GSMA

# **Chile 2030:** Policies for the Digital (R)evolution

August 2025

GSMA

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# Chile 2030: Policies for the Digital (R)evolution

In the last few years, Chile has managed to become one of the leading countries in digitalization in Latin America. This has been possible partly because of a sustained investment policy by the telecommunications sector, which has enabled it to provide 4G coverage to 98% of the population and surpass 23 million mobile internet connections. Over 6 million of these connections are 5G, making Chile a leading country in 5G deployment in the region[1].

To maintain and further these achievements, it is essential for the government to recognize the telecommunications sector as an essential service provider, a pillar of any national development strategy, whose sustainability and investment capacity are fundamental to the country's economic and social progress. Mobile connectivity, in particular, is the most effective tool for democratizing access to the opportunities of the digital world. Its ripple effect has an impact on productivity, economic development, social inclusion, education, healthcare, financial inclusion and sustainability, to name a few.

The GSMA —a global association representing mobile operators and companies in the digital ecosystem— outlines its vision on how to expand and consolidate an enabling environment for Chile to stay at the forefront of digitalization. In this context, decision makers are encouraged to consider the regulatory framework and current situation of the telecommunications market, with the purpose of promoting public policies that enable a financially sustainable industry, capable of developing and strengthening the infrastructure needed for progress.

**1** According to official numbers as of March 2025.

## Public policy that incentivizes investment will allow progress toward the digital future.

This document provides a roadmap based on four **strategic pillars** to recover the industry's financial sustainability and position it as a driver of national development.

1. **Implementing a new regulatory vision in line with the reality of the industry to ensure Chile's digital (r)evolution.**
2. **Establishing spectrum policies that keep what works and advance strategic objectives.**
3. **Enabling a swift and efficient digital infrastructure deployment.**
4. **Enabling an ethical and sustainable ecosystem of purposeful innovation.**

Digitalization is not a given, but a result of informed, coordinated and consistent decisions. To move toward that future, it is fundamental for telecommunications networks to be modern, robust and accessible to all. Achieving this involves designing policies that promote investment and respond to the sector's current context. This digital agenda is meant to serve as a tool for new authorities to drive an inclusive, competitive and resilient digital ecosystem that is capable of responding to current challenges and building a better future for Chileans.

# Recipe for leadership: Connectivity as a State policy

Chile has been able to create an environment that promotes investment, competition and access to quality services. **But the situation in the industry has changed and, in order to follow down this path, public policy linked to the sector needs to adapt to this new reality. Keeping what works and revising outdated aspects is necessary to create policies that provide legal certainty for investment, enable a forward-looking business vision, and support the sustainability of the industry.**

Clear rules and long-term processes, particularly regarding the spectrum, have driven competition and the deployment of networks that have allowed operators to provide a wide variety of affordable services with industry-leading quality standards in the region, thus promoting innovation and improving end user experience.

At the same time, the public sector has played a targeted and complementary role that has helped close the coverage gap, especially in rural and isolated areas. An example of this is the Telecommunications Development Fund (FDT, by its Spanish acronym)[2]. Co-funded by public resources, it has helped to bring connectivity to areas where complementary efforts to private initiatives are needed, thanks to its collaborative, technical and long-term approach.

**2** The FDT can also serve as an example of good practice that can lose its effectiveness if it fails to adapt to the current situation. It is time to reconsider the obligations imposed on operators to implement projects in remote areas, take into account the high costs associated and create incentives and exemptions for their execution.

## Reconsidering the regulatory framework and adapting it to current challenges to reposition Chile as a digital leader.

Chile's spectrum policy, focused on allocations with service expansion obligations and no revenue purposes, has been a key element for the development of mobile networks in a country with complex orography. To sustain the achieved development, it is necessary to strengthen the conditions of legal certainty and stability. In this regard, keeping 30-year award terms and taking a non-revenue-driven approach to spectrum allocations is essential to fostering long-term investment.

