The Mobile Economy Latin America 2026

The GSMA is a global organisation unifying the mobile ecosystem to discover, develop and deliver innovation foundational to positive business environments and societal change. Our vision is to unlock the full power of connectivity so that people, industry and society thrive. Representing mobile operators and organisations across the mobile ecosystem and adjacent industries, the GSMA delivers for its members across three broad pillars: Connectivity for Good, Industry Services and Solutions, and Outreach. This activity includes advancing policy, tackling today's biggest societal challenges, underpinning the technology and interoperability that make mobile work, and providing the world's largest platform to convene the mobile ecosystem at the MWC and M360 series of events.

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Our team of analysts and experts produce regular thought-leading research reports across a range of industry topics.

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Executive summary

Enabling broader digital transformation

In 2025, mobile technologies and services in Latin America generated $600 billion[1] in economic value (8.6% of the region's GDP), supported nearly 3 million jobs and contributed $50 billion in public revenues. As digital adoption grows across the region, mobile's economic contribution is expected to grow to $700 billion by 2030, with mobile connectivity increasingly important as a foundation for productivity, innovation and long-term economic growth.

The role of the mobile industry as an engine of economic development is particularly important as Latin America experiences moderate growth and persistent productivity challenges. With traditional growth drivers under pressure, digital technologies are becoming essential tools to boost competitiveness and support economic diversification.

The widespread rollout of 4G networks has expanded mobile internet access to millions of people in Latin America, narrowing connectivity gaps. Meanwhile, early 5G deployments are beginning to open up new opportunities including advanced consumer and enterprise offerings. Investments in cloud infrastructure, data centres and new digital technologies are reinforcing the foundations for innovation and creating the conditions for broader, economy-wide digital transformation.

Alongside network expansion, the mobile industry is entering a new phase with AI, which has become part of day-to-day operations. Meanwhile, as networks become more digital, software-defined and cloud-native, cybersecurity and digital trust have moved to the core of operator strategies.

$700bn

Mobile's economic contribution in the region is forecast to grow from $600 billion in 2025 to $700 billion by 2030

3m

In 2025, mobile technologies and services contributed 8.6% of the region's GDP and supported almost 3 million jobs

$50bn

Mobile technologies and services in Latin America contributed $50 billion in public revenues in 2025

1. In this report, $ refers to US dollars.

Key trends in the mobile industry

AI AI strategies are focused on more efficient operations	AI adoption among telecoms operators in Latin America is moving from pilot projects to mainstream operational use. Most operators are embedding AI across core network operations, customer care and business processes to improve efficiency, automate decision-making and reduce operating costs. AI adoption across the region is focused on prioritising the optimisation of operations over direct revenue generation, which is expected to grow over time.
Cybersecurity Operators are embedding security into network architecture through secure-by-design approaches	As networks across the region become increasingly cloud-native and software-defined, cybersecurity has become a core strategic priority for operators. They are embedding security into network architecture through secure-by-design approaches, combining AI-enabled monitoring, automated threat detection and network-level protection.
Direct-to-device connectivity Initial deployments focus on low-bandwidth services and coverage extension	Direct-to-device (D2D) satellite connectivity is being deployed as a complementary layer to terrestrial mobile networks. In Latin America, initial deployments focus on low-bandwidth services such as emergency messaging, coverage extension and resilience. The technology could unlock new opportunities in IoT connectivity, supporting asset tracking, environmental monitoring and industrial operations in areas beyond the reach of traditional networks.

Policies for growth

Latin America has improved connectivity, but closing the usage gap is essential for further socioeconomic development. More investment-friendly regulatory policies are required, together with a fairer balance between operators and large digital platforms.

Effective spectrum policy and coordinated digitalisation strategies will play a central role in enabling future network capacity, supporting 5G growth and driving long-term digital transformation.

