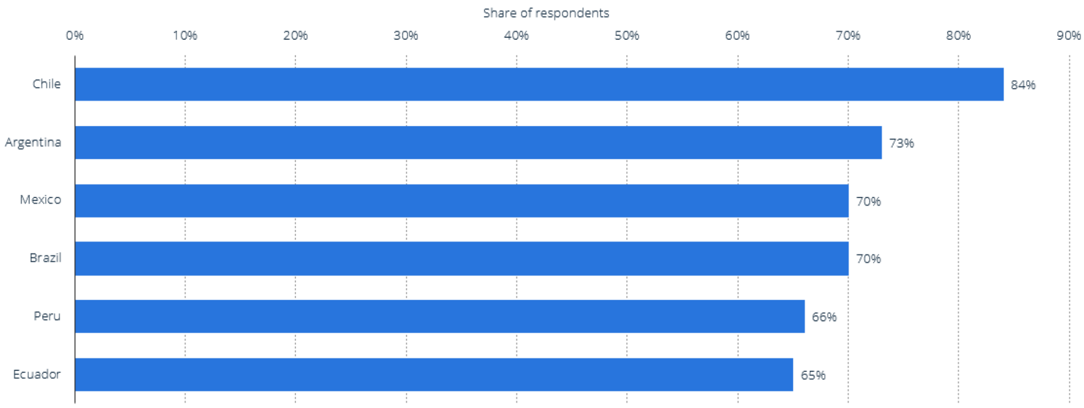
15.1. SUSTAINABILITY APPLIED TO THE OBJECT OF STUDY

On the sustainability of the apparel market, it is possible to see that it has gradually grown since 2013, and it is believed that it will be doing so in the next few years.

SUSTAINABLE APPAREL SHARE in percent														
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Sustainable	2,3	2,5	2,7	2,9	3,1	3,4	3,7	4,0	4,3	4,7	5,2	5,6	6,2	6,7
Sources	Statista, Annual reports of key players, Desk research, Statista Global Consumer Survey													
Most recent update:	08/01/2021													

[103] Schroders; ID 1273368

Children are also concerned about sustainability measures and environment protection. The following chart shows the share of children, per country, worried with such matters, in 2019[104]:



As we can see, Chile ranks first of the 6 countries in which the survey was conducted, with 84% of the children showing preoccupation for the environment and its protection.

16. GENDER

Chile as a country is struggling to eliminate the gender gap in society. According to the Global Gender Gap Index study, the gender gap in Chile is 73.6%, still below average. On a relative global level, they are in 47th place, which shows a clear trend towards equality, since in the period of the last decade they have moved from 87th place in 2012 to the position they occupy now in 2022.

The feminist movement has played a key role in these developments, leading the country into a social debate in the context of the drafting of its new constitution, highlighting the material inequality suffered by women and girls in the country and the intention to eliminate it through new regulations and state structures, such as improved funding for public services dealing with women's issues.

[104] Statista: Extracted from Market Analysis, WIN (Américas)

Other studies have revealed that the gender gap goes beyond pay. Chilean women "spend on average 3.2 times more time than men in unpaid care work"[105][106] . A situation that, with the global pandemic of Covid 19, became evident in society.

As these initiatives have taken hold in society, young people in the South American country have been changing their outlook for the future in areas such as inequality. In a study by Chile's National Youth Institute, both men and women currently rate the situation of inequality at 4.4 on average, but in five years' time they expect it to improve to 5.4 and 5.6 respectively[107] .

16.1. APPLICABLE TO THE TOY SECTOR

Focusing on the toy sector, there is a global trend towards the non-separation of toys by gender, or the assignment of a certain type of toy to a certain gender. This trend can also be seen in Chile, partly due to the feminist movements mentioned above. These movements foster breaking the pre-established ideas, considering that through play we educate, socialise and absorb ideas, beliefs and social schemes, both present and future, in the minds of boys and girls. Proof of this are the **strategic objectives that the Chilean Ministry of Women and Gender Equality has set for the period 2023-2026**[108] (ensuring public policies that do not produce or reproduce discrimination; improving equal participation, economic empowerment and autonomy of women; and advancing a culture of respect and recognition for gender equality, among others) and, as both sides rightly point out, the first step is childhood.

Of course, we are talking about abandoning industry-established patterns, such as associating and assigning a colour to each gender (pink for

[105] https://elpais.com/planeta-futuro/red-de-expertos/2022-03-10/chile-y-la-redaccion-de-una-constitucion-feminista.html
[106] https://interactive.unwomen.org/multimedia/explainer/covid19/en/index.html
[107] https://www.injuv.gob.cl/sites/default/files/sondeo_percepciones_juveniles_a_expectativas_a_futuro_injuv_2022.pdf
[108] https://minmujeryeg.gob.cl/?page_id=4195

girls, blue for boys) or a certain type of toy to a certain gender (dolls and household games for girls, cars and construction for boys). Marketing and advertisers will play an important role here, as it is not only the product itself that needs to be revised and updated in order to pursue a fairer and more egalitarian society, but also the way it is presented in society. Change must exist and must be perceived. Similarly, and although not directly related to gender, such trends are seen in other social aspects such as racial diversity or sexual orientation, promoting respect and normalisation towards all types of identities, people and functional diversities. There are numerous examples of these practices and guidelines[109] for parents and guardians of children when choosing an appropriate toy, as it is a quasi-global trend and countries inside and outside the European Union are committed to ending gender difference, including Chile[110] .