In short, Chile's regulatory framework provides for aspects that have been very important to achieving the country's current level of leadership in networks and services. **A challenge for the future is not to reinvent what already works, but rather to identify the aspects that need to be revised and adapt them to the industry's current situation and to the challenges of digital expansion. A balanced approach that assesses the financial and technical impact of any new rules and promotes regulatory simplification will be vital to maintaining competitiveness in the sector and regional leadership.**

# Public policies and regulations that align with and support reality

Chile is at a crossroads in its advanced digitalization process. In a context of increasing demand for connectivity and new technologies like artificial intelligence and cloud computing, the main challenge is to ensure the sustainability of investment and infrastructure. **This is essential for consolidating the progress and continuing strengthening the networks that support digitalization.**

Global mobile network traffic has increased fifteenfold in the last 7 years[3]. In Chile, according to data from the Department of Telecommunications (SUBTEL, by its Spanish abbreviation)[4], accumulated mobile traffic from January to September 2024 stood at 4.86 EB, with an annual growth of 9.2%. Mobile traffic per connection amounted to 23.5 GB, making Chile one of the countries with the heaviest data use in the region and around the world.

With the **accelerated increase in mobile traffic**, driven by increasingly data-intensive applications such as streaming services and social networks, higher levels of investment will be required from operators, both to increase the capacity of mobile networks and to ensure the expansion of next-generation networks. Operators will need more spectrum under conditions aligned with market realities in order to deploy new technologies with higher spectral efficiency and densify radio access networks (RANs).

At present, the digital ecosystem is composed of several links in the connectivity value chain. However, regulatory frameworks show a significant imbalance in the regulatory burden placed on these actors.

**3** Mobile network usage in Latin America, GSMA, 2024.
**4** Cifras del reporte del Sector Telecomunicaciones Tercer Trimestre 2024, SUBTEL, 2024.

## Una agenda digital con visión estratégica a futuro promoverá la inversión y sostenibilidad.

Regarding digital inclusion, progress so far has been significant when it comes to coverage, but the current challenge is to promote the adoption and actual use of the internet by the people already covered. In 2024, 25% of the population was part of the so-called "usage gap". This means that, despite having mobile coverage, these people did not access the internet due to other barriers, including lack of digital skills, affordability of devices and concerns related to online safety[5]. A challenge for the next government will be to develop an enabling public policy framework that boosts the demand for internet services among those who do not use them yet.

In this context, it is crucial to keep in mind that the public policies that have enabled Chile to position itself as a regional leader are based on stability, with a technical focus and a limited but strategic regulatory intervention. Replicating such an approach and adapting it to current challenges may be more effective than overregulating, which does not necessarily translate into better outcomes. In fact, overregulation increases operational, financial and regulatory costs, which diverts resources that could be allocated to more and better services and infrastructure.

**The potential positive impact of public policies aligned with the industry's reality and the importance of connectivity for the country is exponential. Chile has an opportunity to adopt a new strategic long-term vision, based on clear and future-proof rules, that ensures the financial sustainability of the industry and encourages investment and public-private cooperation. Only then will Chile be able to maintain its leadership and seize the opportunities of the new technological era.**

**The mobile industry provides the following 4 main axes and 11 specific recommendations to boost the telecommunications sector and ensure its role as a driver of the country's economic and social development.**

New regulatory vision | Spectrum policy | Digital infrastructure | Ethical & sustainable innovation

**5** The Mobile Economy Latin America 2024, GSMA, 2024.

01.

# Implementing a new regulatory vision in line with the reality of the industry to ensure Chile's digital (r)evolution

The current digital ecosystem —driven by technologies like artificial intelligence, cloud computing and service convergence— should be governed by a regulatory framework that stimulates investment, promotes technological development, provides legal certainty and aligns with the industry's challenges and realities. Chile needs to move toward a modern, flexible and practical regulation.

**A modern and flexible regulation will provide greater security and certainty for operators.**

## Recommendations:

1. **Adapting regulation to the new reality of digital transformation.** The first step is to assess the applicable regulation, based on the industry's current situation and the long-term viability of investment. The characteristics of the digital market require a different approach and a revision of competition policies to create the proper conditions for the development of the sector.

   With regard to specific regulation, there is a need to repeal what is now obsolete and update the rules to reflect reality. Today, multiple analogous services are offered by several actors governed by imbalanced regulatory frameworks. Services that fulfill the same function for end users should be evaluated under the same criteria, promoting deregulation, simplification, and avoiding distortions.