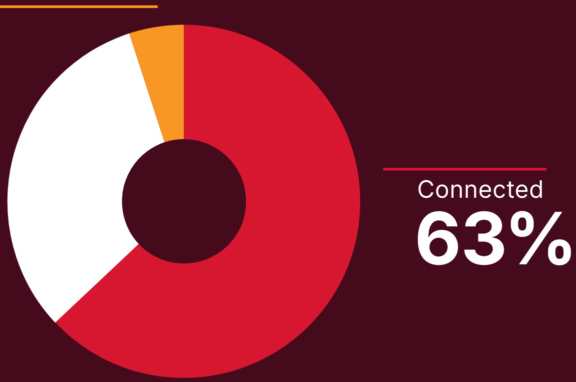
Closing the usage gap is essential for further socioeconomic development

The Mobile Economy Latin America

State of mobile internet connectivity

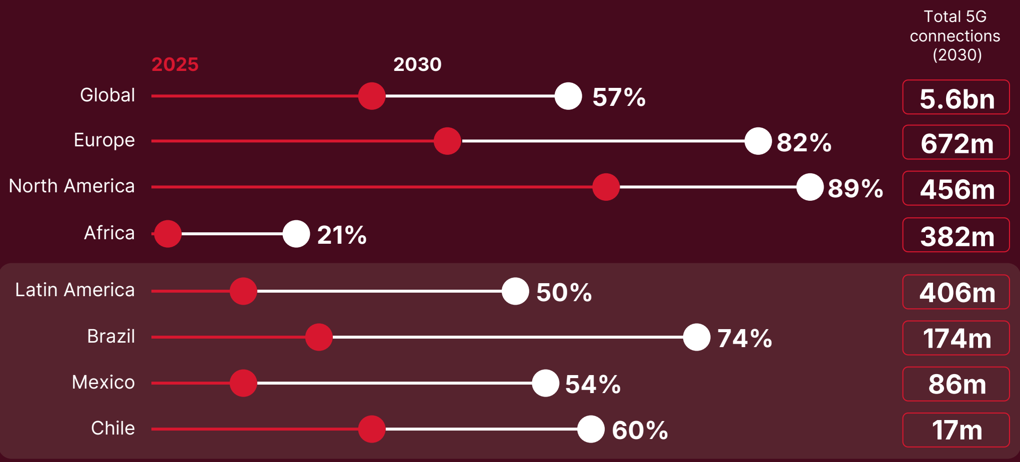
2024

Mobile internet adoption continues to grow. The usage gap is shrinking but remains significant. The challenge now is encouraging further adoption and meaningful use.



5G as a share of total connections

Percentage of total connections (2030)



Half of total mobile connections in Latin America will be on 5G by 2030

Almost three quarters of connections in Brazil are forecast to be 5G by 2030, positioning it as the region's market leader