We can observe this thinking in the Chilean government's own actions from the Ministry of Women and Gender Equality, within the scope of the Chilean Gender Parity Initiative (IPG)[111] , which tries to guide parents in an equal education free of prejudices for their children. **Private organisations are also working in this direction**, and there have been campaigns to raise awareness and promote gender equality. One such campaign was the viral **Tinku ball campaign, proposed by the non-profit organisation Futbolmas,** which is active throughout Latin America, Africa, and Europe. This campaign involved the sale of footballs, raising money for equality between boys and girls with the slogan "The ball *has no gender"* and was shared in Chile by many media outlets.[112]

[109] https://violenciagenero.igualdad.gob.es/pactoEstado/docs/masquepinkblue.pdf
[110] https://www.unicef.org/chile/media/3076/file/lacro-igualdad.pdf
[111] https://iniciativaparidadgenerochile.minmujeryeg.gob.cl/?p=8219
[112] Photo extracted from the Futbolmas public Facebook page.

It is not only NGOs that are carrying out initiatives promoting this change in the toy sector; there are also private companies that are reacting to these trends. As a result of the British **campaign *Lets Toys Be Toys***, the multinational toy company Toy Planet modified its toy catalogue in 2014, first digitally and then in paper format in 2016 after the good response from public opinion, offering more inclusive images that do not perpetuate gender roles. This company does not assign any of its toys to any of the genders and advertises and presents all kinds of children using them, also including models such as children with Down's Syndrome to make it clear that "all children can enjoy toys".

These trends, although European in origin, resonate throughout South America and are echoed in Chile[113] , so they are on their way to being implemented both by local companies and by foreign companies doing business in the country.

16.2. APPLICABLE TO CHILDREN'S CLOTHING AND FOOTWEAR

Focusing now on the children's clothing sector in Chile**, we cannot determine that the same "unisex" trends are followed as in toys**. Although some reference in this sense can be found in adult clothing, more present in the artistic world and the upper classes of society (see examples of internationally successful artists such as Harry Styles or Bad Bunny -the most

[113] https://www.elmostrador.cl/braga/2019/12/24/infancia-y-roles-de-genero-como-los-juguetes-pueden-reforzar-estereotipos-sexistas-en-la-adultez/

listened to artist through the *Spotify* platform in the last 3 years-[114] , using clothes that do not correspond to their gender), as well as an increasing "masculinisation" of the female wardrobe, accessing clothes such as trousers or suits, we cannot observe these trends in children's clothing.

While it is true that girls do wear trousers in the same way as boys, they do not follow the same designs, and if they have any kind of decoration on the clothing, they clearly differentiate one from the other (floral designs for girls, car-like designs for boys, for example). On the other hand, garments that were traditionally associated with women are not seen on the market for boys, such as headbands, skirts or dresses. Therefore, we can say that there is still a clear differentiation between the two genders in this aspect and that companies, if they want to keep up with the current trend, will have to take this into account.

However, it is true that **there are exceptions, as is the case with costumes**. Perhaps driven by the trend in the toy sector, there are fewer and fewer different labels for boys and girls, with each child being able to choose the costume they want, because for them it is a game and the idea of breaking down the gap between the two genders has taken hold.

17. SDG

According to the Brundtland Report, sustainable development is defined as development that meets the needs of the present without compromising the possibility of future generations to meet their own needs. This requires a combination of environmental protection, social inclusion and economic development.

The Sustainable Development Goals are seventeen medium-term goals that primarily aim to end poverty, protect the planet and ensure global

[114] Source: Spotify

peace and prosperity by 2030.[115] These goals are not new; they were previously set with the MDGs of 2000 (Millennium Development Goals) but were not successfully achieved. They also aim to realise human rights as well as gender equality.

These goals are not legally binding, but countries are expected to adopt them as their own. In Latin America, the Forum of Latin American and Caribbean countries on Sustainable Development is held annually to monitor and review the implementation of the goals.

These objectives apply to a multitude of areas of action and, applying them to the toy sector**, they materialised in the need for a sustainable production process, respectful of the maintenance of natural resources and measures to combat climate change, as well as encouraging responsible consumption on the part of consumers.** [116]

As we can see, for all the goals a certain level of challenge remains. In case of SDG such as reduced inequalities or industry, innovation and infrastructure, there is still a major challenge in Chile; in cases such as responsible consumption and good health and wellbeing there is still a significant challenge, and in cases like partnerships in the goals and affordable and clean energy the challenge has gotten better, but still remains.

It is important to point out that compared to the US and South Korea, many of the goals in Chile are on track to maintaining their achievement, such

[115] https://www.chileagenda2030.gob.cl/Recursos/recursos/preguntasfrecuentes/1#:~:text=%C2%BFWhat%C3%A9%20are%20the%20Objectives%20of%20prosperity%20for%20the%20a%C3%B1o%202030.
[116] https://dashboards.sdgindex.org/profiles/chile

is the case with partnerships for the goals, sustainable cities, affordable and clean energy, no poverty and clean water and sanitation. Plus, compared to the other two countries, in Chile none of the goals achievement is decreasing. In any case, Chile scored 28 out of a 163 countries in the general SDG index rank, positioning itself even before the US and only one point behind Korea.

It is also relevant to point out the government's implication in the implementation of these goals. In case of Chile, even though the government hasn't issued an official statement endorsing their implementation, it still has carried out a voluntary national review (in 2017 and 2019) and these goals are being integrated into sectorial action plans. Additionally, indicators have been nationally identified to monitor their implementation and there is a lead government unit designed to coordinate the SG across ministries. All of these factors, excluding the fact that the SDG have not been mentioned in the latest central budget plan, indicate a certain interest from the country.

Companies have the requirement and responsibility to act according to sustainability criteria. In addition, governments and customers increasingly demand sustainability criteria from companies and make their consumption decisions on this basis.

Chile is currently working on implementing measures so as to obtain these SDG. In fact, with the *Agenda 2030*[117] Chile aims to develop in several cross-cutting aspects for society and economy, such as the following:

Gender equality. Although Chile has made intermediate progress and there are still important challenges remain for the realisation of gender equality, during the last decades there have been the last decades there have been in several dimensions that allow us to envisage a that allow the country to envisage a more positive more positive scenario for 2030.