   In this sense, the regulatory burden associated with reporting should also be considered. It is important to revise the current reporting requirements, including reporting frequency, to ensure that the information shared adds value to the digital ecosystem and enables proper monitoring of the industry's development and evolution, without imposing an excessive burden.

2. **Strengthening institutional capacity for an expanding digital ecosystem.** SUBTEL's current institutional structure and the applicable regulation pose questions about the scope of its jurisdiction. It is imperative to strengthen its autonomy and capacities, both regulatory and technical, allowing for its evolution into an entity with jurisdiction over the entire digital ecosystem. This will ensure a fair, modern and consistent supervision of the technological transformation.

   Additionally, the presence of bodies with related powers may present challenges for regulatory coordination, which sometimes translates into uncertainty for the industry about the application of rules. It has become increasingly necessary to strengthen coordination mechanisms, ensuring the lex specialis principle and promoting an environment of greater legal certainty.

**Sustainable network development will only be possible with new infrastructure investment schemes.**

3. **Promoting an efficient network usage through a framework that enables free negotiation between telecommunications operators and Large Traffic Generators (LTGs).** A recent analysis shows that only 4 companies generate almost 60% of download traffic in Chile[6]; while up to 30% of this traffic may not be solicited by end users —such as ads or auto-play videos—, it can be monetized by these companies. Considering that the growing volume of mobile traffic is a factor that increases both the operational costs and capital requirements of networks[7], it is imperative to have mechanisms in place to stimulate an efficient network usage by LTGs. This requires revising the conditions under which digital ecosystem actors operate, especially LTGs, who benefit from networks without contributing to their sustainability.

   It is essential to promote free negotiation mechanisms between operators and LTGs in order to enable a balanced and sustainable network development. An ecosystem where only a few actors bear the structural costs and there are no incentives to use networks efficiently is not viable or fair, and it jeopardizes the future quality and availability of services for end users[8].

**6** Mobile network usage in Latin America, GSMA, 2024.
**7** Large traffic generators and network usage: myths and realities, GSMA, 2025.
**8** Ibid.

02.

# Establishing spectrum policies that keep what works and advance strategic objectives.

The radio spectrum is an essential resource for the development of mobile telecommunications and, by extension, digital transformation, the progress of Internet of Things (IoT) and the adoption of new technologies.

Since the spectrum is a very economically relevant supply for operators — both due its relative burden on the cost structure and investment decisions and its impact on service quality and expansion—, any change in its availability or usage conditions may severely affect the viability of the sector. In this **context, ensuring timely, efficient and cost-effective access to the spectrum** must remain a priority for Chile's public policy.

## Designing a spectrum policy that maximizes Chile's socio-economic development.

### Recommendations:

4. **Enabling access to the new spectrum required by the industry under reasonable and foreseeable conditions, avoiding a revenue-focused approach.** It is indispensable to ensure the availability of sufficient spectrum in a timely manner for the market. It is also important to simplify and reduce the administrative and economic requirements associated with acquiring and using it. Allocation mechanisms should promote investment and remove unnecessary barriers, prioritizing the socio-economic welfare derived from access to digitalization over short-term revenue-oriented purposes.

   Establishing a sufficiently long validity for spectrum licenses is also key to supporting the long-term investment required for network deployment. Any change shortening their validity would not only be a step backward in an area where Chile is now a regional example, but would also harm the investment environment.

5. **Finalizing the decision on the upper 6 GHz band. Mid-bands are essential for the development of 5G networks, as they provide an ideal balance between coverage and capacity.** According to the International Telecommunication Union (ITU)[9], mobile networks will need, on average, 2 GHz of mid-band spectrum per country by 2030 to support the expected growth in data demand. The 6 GHz band is a vital component to reaching this amount.

   In the short term, Chile needs to finalize the process that began in 2022 and allocate the 6425-7125 MHz frequency range to mobile services. Failure to make 2 GHz of spectrum available could result in the need for more base stations, reduced mobile service speeds, higher 5G prices, and fewer potential economic benefits. In Latin America, these benefits are estimated to generate an economic contribution of USD 3.225 billion[10].