Operator revenues and investment

Revenues

2025 **$71.8bn**

2030 **$83.9bn**

Investment

Capex for the period 2025–2030

$75.8bn

Operator adoption of GSMA Open Gateway APIs

2025 **11 operators**

Representing **90%** of mobile market share by connections

December 2025

01

The economic impact of the mobile industry

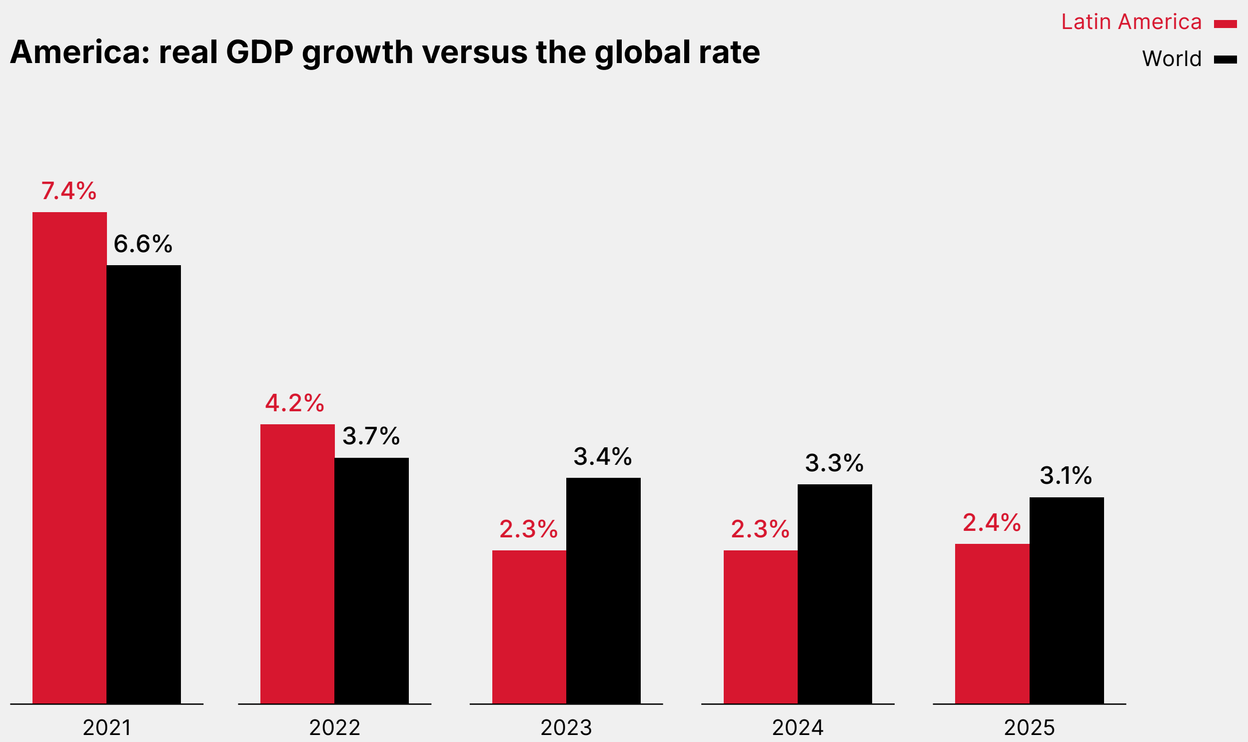
1.1
Macroeconomic outlook

Economic growth in Latin America has moderated over the past three years, returning to its pre-pandemic trend of around 2.4% annually. This is below the global growth rate of 3.1%. The region's performance reflects persistent structural constraints, including low productivity growth, high levels of informal economic activity, fiscal pressures and continued dependence on commodity exports, leaving the region exposed to shifts in global demand and external financial conditions.

Recent growth has primarily been driven by private consumption, supported by a recovery in the labour market and easing inflation. However, investment levels to support productivity growth remain low, limiting the expansion of productive capacity and constraining long-term income growth. Without stronger productivity-enhancing investment, the region risks remaining on a path of moderate expansion.

There are important opportunities ahead in Latin America. The reconfiguring of global value chains and accelerating adoption of digital technologies offer new avenues for diversification and competitiveness. Capturing these opportunities will require strengthened public institutions, an improved business environment, further economic diversification and prudent fiscal and monetary policies to preserve macroeconomic stability.

Figure 1
Latin America: real GDP growth versus the global rate



Source: GSMA Intelligence using WEO-IMF October 2025 data

Technology investments underpin economic growth

Technology investments have become essential for long-term economic growth, with digitalisation reshaping how value is created, traded and captured across economies.

In Latin America, major investments in digital infrastructure, cloud capacity and data centres reflect a growing commitment to advanced technologies among organisations in the private and public sectors. For example, Amazon Web Services (AWS) has announced an investment of $4 billion to build cloud infrastructure and data centres in Chile, expanding the region's cloud footprint and support for AI-enabled workloads. Microsoft plans to invest around $1.3 billion in cloud and AI infrastructure in Mexico over the next three years. Meanwhile, Google is investing more than $850 million to open a second data centre in Uruguay, strengthening cloud capabilities and digital services.