The educational sphere is one of these of them, and it has made it possible for young women in Chile young men in terms of educational in terms of educational outcomes. This is because the proportion of higher

[117] https://www.chileagenda2030.gob.cl/

education graduates is higher among women (36.9 per cent) than among men (30.3%) aged 25-34. 25-34 years old. A situation that has changed recently, reversing the trend of previous generations. the trend of previous generations (men, 29.5% and women 29.1%, aged 35-54).

However, with a view to 2030, there are still important challenges and obstacles that must be faced with the final objective to obtain equality for both women and men, children and their environment.

UN claims[118]: "The social and economic fallout from the COVID-19 pandemic has made the situation even bleaker. Progress in many areas, including time spent on unpaid care and domestic work, decision-making regarding sexual and reproductive health, and gender-responsive budgeting, is falling behind. Women's health services, already poorly funded, have faced major disruptions. Violence against women remains endemic. And despite women's leadership in responding to COVID-19, they still trail men in securing the decision-making positions they deserve".	

Since Chilean population has been experiencing an increase in the commitment towards this subject, companies that implement this SDG will be able make a good impression on their customers. This can be made not only by producing toys that do not continue with traditional stereotypes, such as we have commented previously, but also with other measures like promoting women to directive roles inside the company and giving them the place they deserve in the decision making progress as equals to men, normally predominant in this hierarchy levels.

118 https://www.un.org/sustainabledevelopment/gender-equality/

Responsible consumption and production. It is calculated that every minute one million plastic bottles are bought, and five billion one-use plastic bags are wasted every year. Furthermore, a third of food is estimated to be thrown away or unsavable due to transport and not being available for its selling. All this accelerated pace has increased by 70% the footprint left in the period that goes from 2000 to 2017. Chile has a big commitment to this issue and has created a special committee (*Comité de Fomento a la Producción Limpia)* in charge of pollution-free production in the country. Also, legal actions have been taken. The better-known "REP" law enforces principal products productors to organize and finance their residual gestion derived from their activity once they are in the market.

UN encourages countries to, by 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. For that, to encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle is vital. Promoting public procurement practices that are sustainable, in accordance with national policies and priorities is also crucial[119]	

In order to reduce the amount of waste produced by its economic activity, companies of all sectors would need to analyse and consider their supply, production and distribution chains. Some redesign there could make a big impact that Chilean population, concerned with this matter as we have seen, would evaluate positively. Sector by sector, we can see:

- Toys. Using recycled plastics when avoiding its use cannot be done.

[119] https://www.un.org/sustainabledevelopment/sustainable-consumption-production/

- Apparel and footwear. Water utilisation in the production chain is one key factor in the industry.
- Food. Many people will prefer food produced with km zero products.
- Books. Recycled paper could be used, giving another life to old books.

Climate action. Chile has progressed in the area thanks to different national plans and politics, aiming to face climate change in different subjects. We ought to underline the National Plan for Adaptation to Climate Change (*Plan Nacional de Adaptación al Cambio Climático)*, some Sectorial Plans introduced since 2014, National Action Plan of Climate Change (PANCC) and National Strategy of Electromobility (which objective is to change all vehicles into zero emission by 2035).

UN considers these three targets as fundamental in this matter: - Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. - Integrate climate change measures into national policies, strategies and planning. - Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	

Often, plastic, a very contaminant and non-biodegradable material, is used to manufacture toys. Therefore, implementing reutilising, recycling and circular economy measures will help companies to deal with climate change. Apparel also has a big impact on the planet due to the fast fashion model and the amount of waste that it is made, and measures can be taken in order to minimise this impact. For other sectors like books, using recycled paper would position companies as committed with facing climate change.

18. DIGITISATION

18.1. APPLIED TO COMPANIES.

According to the Organisation for Economic Co-operation and Development (OECD), **Chile is the country with the most entrepreneurs per capita in the world**[120]**, but only 8% are sustained over time (their business survives 42 months of life)**. The main cause behind this systemic problem is the failure to adapt to digital technology.

According to the Santiago Chamber of Commerce (*Cámara de Comercio de Santiago*), the reasons why it repeatedly becomes impossible for companies to effectively implement this type of technology are the lack of financing, lengthy procedures and barriers to assimilating digital resources.

The different Chilean governments have been aware of this series of constant problems within the economy and have proposed measures to try to deal with this series of circumstances. **An attempt was already made to promote this implementation in the Digital Agenda 2020**[121] **, which was presented in 2015**. Recently, a variety of digital transformation strategies have been presented to continue working in this direction[122] with a view to 2035.

The Chile Digital 2035 transformation strategy recognises that Chile is above the Latin American average in terms of citizens' internet use (87%), but there are still differences with countries such as South Korea, Germany and the United States.

However, digital commerce in the country has been boosted by the COVID-19 pandemic, as verified by data on the number of users and turnover totals. ***Business to consumer*** **(B2C) e-commerce is growing at a compound**

[120] https://www.e-certchile.cl/noticias/chile-digital-el-estado-actual-de-la-digitalizacion
[121] http://www.agendadigital.gob.cl/#/
[122] https://www.cepal.org/sites/default/files/events/files/estrategia_de_transformacion_digital_chile_2035_.pdf

annual growth rate of 29%. However, obstacles remain in the Chilean market. The main ones:

