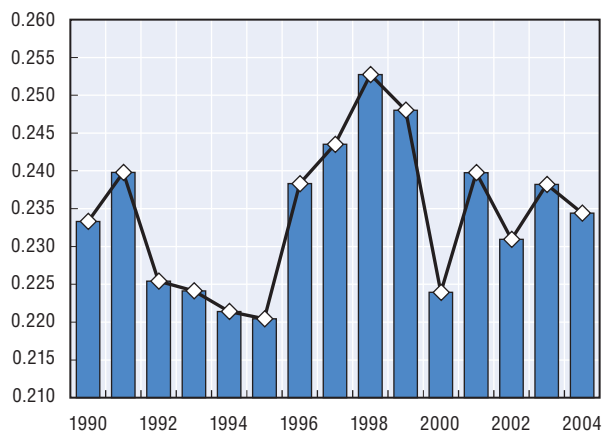


Chile

Population and territory	<ul style="list-style-type: none"> ● 16.6 million inhabitants, 756 946 km².
Administrative structure	<ul style="list-style-type: none"> ● Unitary country. ● Three-tiered sub-national system: <ul style="list-style-type: none"> ❖ TL2: 15 regions. ❖ TL3: 54 provinces, among which 6 are predominantly urban regions (50% of total population), 7 are intermediate regions (14%) and 41 are predominantly rural regions (36%). ❖ 345 municipalities.
Share of sub-national government in total spending/revenues	<ul style="list-style-type: none"> ● Spending: 13.2% (2006). ● Revenues: 8.1% (2006).
Concentration and inequalities	<ul style="list-style-type: none"> ● With nearly half of the Chilean population living in Santiago and almost 60% in Santiago and Bio-Bio, demographic concentration in Chile (61) is almost twice the OECD average (32), only surpassed by Iceland. However, the past 20 years have seen a move towards de-concentration and a decline in the geographic index of concentration by 3 percentage points. ● Santiago alone produces almost half (47.2%) of the national GDP. Territorial inequalities in GDP per capita among TL2 regions are the fourth highest in Chile and the second highest among TL3 regions in comparison to OECD countries. ● Although inequality has declined over the period 1998-2004, a longer time period reveals significant upward and downward movements in the Gini coefficient.
Key challenges	<ul style="list-style-type: none"> ● Regional disparities. ● Dependence on a few sectors in limited regions.
Objectives of regional policy	<ul style="list-style-type: none"> ● Regional competitiveness. ● Greater equity. ● Stronger democracy
Legal/institutional framework for regional policy	<ul style="list-style-type: none"> ● Regional development strategies. ● Regional Agendas for Productive Development.
Urban policy framework	–
Rural policy framework	<ul style="list-style-type: none"> ● Strategy for Territorial Economic Development for 2006-10.
Major regional policy tools	<ul style="list-style-type: none"> ● Planning agreements (<i>acuerdos de programación</i>). ● National Fund for Regional Development. ● Competitiveness Innovation Fund. ● National Innovation Strategy (2007).
Policy co-ordination at central level	<ul style="list-style-type: none"> ● Co-ordination by Sub-secretariat for Regional and Administrative Development (Subdere). ● Territorial Management Programme. ● Integrated Territorial Programme.
Multi-level governance between national and sub-national levels	<ul style="list-style-type: none"> ● Planning agreements. ● Regional Development Agency. ● Territorial Management Programme.
Policy co-ordination at regional level (cross-sectoral)	<ul style="list-style-type: none"> ● Regional Development Agency. ● Regional government. ● Territorial Management Programme.
Policy co-ordination at regional level (geographic)	<ul style="list-style-type: none"> ● Regional government.
Evaluation and monitoring	<ul style="list-style-type: none"> ● Management Improvement Programme (PMG). ● National System of Municipal Indicators.
Future orientations of regional policy	<ul style="list-style-type: none"> ● Decentralisation (recently approved constitutional reform on regional government including the direct election of regional councils).

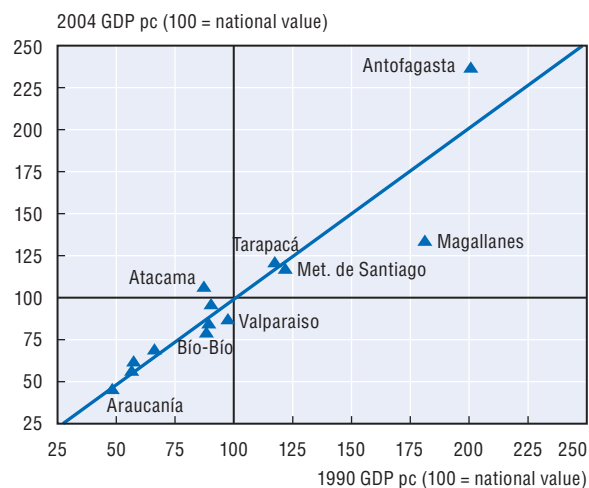
Gini index of inequality of GDP per capita across TL2 regions, 1990-2004

Chile (TL2)

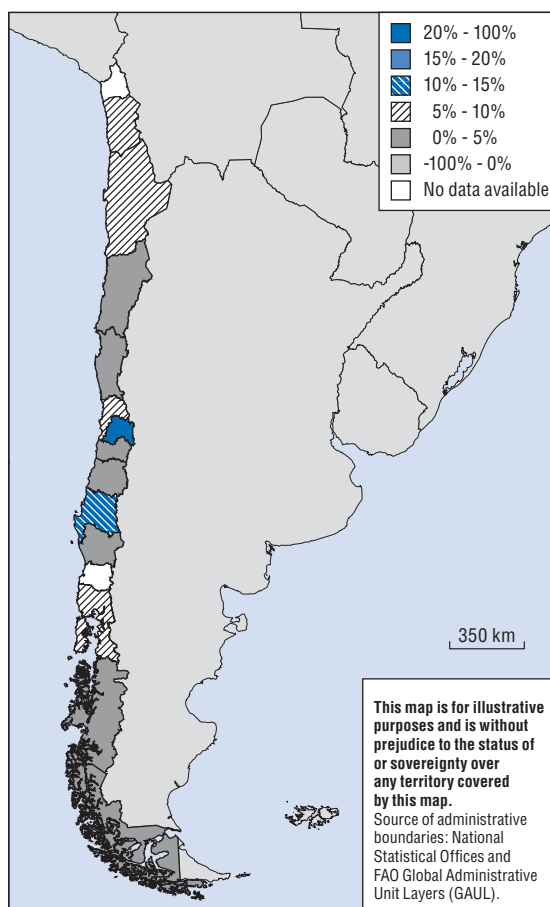


Regional performance in GDP per capita over time, 1990 and 2004

Chile (TL2)



Regional contribution (%) to national GDP growth, 1996-2007



Source: Calculations based on OECD Regional Database (2009).

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