

CHILE, A LEADER IN ARTIFICIAL INTELLIGENCE IN LATAM





Opportunities in an emerging sector

Chile, a digital nation

In recent years, Chile has consolidated its position as a key digital hub in Latin America, offering a competitive environment for companies in the technology sector. Driving innovation and economic growth, Chilean exports of telecommunications, IT services, R&D, and business services reached US\$3.8 billion in 2023, representing average growth of 6.1% over the past five years. All signs point to this solid performance continuing, driven by strong demand for digital solutions in areas such as cloud computing, artificial intelligence, and advanced analytics.

Over the last five years, the technology sector has become the largest industry in InvestChile's portfolio in terms of the number of projects. This increased interest is reflected in the figures: in 2017, InvestChile's portfolio included only 25 technology projects, valued at US\$1.5 billion.

Currently, InvestChile manages a diverse portfolio with over 191 technology projects spanning various stages of development, from market exploration to those nearing implementation. Driven by US\$5.9 billion in investment, these projects address challenges in fields such as artificial intelligence, cloud services, and cybersecurity. This figure represents a remarkable 400% increase in the volume of projects in recent years, demonstrating both the high level of interest from companies in this sector and Chile's commitment to fostering optimal conditions for technological innovation.

The country is now aiming to consolidate its position as a leader in artificial intelligence development in Latin America, leveraging characteristics that support the advancement of this technology and the implementation of a pioneering National Artificial Intelligence Policy, which was updated in 2024.