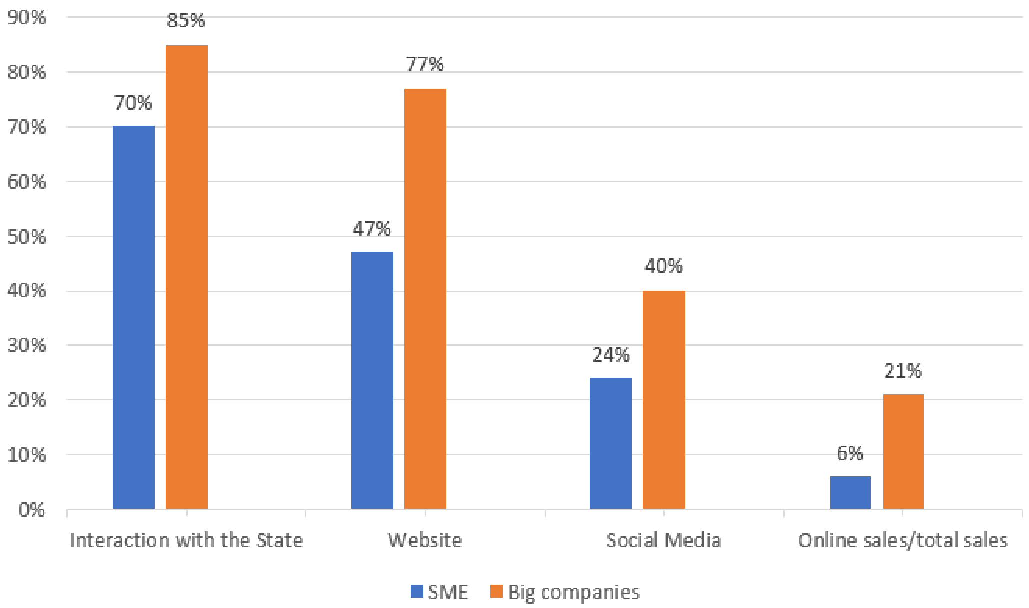
- Not physically seeing the product. Chilean consumers want to see the product with their own eyes when making a purchase (almost half of those surveyed by MasterCard on e-commerce argue this way).
- Fear and distrust associated with e-business. 34% of consumers felt this way about security in case the order did not arrive or about the fear of theft of their card details.
- Shipping costs. The extra cost to the final consumer held back 17% of consumers.

These aspects can be improved through mechanisms that provide security, consumer and data protection and privacy.

On the other hand, it is important for access to digital business that the population has access to financial services. To facilitate this access, Chile has adopted measures to bankarise the population since digital banking burst onto the scene in the 21st century, making Chile the most bankarised country in the Latin American region in 2019, such as the Means of Payment Law, which facilitates access to electronic means of payment for the low-income population.

In this aspect, beyond the possibility of accessing the internet, the quality of this access is relevant. According to statistics from the Ministry of Economy, Development and Tourism, in 2018, **91% of companies had internet access, which is the vast majority. However, the quality of access was not optimal**, as 60% of these companies had contracted speeds below 30 Megabytes per second (Mbps) and only 9% had contracted speeds above 100 Mbps. This is a constraint to digital commerce and service, an obstacle that could be addressed with access to finance and investment in infrastructure.

From the area of basic utilisation of Internet by large, small and medium-sized companies during 2018 in Chile, we observe the following graph:[123]

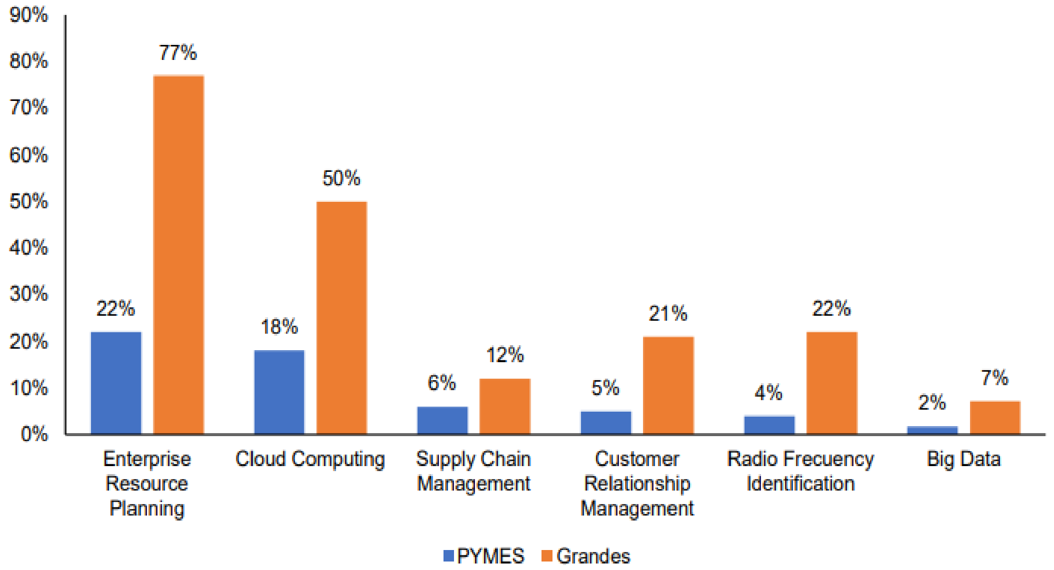


Orange graphics represent the bigger industries, whilst the blue ones represent the small and medium sized companies.

As we can see for all types of companies, the Internet is basically used to interact with the State, followed by maintaining a web page. The third column represents the use of social media, followed by commercial emails. Finally, the less used function by all types of companies are sales through e-commerce.

