

Press Releases: Secretary Pompeo Travels to Chile, Paraguay, and Peru To Strengthen Cooperation and Shared Prosperity in the Western Hemisphere, April 11-14, 2019

Fact Sheet
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"...We are tied together, the United States, Central America, South America. We are one region. There's so much good that we can do when we work together. We can build our economies, create jobs and wealth...all across the region." – Secretary of State Michael R. Pompeo, in Panama, October 18, 2018.

Secretary Pompeo's visit to Chile, Paraguay, and Peru strengthens and reinforces U.S. cooperation with several key democracies in the Western Hemisphere. The United States remains a steady and enduring partner in the Hemisphere and works with regional allies to advance prosperity, security, and freedom. Chile, Paraguay, and Peru shine as models for successful transitions from anti-democratic regimes to stable democracies, paving the way for increased prosperity and transparency for all people. Their vibrant economies and strong institutions stand in stark contrast to the brutally repressive dictatorships in Venezuela, Nicaragua, and Cuba.

Reinforcing our Strong Relationships:

- Chile is a regional leader with an open economy, robust democratic institutions, and a strong rule of law, making it one of the most prosperous countries in the region. Chile's participation in the Visa Waiver Program, our security partnership, and our commercial relationship underscore the strong institutional and people-to-people ties that bind our two countries together.
- Paraguay will see the first visit by a U.S. Secretary of State since 1965, heralding a strengthening and reinforcement of our shared values and bilateral relationship. Paraguay and the United States share a deep partnership, and cooperate to combat transnational crime and terrorist financing in the Tri-Border Area. We applaud Paraguay for its strong

commitment to increase transparency and fight corruption.

- Peru and the United States have maintained diplomatic relations since 1826. The United States supports a strong, sovereign Peru that upholds democratic institutions, both at home and beyond its borders. We work together to build Peru's capacity to reduce the influence of transnational criminal organizations, and encourage greater investment opportunities for U.S. businesses.

Expanding Economic Prosperity:

- The U.S.-Chile Free Trade Agreement has nearly quadrupled bilateral trade since its inception in 2004. We now share a \$27 billion trade relationship, focused on fuel, oil, civilian aircraft, machinery, seafood, grapes, and blueberries. The U.S. is the largest foreign investor in Chile, with interests ranging from financial and medical services to copper and lithium mining. The U.S.-Chile Council on Science, Technology and Innovation launched in March 2018.
- The bilateral energy investment framework linked to the America Crece initiative, launched in August 2018, will increase public-private engagement and facilitate and catalyze private-sector energy and infrastructure investments in Latin America and the Caribbean.
- In 2018, Paraguay exported \$131 million in goods to the United States, with particularly strong trade in sugar, seeds, grains, machinery, and leather. At the same time, the U.S. enjoyed a \$2.2 billion goods trade surplus with Paraguay. Potential areas of increased U.S. investment include infrastructure, construction, energy, and agribusiness.
- Economic and commercial ties between the U.S. and Peru deepened after the U.S.-Peru Trade Promotion Agreement (PTPA) went into effect in 2009. This agreement eliminates tariffs and removes barriers to U.S. services, provides a secure, predictable legal framework for investors, and strengthens protection for intellectual property, workers, and the environment. Since its start, total trade between the United States and Peru has risen from almost \$9 billion to \$17.5 billion in 2018.
- The United States works closely with all three countries to reinforce standards of good governance and transparency in foreign investment.

Safeguarding International Peace and Security:

- Robust U.S.-Chile military cooperation on disaster response, peacekeeping operations, and the promotion of the role of women in peace and security makes our countries, the region, and the world more secure. In 2017, Chile concluded a 13-year mission with MINUSTAH in Haiti, during which more than 12,000 men and women deployed. Chile has trained thousands of international students at its Joint Center for Peacekeeping Training, and remains the regional leader on Women, Peace and Security initiatives.
- Paraguay is working with the United States, and with Argentina and Brazil, to combat international criminal organizations in the Tri-Border Area (TBA) that raise funds for terrorist organizations through counterfeiting, contraband, and trade-based money laundering. The U.S. Treasury has sanctioned a number of individuals, front companies, and other TBA-based entities tied to Hizballah. The U.S. government helps

- Paraguay combat complex financial crimes, including terrorism finance.
- In Paraguay, through the United States Agency for International Development (USAID), the U.S. Government supports systems for reporting acts of corruption and accessing public information. The U.S. also helps provide internal control systems that help prevent and detect corruption.
 - USAID provides technical assistance to the Public Ministry to improve its capacity to investigate and prosecute financial crimes and improve coordination with the Judiciary.
 - In Peru, the U.S. works closely with our counterparts to counter transnational criminal organizations, strengthen law enforcement cooperation and safeguard public integrity. In 2018, the Government of Peru removed an estimated 194 metric tons (MT) of export quality cocaine from the global supply and Peruvian police and armed forces interdicted 55.6 metric tons of narcotics. In 2017, the U.S. and Peru agreed to cooperate to reduce illegal mining through improved law enforcement capacity, protection of human health and the environment, increased supply chain transparency, and promotion of alternative economic development.

Promoting Democracy and Human Rights:

- As key members of the Lima Group, Chile, Paraguay and Peru recognize Juan Guaidó as Interim President of Venezuela and support democratic actors within Venezuela, exiled members of the opposition, and employ robust outreach calling on the international community to back the Venezuelan people's push to restore democracy.
- Chile and Peru together have welcomed a million Venezuelan refugees and migrants. As of April 10, the State Department and USAID have provided \$600,000 and \$13 million respectively to support humanitarian assistance efforts in those countries.
- Chile and Colombia led the creation of PROSUR, a new regional integration forum that facilitates regional cooperation in areas such as infrastructure, health, energy, combatting transnational crime, and managing natural disasters. For the first time in five years, South American heads of state gathered in Chile on March 22 for PROSUR's launch.
- Paraguay leads the defense of democracy by cutting all diplomatic ties with Venezuela, expelling the Maduro regime's ambassador and calling out Nicolás Maduro for what he is – a power-hungry tyrant.

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