**9** Estimating the mid-band spectrum needs in the 2025-2030 time frame, GSMA, 2021.
**10** 6 puntos clave sobre la banda de 6 GHz, GSMA, 2024.

6. **Simplifying the rule on Electromagnetic Radiation Emission from Telecommunication Services.** The new rule on Electromagnetic Radiation Emission from Telecommunications Services proposed by the Ministry of Environment imposes excessive requirements that are not only unnecessary from a technical viewpoint but also create additional operational and regulatory costs with no clear benefits.

   Companies in the sector already comply with the strictest health standards and safety rules approved by international entities such as the World Health Organization (WHO). Regarding 5G safety, recent studies —developed jointly by academic organizations, scientific bodies, governments and health agencies— show that measurements of 5G networks operating across all continents are low and remain well below international safety limits[11].

**11** 5G RF-EMF Surveys, GSMA, 2024.

# 03.

# Enabling a swift and efficient digital infrastructure deployment.

Supporting and boosting Chile's digital transformation requires the adoption of a regulatory framework that favors investment and reduces the barriers to infrastructure deployment. A nation cannot enjoy fast, innovative and widely accessible digital services without a solid base of antennas and mobile sites.

## Recommendations:

7. **Streamlining the deployment of infrastructure through a simplified and efficient regulatory framework.** Obsolete regulations that impose an excessive burden on the industry should be repealed so that companies can strengthen, update and expand digital infrastructure.

   Territorial and administrative barriers continue to be one of the main bottlenecks for network deployment. The current Antennas Law[12] contains outdated requirements and, in some cases, proposals have been put forward that toughen the requirements even for installations in rural areas, where simplified procedures had existed previously. This goes against achieving a more inclusive connectivity.

   Similarly, excessively long response times in processing administrative authorizations unjustifiably delay the timelines for infrastructure deployment.

   Finally, infrastructure development and deployment should be prioritized over regulatory overload. Imposing stricter requirements related to energy autonomy and transmission route backup threatens the ability to invest in networks. Authorities should recognize telecommunications companies as essential service providers, and treat them accordingly. This means protecting their infrastructure, like cables and antennas, against vandalism or accidents, and adopting a flexible and cooperative approach —instead of imposing penalties— to maintenance or replenishment tasks, especially in remote areas. Only then, and under a collaborative framework, will it be possible to respond more effectively, especially during emergencies and disasters.

   In summary, the country needs a flexible regulatory framework that is consistent with its coverage challenges and aligned with digital policy objectives.

12 The Antennas Law (Laws N.º 20 599 and 20 643), in effect since 2012, makes the deployment of telecommunications infrastructure difficult, as it is outdated, excessively bureaucratic and stricter than regulations in other OECD's member countries. Permit processing times are slow, with average delays of 14 months. In addition, this Law allows for citizen opposition and lacks a centralized land registry, resulting in high costs and inefficiencies.

**Reducing administrative barriers and requirements will promote the deployment of infrastructure, driving the enhancement of digital services.**

8. **Recognizing service quality as a competitive attribute.** Informed users and transparency regarding the available services are the best tools to boost competition in service quality.

The timely availability of a sufficient amount of spectrum under reasonable conditions and a seamless deployment —without bureaucratic barriers and excessive regulatory costs— will result in a more efficient use of resources for investment. This, in turn, will translate into an improvement of user experience and service quality will become a competitive attribute among service providers[13]. Users need to be able to choose among the different available alternatives.

At the same time, the evolution of mobile technology in the last few years and, in particular, the deployment of 5G highlight the need to update and loosen net neutrality regulations. This is fundamental to ensure there are no regulatory constraints on the development of innovative solutions and services that adapt the delivered capacity to the specific type of service required by the customer.

**13** Service quality is included in the Telecommunications Services Regulation (Decree 18 of 2014). Providers are required to disclose and include in their service agreements the basic service conditions and quality indicators. According to SUBTEL's Exempt Resolution N.º 1490, operators are also required to report periodically to the Department on compliance with indicators (successfully initiated calls and successfully ended calls), through a geographical breakdown.