[123] Source: own elaboration with the data provided of the Survey realized on the Access and Use of TICS in companies in 2018, provided by the Ministry of Economy, Development and Tourism of Chile

Again, regarding medium and advanced use[124]:



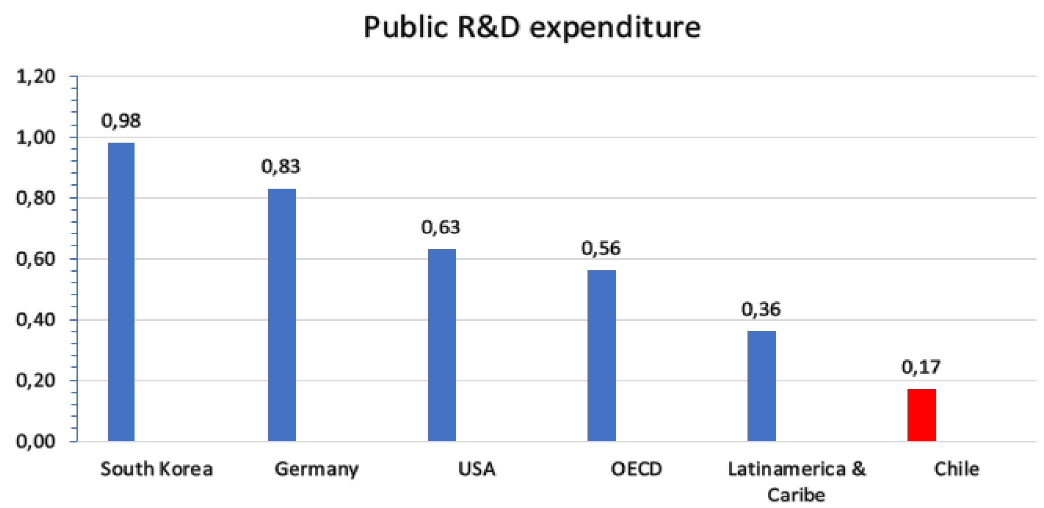
In this graph, the difference between medium/small companies (represented in blue) and large (represented in orange) is more pronounced. In any case, the main medium/high usage of the Internet is dedicated to enterprise resource planning, followed by cloud computing.

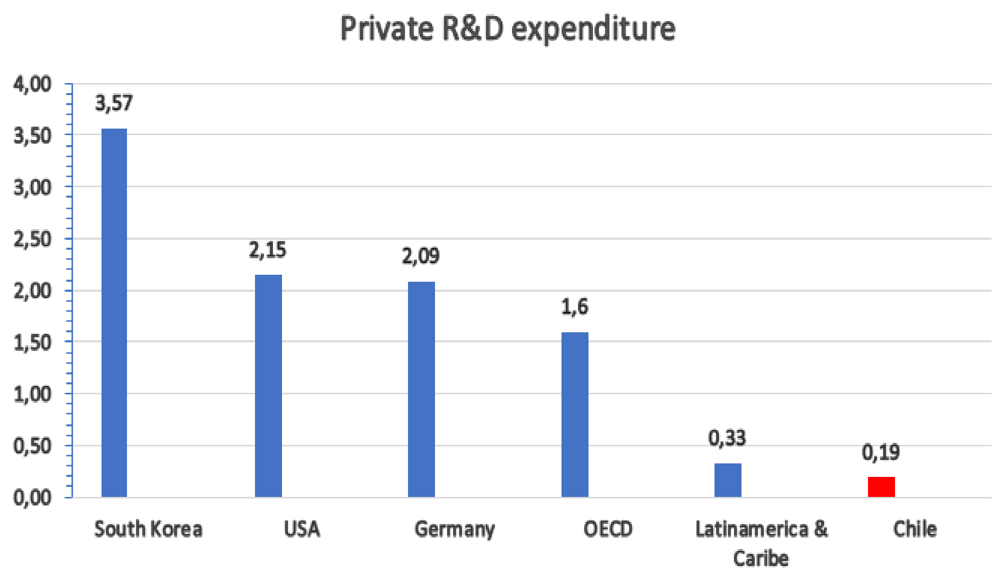
To finish with the general level, the investment made at a national level in Research and Development (R&D), as well as in innovation **(R&D&I**) is relevant. In these aspects, **Chile lags behind**, not only in comparison with the leading countries (Korea, Germany, etc.) or the OECD average, but also with the countries of Latin America and the Caribbean, both in terms of public and private R&D expenditure. This can be seen graphically:[125]

[124] Source: own elaboration with the data provided of the Survey realized on the Access and Use of TICS in companies in 2018, provided by the Ministry of Economy, Development and Tourism of Chile

[125] Source: UNESO

As we can see in the first graph, the public expenditure in I+D in Chile represents 0,17% of GDP (vs 0,98% in South Korea and 0,63% in the United States). As for the private expenditure, in Chile it represents 0,19% of the country's GDP (vs 3,57% in South Korea and 2,15% in the United States).