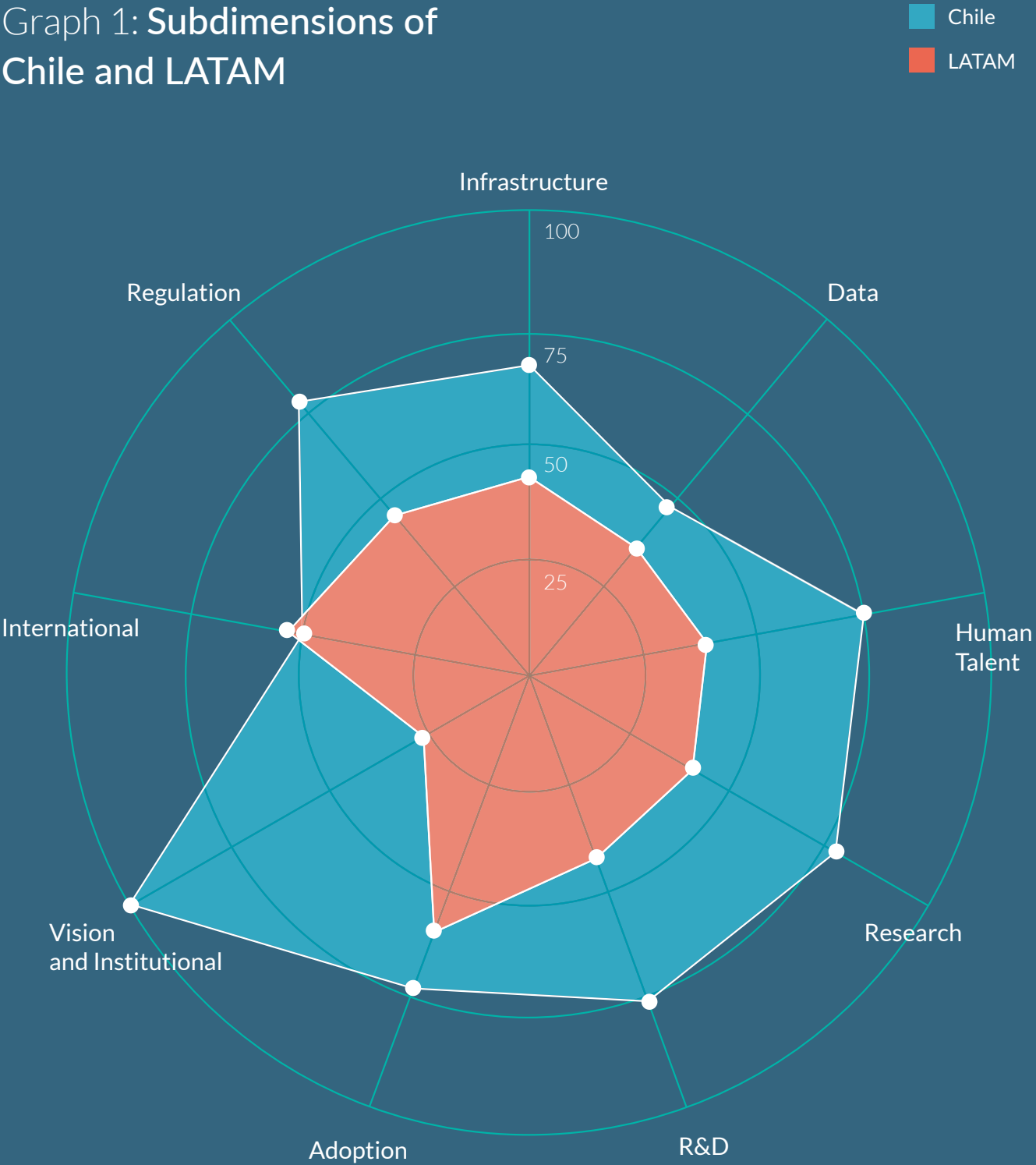
AI in Chile: Regional leader

According to the Latin American Artificial Intelligence Index, compiled by Chile’s National Center for Artificial Intelligence (CENIA) in 2024 with support from Google, AWS, Microsoft, Hub APTA, the IDB, CAF, Chile’s National Agency for Research and Development (ANID), and technical assistance from UNESCO, the OAS, and the Stanford Institute for Human-Centered Artificial Intelligence (HAI), Chile leads the region in terms of AI readiness. The study evaluated 19 countries in the region, measuring each nation’s preparedness for this technology.

Despite the challenges that Chile continues to face, the index positions the country as a regional benchmark for several reasons: connectivity, advanced academic programs, computer science graduates, a mature scientific ecosystem, and a robust national AI strategy.



Graph 1: Subdimensions of Chile and LATAM



Source: Latin American Artificial Intelligence Index, CENIA 2024, www.indicelatam.cl

“Chile is achieving a high level of artificial intelligence adoption, with 47% of its companies implementing this technology”

IDC Investment Trends 2024 report



“Chile is achieving a high level of artificial intelligence adoption, with 47% of its companies implementing this technology,” according to the IDC Investment Trends 2024 report. The report also notes that “one quarter of companies in Chile (25.1%) expect to join this trend within the next two years.” According to the publication, the Chilean AI market reached US\$447 million in 2023, driven primarily by the implementation of digital customer service assistants. All indications suggest that this trend will maintain its positive trajectory. The report highlights that “among the IT priorities of organizations in Chile, 17.8% are planning to modernize and adopt more generative artificial intelligence initiatives, compared to 13.6% in Latin America on average.”

At the regional level, the AI market exceeded US\$5.6 billion in 2023, with digital assistants and fraud research and analysis being the main use cases.

Why develop AI in Chile?

