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DESTINATION PROFILE: **CHILE**

The most prosperous country in Latin America
is home to cosmopolitan cities and natural beauty

By Marisa Zarak, GMS, and Jerry Funaro, SCRP, SGMS-T

Located in southwest South America, Chile is sandwiched between the majestic Andes and the mighty Pacific Ocean. It is a long and narrow country—more than 4,000 kilometers (2,485 miles) long with an average width of just 177 kilometers (110 miles).

Chile's climate and geography vary widely. In the north lies the Atacama Desert, the driest in the world. A perfect location for stargazing, it is also home to Chile's major copper mines. The Mediterranean climate at the center of the country is ideal for agriculture, especially vineyards. The humid south is home to volcanoes, lakes, and forests. The extreme south is nearly the proverbial end of the world. Gateway to the Antarctic, this area has a cold, continental plain steppe climate. Precipitation is moderate, and the wind is constant.

Chile was born of the same historical forces as many other South American countries. In the 1500s, Spanish conquistadors arrived and met indigenous resistance. Spain prevailed, and Chile was a Spanish colony from 1540 to 1818, when it declared its independence. The country's government undertook various republican and parliamentary forms until 1925, though major landholders and the Catholic Church remained largely in control. A presidential model then emerged and continued until 1973. Chile was under military rule from 1973 to 1990. Today, under a democratic government, Chileans elect a president and members of a two-chamber congress.

Founded in 1541, Santiago rapidly became, and remains, Chile's principal city.

Doing Business in Chile

Expats coming to Chile will find a developing country with a stable economy. The country has grown rapidly over the past few decades, and Chile is one of the safest, most secure countries in South America for national and foreign investors. International investment is among the highest in South America, and it continues to grow. The World Bank has classified Chile as a high-income country; in fact, it is the highest-income country in South America.

For years, Chile was economically isolated, and by the early 1970s it suffered from hyperinflation. The military government liberalized and deregulated the economy and opened markets. Chile signed several free trade agreements, including partnership agreements with 58 countries, representing 60% of the world's population. In 2010, following decades of economic advancement, Chile became the only South American member of the OECD.

Chile is also a member of the APEC economic forum and the Mercosur trade bloc.

Chile's economy is based on the exploitation and export of raw materials, particularly copper. The most important mining companies are located in the northern part of the country, near the port of Antofagasta. Other major exports include fruit, salmon, wine, and chemicals.

Chile's principal language is Spanish. Chileans are kind and open with foreign visitors. They are friendly people who enjoy getting together with family and friends to watch a football game or celebrate birthdays and other occasions.

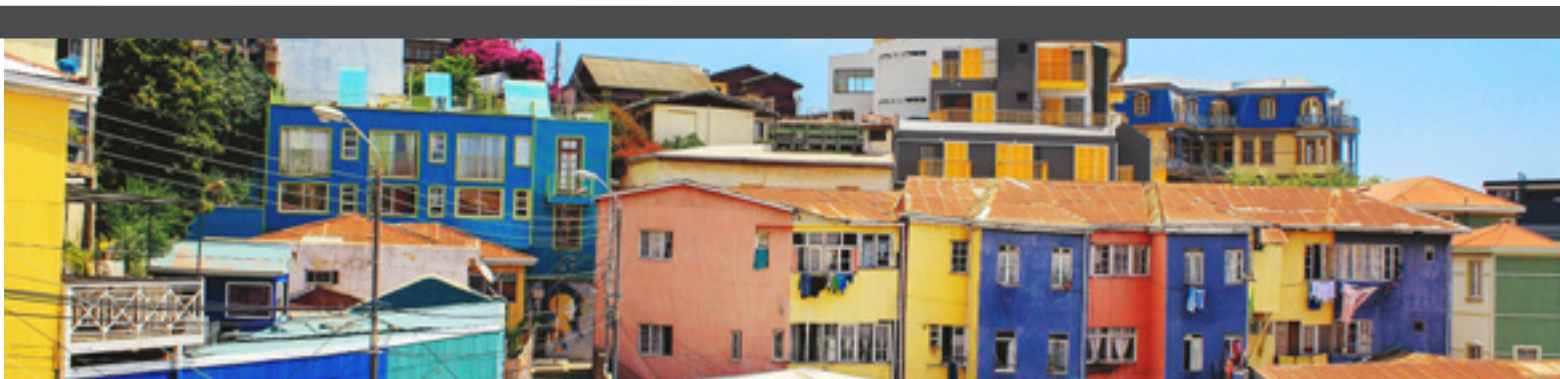
A handshake is the proper way to greet Chileans for the first time. Men who know each other well might greet each other with a hug, while women greet women and men they know well with a kiss on the right cheek.

Immigration

To work in Chile, an expat must have a work visa. The usual process is to apply at the Chilean consulate in the home country. The sponsoring company must be established in Chile, and a Chilean work contract is required. The application process can take 30 to 45 days. After arriving in Chile, expats must register with the PDI (Investigative Police of Chile) and obtain a Chilean ID, usually called RUT. Accompanying family members receive a dependent

visa, which does not allow the holder to work. Spouses and partners who intend to work in Chile must amend their visa after finding a job. Medical professionals must pass an exam before they can practice their profession.