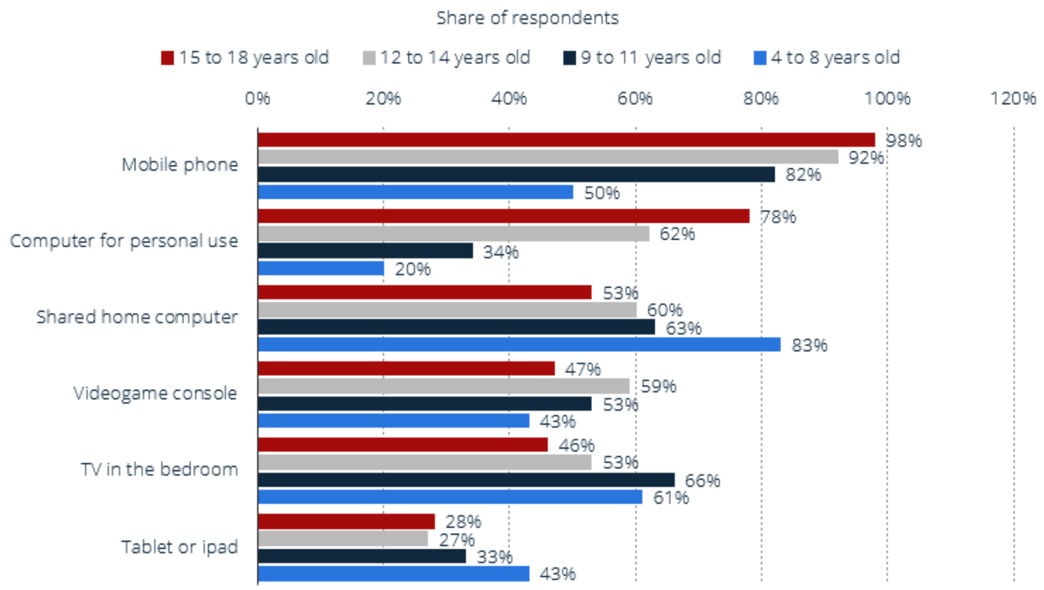


18.2. APPLIED TO CHILDREN AND TEENAGERS

It is also convenient to make a brief note about technology consume among children and teenagers in Chile to understand not only in terms of volume but also in terms of how digitalisation has penetrated in the country.

Different studies[126] show that for late teenagers the most used device is their own mobile phone, whilst for younger kids, aged 4 to 8, shared home computers are their most used tool.

The following graphic shows consumer electronic ownership among children and teenagers in 2020, in Chile.



Note(s): Chile; May 12 to 18, 2020; 680 respondents; among mothers and fathers of children aged 4 to 18
Further information regarding this statistic can be found on page 8.
Source(s): VTR Comunicaciones; Website (Criteria); ID 762082

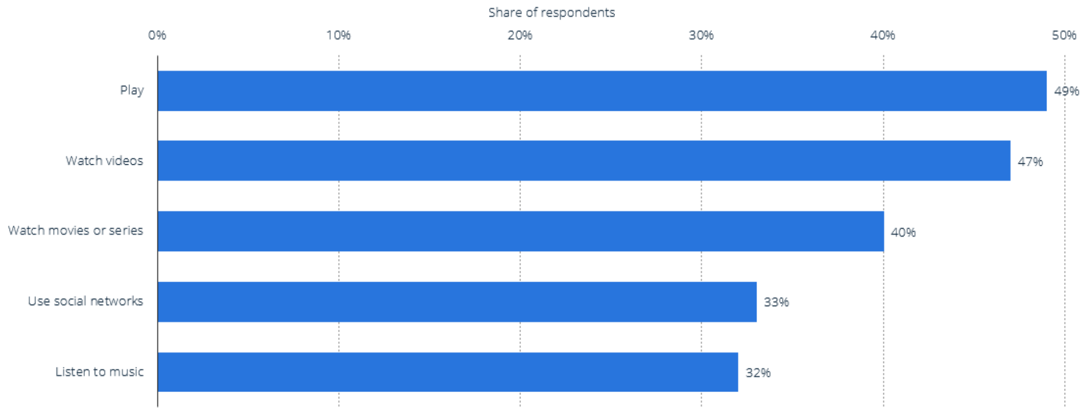
3

Proving Chile is a country where digitalisation is resulting in a deep process is parents' stance on their children using technology. Not only does digitalisation help businesses and professional work, but it also has benefits for infants and teenagers nowadays. In fact, the majority of parents surveyed recognise that they find several benefits, listing them in a survey made in 2020. 78% of them found technology as one big entertainment for their kids, while more than 74% recognised it is part of children's learning. Also communication is a big topic, both for children themselves as for parents

[126] Statista. Extracted from VTR comunicaciones, Website (Criteria)

towards their children (72% and 67%)[127]. Deepening in social networks, in 2020, among all Chilean children, 44% accessed social networks by their own passwords, whilst 11% did it through their parents' (resulting in a more controlled interaction)[128].

Focusing on children, these are the areas[129] where they spend their time while accessing the internet, being "*playing*" the most done activity, followed by *watching videos*. The data is extracted from a survey carried out in 2019.



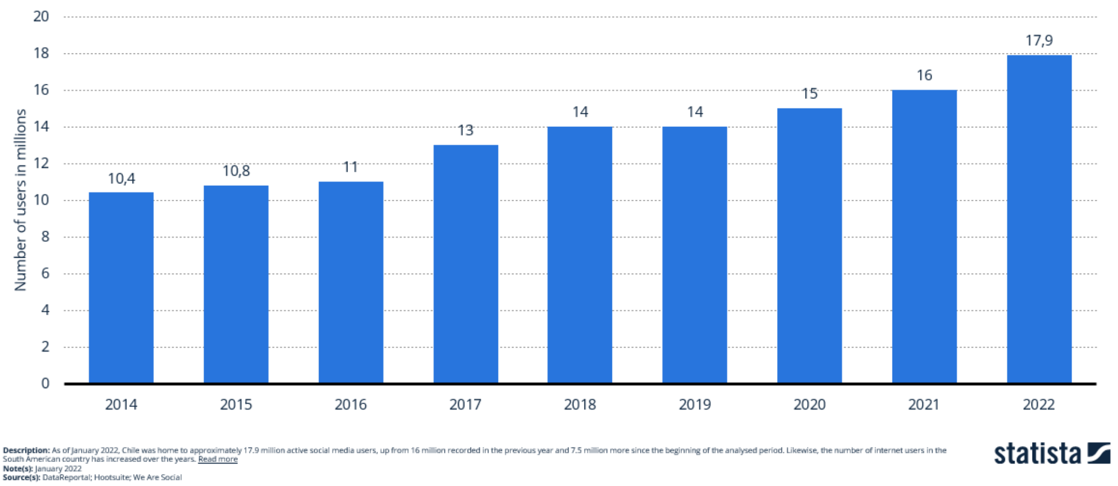
However, not only benefits are found in digitalisation. There are also **risks** for children when entering this reality, such as it has been shown in several studies and surveys. One of them, a survey made in 2019[130] found that the main risks children were exposed in the internet were:

- Playing online with strangers. Up to 54% of children experienced this on the internet during that year.
- Finding inappropriate, fake or offensive content in social media. A total of 38% minors were exposed to this risk.

