

Effects of the Elections in Chile on trade and climate policy and law

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Following the elections of 2021, the leftist candidate Gabriel Boric Font assumed Chile's presidency in March 2022. The main proposals behind the campaign of President Boric were the introduction of higher taxes on the wealthy, broadening the social agenda, social justice, and combat climate change. To signal the latter, and differentiate from previous administrations, at the beginning of his mandate, President Boric signed the presidential message for the accession of Chile to the Escazú Agreement. During the ceremony, government officials pointed out that Chile's future is inevitably connected to the protection of the environment and ecosystems. Even though the Chilean Congress still needs to ratify the agreement, this is a milestone in the Chilean environmental strategy. It reinforces President Boric's position towards a new relationship between the State and its inhabitants in environmental matters, under the proposal of building a new development model that allows population to live in 'a healthy environment, develop sustainably, conserve biodiversity, stop land degradation, and adapt to climate change'. He further advocated for an agenda that would focus on mitigation of global climate and ecological crisis.

With regards to trade, President Boric declared that his economic and trade strategy will be in line with the development objectives of the country, with a focus to advance economic and trade integration with Latin America. Still, President Boric reiterated Chile's dedication in working to strengthen the multilateral trade system. At the same time, there is a strong wave to review how trade instruments may foster the proposed development model within the new administration, reinforcing their sustainable approach and the involvement of civil society.

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For this reason, the new administration will push for an agenda on trade which will be linked among else with climate change as part of ‘productive development’. This agenda should crystallized in the modernization of existing international trade agreements, a common practice in previous administrations. In the first official visit after taking the office, in Argentina, President Boric reiterated the importance of international cooperation in promoting productive development and multilateralism, by focusing, among else, on environmental protection. Hence, in our analysis it is expected that the new administration will focus on constructing a new development model where trade agreements will have stronger commitments on environmental protection.

Presently, senior Chilean trade negotiators state that the current and past administrations have sought to incorporate commitments that promote high environmental standards; comply and respect the national environmental legislation; recognize multilateral environmental agreements directly and indirectly related to trade; promote civil society participation; establish a consultation process; and present offensive cooperation objectives. When assessing Chile’s agreements social provisions, a focus on the introduction of labour provisions may be identified in previous negotiations; yet there is a steady trend of increasingly introducing stronger language on environmental protection, evolving from declarations in preambles to cooperation provisions, and to binding commitments. So, it is our conclusion that despite the anti-trade rhetoric during the electoral campaign, the new administration is very open to a ‘renewed kind’ of trade agreement.

It is worth noting that, in 2020, Chile already updated its NDCs in the context of the Paris Agreement with a significant contribution from civil society organizations. These new commitments were accompanied by the elaboration of the Law project “Climate Change Framework”, which was recently approved by the Chilean National Congress in 2022. This new Law establishes the goal of carbon neutrality and resilience for 2050. It also recognizes the principles of non-regression and progressiveness and incorporates the principles of an ecosystem approach, equity and climate justice, territoriality, transparency, and participation.

Overall, the new political landscape in Chile shaped by the civil unrest in 2019 and the newly elected President Boric, is anticipated to be more ambitious in the field of climate change and

environmental protection in general, while carefully advocating for multilateral cooperation on the intersection between trade and climate change. Still, the actions of the new administration show that negotiations on the bilateral or plurilateral level may be reinvigorated with a careful swift of focus from trade liberalization towards sustainable development commitments.