- Chile has implemented a National Artificial Intelligence Policy which was updated in 2024, positioning it as a regional leader in the field.
- The country serves as a regional hub for technological infrastructure, with the highest internet speed in Latin America and ongoing 5G deployment.
- Chile has high data availability.
- The country exceeds the regional average in training AI professionals, offering university programs included in the top 500 QS rankings, a significant number of computer science graduates, and a tech-savvy workforce. It also scores highly in terms of advanced human capital.
- Chile is among the leading countries in Latin America for AI research, with numerous publications, researchers, and specialized centers, in addition to high productivity and impacts.
- AI adoption in the private and public sectors, and government support for research and development, exceed regional averages. The use of artificial intelligence in the public sector has been regulated since January 1, 2024. A survey identified 101 algorithm applications in the public sector, of which 42.6% report integrating AI into their operations.
- AI adoption by businesses is driving growth across the entire system. 24% of microenterprises, 29% of SMEs, and 34% of large companies in Chile are using AI. According to the latest survey, one-third of science and technology companies state that they are using AI-related technologies.
- Chile has 20 supercomputers located in universities, including:
 - Universidad de Chile's National High-Performance Computing Laboratory (NLHPC), with two supercomputers; Guacolda, with 2,596 computing nuclei; and Leftraru Epu, with 7,360 computing nuclei.
 - Since 2022, the National Center for Artificial Intelligence (CENIA) has been investing in computing capacity, with three servers as of the present date: Llaima, Lascar, and Peteroa (Rano Kau, Universidad Católica's server is also available), which have 1,024 CPU nuclei and 32 GPU NVIDIA.
- Chile participates in international standards on AI through the OECD, the UN, and other regional and global organizations.



Technological infrastructure hub

Chile's stability, robust telecommunications infrastructure, and competitive renewable energy offering have positioned it as an outstanding destination for data center installations. From colocation giants to leading cloud service providers, numerous players are establishing their data centers in the country, drawn by a value proposition that includes the opportunity to serve the rest of the region.

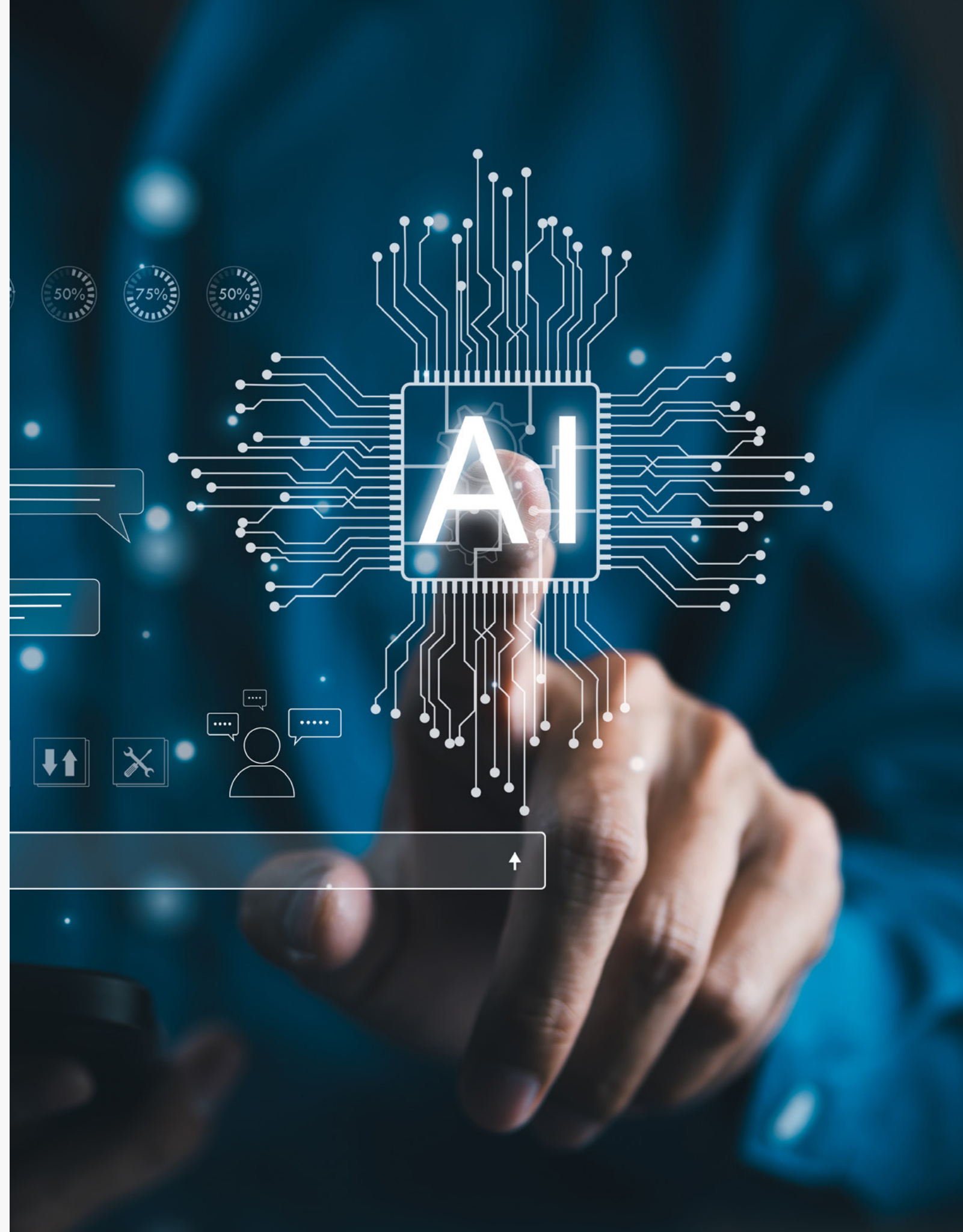
According to data from consulting firm Colliers, installed capacity has consistently grown over the last 10 years. While in 2013, data centers in Chile had a combined capacity of only 35 megawatts (MW), in just five years, that figure more than doubled to 82.3 MW. As of the present date, the capacity of data centers in Chile has reached 193 MW, a 451% increase over the last decade.