[127] Statista: Extracted from VTR Comunicaciones, Critreria
[128] Statista: Extracted from Kapersky Lab, CORPA- Estudios de Mercado
[129] Statista: Extracted from VTR Comunicaciones, Subtel (Chile)
[130] Statista: Extracted from VTR Comunicaciones, Subtel (Chile), Ministerio de Desarrollo Social y Familia

- Running out of time for other activities due to the time spent online. Important issue when disattending important tasks related to education or exercising. 35% of children had this risk in 2019.
- Saw others getting bullied online. 28% of children recognise this behaviour while online.

Since social media has made a big impact in how societies all around the globe communicate, many studies and surveys have deepened in the subject, and Chile is not an exception. With more than 17 million users in 2022, Chile is immersed in an evolution process in terms of users of social media. As we can see in the chart, which compiles the number of active social media users in Chile (in millions), it has gradually evolved in the last years from around 10 million users in 2014 to the current figure[131]:



[131] Statista: Extracted from *Data Reportar, Hootsuite, We are Social*

19. CLUSTERS. ASSOCIATIONS. ALLIES

COMPANY AND COMMENTS	CONTACT DETAILS
GENERAL	
Fundación Infancia Chile. This is an NGO focused on children rights. Will not help with business, but collaboration with them would give the project the necessary social side.	https://fundacioninfancia.cl/wp/
Oficina Local de la Niñez (OLN). Depends directly on the Ministry of Social Development.	https://www.desarrollosocialyfamilia.gob.cl/programas-sociales/ninez/oficina-local-de-la-ninez-oln
UNICEF Chile.	https://www.unicef.es/
Comparte org. CEPAS foundation. Another NGO.	https://www.comparte.org/
Cámara de Comercio de Santiago. This is Chile's Commerce Chamber.	https://www.ccs.cl/
Cámara Española de Comercio en Chile. Spanish Chambero of Commerce.	https://camacoes.cl/
Cámara de Comercio Franco Chilena. French Chamber of Commerce in Chile.	https://www.camarafrancochilena.cl/
Eurochile Business Foundation. The Eurochile Business Foundation is a pioneering initiative of the European Community and the State of Chile. The foundation was created to serve as a bridge between Chile and the Member States of the European Union. A bridge for entrepreneurship, technology partnership and exchange of good	https://eurochile.cl/en/ info@eurochile.cl
TOY MARKET	
Asociación Gremial De Comerciantes De La Feria De Juguetes De Valparaíso - Asociaciones Gremiales de Chile. With over a hundred members, most of them women (relevant to gender perspective-oriented actions).	https://www.dateas.com/es/explore/asociaciones-gremiales-chile/asociacin-gremial-de-comerciantes-de-la-feria-del-juguete-navidad-dominical-y-turstica-1498
Asociación Nacional Chilena de los Amigos de la Infancia. This association "aims to promote and support, with material, economic or any other kind	http://amadechile.cl/

of aid, organisations, groups or companies that aim to ensure the physical, moral or spiritual well-being of children in Chile, (...); as well as to encourage all coordination and collaboration between them".	
APPAREL AND FOOTWEAR MARKET	
Docena. Is an agency specialised in 'suprareciclying'.	https://docena.net/
Fallabela, Cencosud, Ripley and La Polar. They develop activities relevant to the sector such as malls all over South America[132].	https://www.falabella.com/falabella-cl https://www.cencosud.com/ https://simple.ripley.cl/ https://www.lapolar.cl/
Asociación de Expertos en Derecho de la Moda Chile. For legal aspects involving fashion and design protection.	https://asociacionderechoymoda.com/
FEDECCAL F.G. Gathers 4 associations related to the footwear market.	https://www.fedeccal.cl/
CERET (Centro de Estudios del Retail) Centre of Retail Studies at University of Chile	https://www.ceret.cl/
Corporación Educacional Intech – a non-profit adult educational institution that promotes the inclusion and social integration of people	http://www.intech.cl/
SOFOFA (Sociedad de Formento Fabril) – a community with the objective of promoting the manufacturing industry in Chile	https://web.sofofa.cl/
BABY FOOD MARKET	
Canal Horeca. Food service association	https://canalhoreca.cl/
Achiga. Chilean gastronomic association.	https://www.achiga.cl/
BOOKS FOR CHILDREN	
Cámara Chilena del Libro.	https://camaradellibro.cl/
Editores de Chile Cooperativa de la Furia	https://cooperativafuria.cl
Corporación del Libro y de la Lectura (seeks to become a benchmark for the promotion of reading development in Chile and to be an agent of change in the face of the low reading and reading comprehension rates registered in the country)	https://www.libroylectura.cl/quienes-somos-2/
Sociedad de Escritores de Chile	https://www.sech.cl/
Consejo Nacional del Libro y la Lectura	https://www.cultura.gob.cl/libro-y-lectura/
RELEVANT CONTACTS IN CHILE	

[132] https://enriqueortegaburgos.com/multimarcas-de-chile-en-latinoamerica/

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20. MAIN ASPECTS RELATED TO IMPLEMENTATION

This information helps businesses to think about some strategies and actions when arriving at the Chilean market. Some of them would be:

- ➔ **Position products as high quality.** To compete with other economies like China in costs would be difficult and would also imply the loss of key resources for European firms.
- ➔ Give products **progressivist perspective.** Not only benefit from the tendency in the country, but also impulse it.
- ➔ **Social awareness** is crucial in Chile. They are very collectivistic.
- ➔ Take advantage of sharing the same **language** (for Spanish products). This will bring the consumer closer to the different brands.
- ➔ **Advertising and TV programme**s have a massive impact on Chilean children. For marketing, this would be key.
- ➔ **Allies** will provide invaluable help. Build **strong relationships** with the Chilean industrial network.