The work visa is valid for two years and can be renewed. Expats planning to reside in Chile indefinitely can ultimately apply for permanent residency, but approval can take a year.



Housing

In Santiago, expats will find a variety of houses and apartments ranging from basic to luxurious. The most popular areas for expats in Santiago are Las Condes, Vitacura, Lo Barnechea, and Providencia. In these areas, you can find apartments and houses of different sizes and bedroom count, some with yards. The monthly rent depends on the area and size of the property. Expats generally need to work through a real estate agent to find a property. The agent receives a commission of 50% of one month's rent, plus tax.

Utilities are not included in the monthly rent; they always stay under the landlord's name, except for cable TV, internet, alarm, and electric fencing (if required). In gated communities and apartment buildings, the common charges are usually not

included in the monthly rent. Most properties come with a cooktop and oven but no other appliances, and most are unfurnished.

Agents usually require a deposit check to take the property off the market. If the expat decides not to rent the property, the agent will retain this deposit. The initial payments due include the first month's rent in advance, the security deposit (one to three months), and the real estate commission. The lease contracts are usually for one year and stated in UF (a unit of account that is adjusted for inflation).

A Chilean work contract is required in order to rent a property, and usually a guarantor is as well. If there is no guarantor, a larger security deposit might be required.



Education

In Chile you can find private, international, and public schools. Public schools are not recommended for expats. All international schools are private. They have a wider curriculum in terms of language, sports, and extracurricular activities and are more expensive than in many other countries. Private schools charge a one-time incorporation fee and annual tuition fees. Many are bilingual. Most schools in Chile begin the academic year in March and end in December.

Private schools often like to interview parents, and the children will need to take exams. Documents that might be required are birth certificates, vaccination certificates, personality and behavioral reports, and academic records. Most documents must be translated into Spanish and certified with an apostille. Uniforms are mandatory at most schools (private and public), and each school's uniform will have distinguishing emblems sewn onto it.

Health Care

Health care coverage in Chile is provided by the government and by private insurers. The national health system provides basic medical service and coverage to all levels of society. The parallel *isapres* (private system) can be rather confusing, with many different plans, some of which are aligned with specific clinics and hospitals. The cost of the *isapre* plans depends on the size of the family and the age and gender of the family members. Participants might also have to pay a top-up fee, depending on the treatment or consultation and the plan.

All workers are required to pay at least 7% of their income for health insurance. *Isapre* participants pay, on average, 9.2% of their income toward health insurance. The additional expenditure expands the benefits available and can shorten waiting times.

The quality of care is better at private clinics than in public hospitals. Clinics that can provide care in English include Clínica Alemana, Clínica Las Condes, and Clínica Universidad de los Andes. These advanced clinics have a dedicated English-speaking triage area for expats. Clients are assigned a nurse, whom they can email directly to make an appointment. These clinics also have dedicated emergency units for adults, children, and pregnant women.

Prescription medications are readily available in Chile. The marketplace is dominated by three large pharmacy chains with locations throughout the country. A doctor's prescription is needed for many drugs. Expats bringing in medication from abroad should have a letter from their doctor.

Transportation

Chile has very good highways and freeways, and Santiago's Metro system ranks as one of the most modern in the world. Taxis are clearly marked black cars with yellow roofs, and Uber and Cabify are available. Security problems are minimal, but you should always secure your belongings on the bus or Metro; rush hours can get very crowded.

Traveling by car can be necessary to get to more remote national parks. A four-wheel drive vehicle is recommended, although most roads are perfectly suitable for all types of cars.

An expat can initially drive in Chile with an international permit, but once the expat has a Chilean ID (RUT), he or she must obtain a Chilean driver's license. The expat should apply at the motor vehicle department in the municipal building of his or her home district. In addition to the Chilean ID, a diploma apostille (certified school record) is required, along with successful completion of written and practical driving tests and a medical evaluation. U.S. school records must be authenticated by a Chilean consul in the U.S. to be acceptable for official use in Chile. Drivers' tests can be taken in Spanish or English.





Finances

Chile has two types of taxes: direct and indirect. The VAT is the most important indirect tax. Currently at 19%, it is included in the price of most goods and services. Direct taxes include income taxes imposed on individuals and companies.

To open a bank account in Chile, an expat needs to have a Chilean work contract and a Chilean ID (RUT). Some banks may require additional documents. Banks are open Monday through Friday from 9 a.m. to 2 p.m. You can find ATMs in malls, supermarkets, gas stations, and drugstores.



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Unexpected Chile

Chile has an amazing array of attractions and breathtaking natural landscapes, from the seacoast to the desert, from beautiful mountains to volcanoes, lakes, and forests. It can be as cosmopolitan as Santiago, as avant-garde as Valparaiso, and as remote as the near Antarctic. Of course, as Chile is a major wine producer, vineyard regions such as Valle de Casablanca and Colchagua are not to be missed. *M*

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