Similarly, according to the consultancy firm, the industry has seen significant increases in the land area used for these developments. Over the past 10 years, this grew from about 50,000 m² to 350,000 m² in 2023, representing a 600% increase in the last decade.

Currently, InvestChile is supporting 26 data center projects, with a value of US\$4.06 billion.

AI research

Chile has committed approximately US\$116 million for the next decade to fund research and development related to AI. This includes funding for research, scientific innovation, entrepreneurship, and technology transfer through universities, research centers, and science and technology companies in the field. Notable institutions in this area include the National Center for Artificial Intelligence (CENIA), the Futures of Artificial Intelligence Research (FAIR) Millennium Nucleus, and the continuation of well-established institutions such as the Center for Mathematical Modeling and the Millennium Institute for Foundational Research on Data (IMFD), which contribute to the development of this new technology in Chile through various disciplines. Additionally, funds have been allocated to promote AI research and innovation for new technology startups, infrastructure acquisition, and developments in AI and healthcare.



Supercomputing, growing demand

The demand for computing is steadily increasing. The Northern Hemisphere has vast computing capacity, enabling explosive AI development, that is typically not found in Latin America. To develop AI-based solutions, high-performance computing (HPC) infrastructure is required to process large volumes of data.

Chile has made significant advances in the area of supercomputing. The government has funded 20 supercomputers at universities over the past decade, with an investment exceeding US\$6 million. Some key developments in Chile include Universidad de Chile's National High-Performance Computing Laboratory (NLHPC), which houses two supercomputers: Guacolda, with 2,596 computing nuclei; and Leftrarú Epu, with 7,360 computing nuclei. Since 2022, the National Center for Artificial Intelligence (CENIA) has been investing in computing capacity, with three servers as of the present date: Llaima, Lascar, Rano Kau, and Peteroa which have 1,024 CPU nuclei and 32 GPU NVIDIA. Other universities in the country also have installed capacities for specific processes and applications, such as astrophysics (Universidad de Chile), biomedicine (Universidad del Desarrollo), and molecular genetics (Pontificia Universidad Católica de Chile), among others.

Finally, Universidad de Tarapacá will invest US\$10 million in supercomputing infrastructure for AI. This investment is intended to train large models with data relevant to Latin America.

Regarding the users of supercomputers for AI, there is explosive demand from startups, academia, and the public sector, with the financial issue of access to technology being the main obstacle for entrepreneurs and researchers. There has been a 66% increase in funding for AI-based startups between 2021 and 2023, growing from 50 companies in 2016 to nearly 600 in 2023. There has also been an exponential increase in research since 2016, both in the number of researchers and the number of published papers. Currently, there are approximately 3,700 Chilean researchers working in the AI field.