20.1. SWOT STUDY

To implement some strategies in the Chilean market it is convenient to seek some opportunities and strengths of Chilean market for children, which can be analysed by a SWOT matrix:

STRENGTHS	WEAKNESSES
-Followers of European Trends (gender equality) -Digitised country -Access to online banking -Great impact of communication actions -No import taxes for EU countries	-Low birth rate -Not a big market compared to other Latin American countries (over 17 million inhabitants compared to, for example, 46 million in Argentina).
OPPORTUNITIES	**THREATS**
- European countries are culturally similar to Chile - Chilean market perceives European products as high quality, also with high compromise with sustainability - Globalisation has homogenised trends in fashion and footwear - Most of TV programmes and films are seen worldwide, and these have massive impacts on children desire	- Cheaper production costs in Asian countries - Geographical distance may increase transport costs - Circular economy is yet to be developed in the country - Generalised inflation

21. MAIN EVENTS IN CHILE

Event	Description	Web	Comments
Expo Bebé	Toys, clothing, hygiene products, food.	https://www.expobebe.cl/	It expects to have 8000+ visitants, this fair has been exposed for more than 27 years
Fair FISA	Multisectorial international fair which offers a kidexpo	https://www.fisa.cl/	The first and only multisectoral event in the history of Chile, more than 60 years old, estimates the arrival of more than 50 thousand people.
FestiGame	FestiGame is an event for all fans of video games, as it is a space of celebration for gamer people. It has gaming areas and different booths, in addition to discovering new releases from different big brands.	http://festigame.com/	It has an international scope, it was held for a few years but was stopped due to the pandemic, in 2022 it has reopened its doors and has attracted many participants.
Festikids	It is annual there are summer and winter edition of this fair, a lot of kids come and do a lot of activities		This is a fair for kids, not for selling products, but this could be a good place to show the brand to the kids and their families. People have to pay for entrance.

Feria Internacional del Libro de Santiago (FILSA)	Every, from October through December, Santiago, Chile hosts the Santiago International Book Fair, which is organized by The Chilean Chamber for Books.	https://www.santiagocultura.cl/events/filsa-2022/	This fair gives opportunity to increase the awareness about new titles and concepts within the industry as it is fully dedicated to books.
Feria Infantil y Juvenil (FILIJ)	Presence of more than 100 publishing funds with the best children's and youth books. In addition to musical, theatrical and dance presentations and workshops for children and young people.	https://ferialectura.org/	This fair is not so broad as the main topic is defined to present only children and youth books. On this way, it´s easier to attract a particular audience of interest.

22. CONCLUSION

Compared to other countries of South America, Chile was the fifth biggest toy market (after Brazil, Mexico, Argentina and Colombia), which was valued at 631 million. In any case and concerning the apparel market, since 2016 it has been steadily growing, showing a promising future. In any case, and just as with footwear, what customers find most important is practicality, comfortability and special offers. Spending on furniture and household equipment has also been steadily growing since 2013, with expectancy to continue this way until 2028. This has also been the case for children's books.

Regarding marketing and online commerce, it is important to point out that YouTube usage has been growing and 89% of Chilean children use this platform, positioning itself as the Southern American country were most children use YouTube. In case of E-commerce, this type of retail has grown 23% in 2021, with 63% of Chilean population accessing this sales channel. Clothes, electronics and shoes are the most popular items to buy online, whilst toys and baby products are rather bought offline.

Chilean population also shows a high level of commitment to sustainability, in fact it was ranked the most advanced Southern American country in this aspect, and the 28th worldwide, ahead of the US. This being said, it's a country that still struggles to eliminate the gender gap. In any case, and concerning the sectors of interest, many campaigns –private and public- have been promoting gender neutral toys and clothing. Regarding the SDG, Chile ranks slightly below South Korea but ahead of the US and shows implication to their implementation.

Finally, great opportunities rest in the Chilean market, such as the fact that European products are perceived as being of high quality and sustainable, that there are reduced import taxes for European products and the importance of European culture, especially in TV shows, videogames, etc. that influence Chilean children.

ANNEX. LEGISLATIVE FRAMEWORK

- **INFANCY RELATED**
  - Decreto 14. aprueba reglamento del subsistema de protección integral a la infancia "chile crece contigo" de la ley n° 20.379
  - Decreto 542. aprueba acuerdo entre el gobierno de Chile y el fondo internacional de socorro a la infancia de las Naciones Unidas.
  - Decreto 1183. Promulga un acuerdo de cooperación técnica con el fondo de las Naciones Unidas para la infancia (Unicef).
  - Ley 21090. crea la subsecretaría de la niñez, modifica la ley n° 20.530, sobre ministerio de desarrollo social, y modifica cuerpos legales que indica.

- **TOYS**
  - Decreto 114. Aprueba el reglamento sobre seguridad de los juguetes.
  - Decreto 135. modifica decreto nº 158 de 2003, que prohíbe el uso del tolueno en juguetes y artículos de uso infantil.
  - Decreto 47. modifica decreto nº114, de 2005, reglamento sobre seguridad de los juguetes.

- **APPAREL AND FOOTWEAR**
  - Decreto 2389. dicta norma sanitaria que indica respecto a la ropa usada importada.

- **FOOD**
  - Ley nº20.606 sobre composición nutricional de los alimentos y su publicidad.
  - Decreto 38 modifica decreto supremo nº 977, de 1996, del ministerio de salud, reglamento sanitario de los alimentos.