04.

# Enabling an ethical and sustainable ecosystem of purposeful innovation.

Digital infrastructure is a structural component of the economy and essential services. Today, the telecommunications sector is not only a technology enabler, **but a strategic actor with a cross-cutting impact on inclusion, productivity and sustainability.** In this vital role, creating an environment that promotes an ethical and responsible adoption of technologies such as artificial intelligence (AI) becomes a priority. At the same time, citizens should be educated about online safety, and the environmental sustainability of the digital ecosystem should be encouraged.

Both AI and accelerated digitalization place new demands on networks, energy consumption and data protection. This requires clear and flexible rules, ongoing investment and public policies aligned with environmental, social and governance (ESG) criteria. Chile has an opportunity to position itself as a regional example, provided it manages to combine technological innovation with responsible development.

**A forward-looking framework will strengthen telecommunications as a key catalyst for responsible, ethical, and innovative technological development.**

## Recommendations:

9. **Supporting the telecommunications industry to boost artificial intelligence.** The telecommunications sector furthers the development and use of AI, both technologically —through network connectivity, datacenters and cloud capacity— and by enabling access to it. The sector itself already uses AI to optimize networks, automate services and enable a more efficient resource management. Promoting the transformation of AI for the benefit of society and the economy requires flexible rules, common ethical principles and public-private collaboration that ensures responsible innovation, development and usage.

10. **Promoting policies that enable the adoption of renewable energy by the sector.** Operators in Chile have already shown they are at the forefront when it comes to the use of clean energy, including solutions in rural areas and more efficient urban systems. The authorities have the power to facilitate this transition by stimulating green investment and adopting regulatory frameworks that recognize the sector's contribution to climate goals.

11. **Fostering energy efficiency as a pillar of digital sustainability.** Emissions from operators in the region fell 30% between 2019 and 2022 despite a sharp increase in data traffic, thanks to progress on energy efficiency and renewable energy. Moreover, during that time, electricity use per connection fell by 4%, while the energy needed to transmit a byte of data fell by 50%[14] [15].

It is key to reinforce these trends through policy that promotes the use of lower-consumption technologies and sustainable operational practices without slowing down network expansion or compromising service affordability. More importantly, it should be a priority to recognize telecommunications companies as "free customers," with the understanding that this category would allow them to negotiate power supply conditions directly with energy companies, dispensing with the regulated tariff regime and thus achieving potentially more efficient and competitive conditions.

**The State and the private sector should commit to building an innovative, ethical and sustainable digital future. Doing so requires vision, coordination and an enabling framework to ensure that future opportunities benefit all of the Chilean population.The mobile industry can become a strategic ally for the digital (r)evolution.**

**14** Mobile Net Zero: Latin America, GSMA, 2024.
**15** The Mobile Economy Latin America 2025, GSMA, 2025.

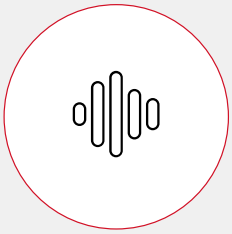
# Summary of recommendations for the digital (r)evolution in **Chile**

## New regulatory vision

**1.** Adapting regulation to the new reality of digital transformation.

**2.** Strengthening institutional capacity for an expanding digital ecosystem.

**3.** Promoting an efficient network usage through a framework that enables free negotiation between telecommunications operators and Large Traffic Generators (LTGs).



## Spectrum policy

**4.** Enabling access to the new spectrum required by the industry under reasonable and foreseeable conditions, avoiding a revenue-focused approach.

**5.** Finalizing the decision on the upper 6 GHz band.

**6.** Simplifying the rule on Electromagnetic Radiation Emission from Telecommunication Services.

## Digital infrastructure

**7.** Streamlining the deployment of infrastructure through a simplified and efficient regulatory framework.

**8.** Recognizing service quality as a competitive attribute.

## Ethical and sustainable innovation

**9.** Supporting the telecommunications industry to boost artificial intelligence.

**10.** Promoting policies that enable the adoption of renewable energy by the sector.

**11.** Fostering energy efficiency as a pillar of digital sustainability.

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