Finally, Chile has a significant advantage due to its access to various energy sources, many of which are renewable. This is crucial for the operation of an HPC center, as these centers require substantial energy consumption to power servers and maintain efficient cooling systems.

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Digital talent

Chile has defined AI as a priority area for postgraduate education. This has resulted in over 90 postgraduate scholarships in the last two years. Chile is also home to the first PhD program in AI in Latin America. This initiative is organized by a consortium of four universities: Universidad del Bío-Bío, Universidad de Concepción, Universidad Técnica Federico Santa María, and UCSC. The first group of students is already in their first year of the program.

Additionally, the Ministry of Science is promoting an agenda for the creation of AI-related job profiles, in collaboration with the ChileValora scheme, enabling the certification of both public and private-sector workers in the use and training of AI tools.

Institutional framework National Artificial Intelligence Policy

Chile's National Artificial Intelligence Policy, which was updated in 2024, focuses on positioning the country as a leader in technological transformation, promoting sustainable and equitable development through artificial intelligence (AI). This policy is structured around three main pillars: enabling factors, development and adoption, and governance and ethics. The policy focuses on the development of talent, technological infrastructure, and data management, in addition to promoting research, development, and innovation (R&D&I) in AI. It also addresses AI regulation and ethical use, promotes international cooperation and social inclusion, and emphasizes the positive impact of AI on the environment and economic development.

AI Action Plan

An ambitious AI Action Plan has been derived from this policy, with 14 ministries committing to advance on 177 initiatives. Over 30 of these initiatives are already being implemented, and more than 100 are scheduled for implementation by 2026. Specific deadlines have been set for each action, including biannual deadlines for efficient monitoring.

National Data Center Plan (2024-2030)

The National Data Center Plan (PDATA) provides guidelines and measures to create favorable conditions for data center investment in Chile, ensuring that the industry's growth is sustainable in terms of energy and water consumption. This is supported through agreements between the public and private sectors, focusing on the deployment of infrastructure dedicated to artificial intelligence training.

This plan is structured over a six-year period, with strategic objectives broken down into measures implemented by relevant institutions, which define their commitments, goals, and sector-specific actions. The design and implementation of this plan are collaborative and interministerial processes.

InvestChile

Foreign Investment Promotion Agency

InvestChile, the Foreign Investment Promotion Agency, promotes the country as a destination for foreign direct investment (FDI) and a Latin American hub for global business, serving as a bridge between the interests of overseas investors and the business opportunities available by providing free, tailor-made services to facilitate and grow investment in Chile.

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International Recognition
Hubspot Success story

2020



Best Investment Promotion
Agency in South America

2019, 2020, 2021 y 2022



International Business
Magazine Award Winner

2019

WEB AWARDS
2017

Government Standard
of Excellence

Government Standard of
Excellence WEB AWARDS

2017

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Knowledge and Information

- FDI statistics and business opportunities
- Market highlights
- Legal and tax advice
- Information on set-up costs
- Portfolios of public projects and tenders

LANDING

Guidance and Access

- Expert sector advice in different languages
- Legal advice on setting up
- Contact with key stakeholders and site visits
- Assistance in applying for incentives & government programs
- Incorporation into the Support Network for projects outside the Santiago Metropolitan Region

**AT EVERY
STAGE**

Free specialist services

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Promotion and Advice

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- Agendas for investor delegations
- Investment roadshows, conferences and workshops
- Investment incentives and special programs

**REINVESTMENT
IN COMPANIES**

Ongoing Support

- Help with project development for established businesses
- Investment environment and climate management (Policy Advocacy)
- Free e-Consulting to resolve your concerns
- Support for obtaining an Investor Visa
- Follow-up with unexpected events and management with public agencies
- Media management
- Advice on value-added & sustainable development initiatives
- Contact with public and private partners to foster synergies and cooperation