The mobile sector can play a transformative role in Latin America by delivering the fast, reliable connectivity that underpins the digital economy and supports diversification across industries. As 5G networks mature and the adoption of IoT and AI accelerates, mobile-enabled connectivity will increasingly drive efficiency gains and productivity improvements.

The economic value of these technology investments extends beyond connectivity. They strengthen the foundations for innovation, enhance access to cloud-based platforms and enable the development of new digital products and services that can generate additional revenue streams.

1.2
Mobile's contribution to the economy

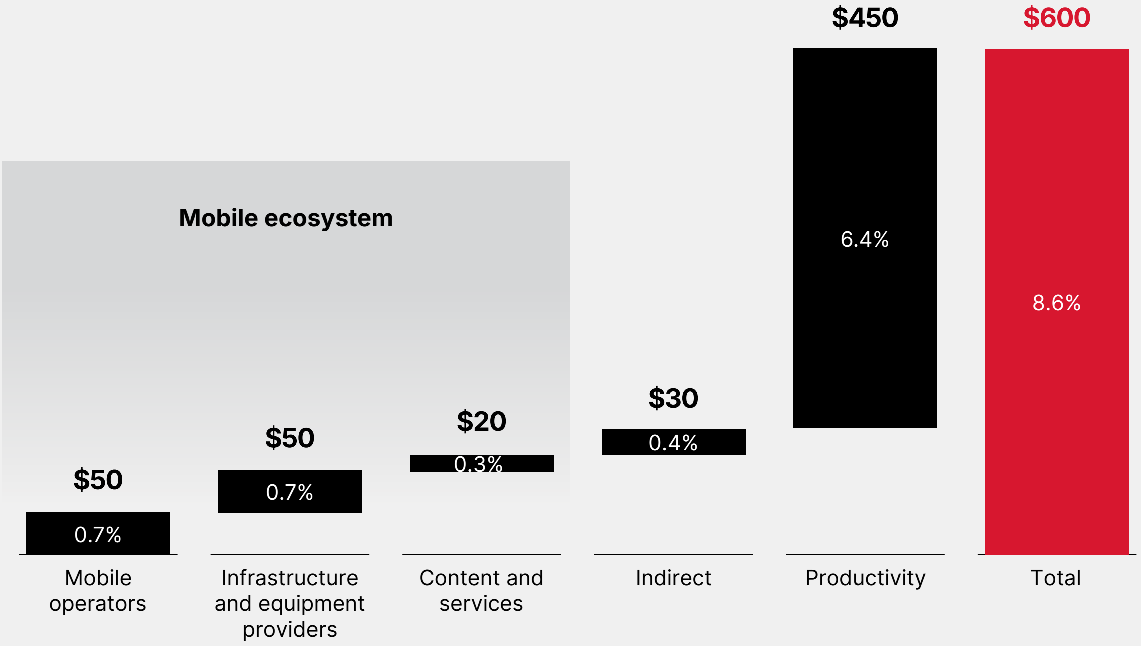
Mobile technologies contributed $600 billion of economic value in 2025

In 2025, mobile technologies and services generated 8.6% of GDP in Latin America – a contribution that amounted to $600 billion of economic value added. The greatest benefits came from productivity effects, which reached $450 billion, followed by the direct contribution of the mobile ecosystem, generating $120 billion.

The impacts of mobile technologies include connectivity and digital transformation. Connectivity refers to the use of mobile technologies, while digital transformation involves the integration by enterprises of advanced mobile technologies such as 5G, IoT and AI.

The mobile ecosystem comprises three categories: mobile operators; infrastructure and equipment; and content and services. The infrastructure and equipment category encompasses tower companies, network equipment providers, device manufacturers and IoT suppliers. The content and services category encompasses content, mobile application and service providers, distributors and retailers, and mobile cloud services.

Figure 2
Latin America: total economic contribution of mobile technologies, 2025
Billion



Note: Totals may not add up due to rounding.
Source: GSMA Intelligence

Mobile's economic contribution will reach $700 billion by 2030

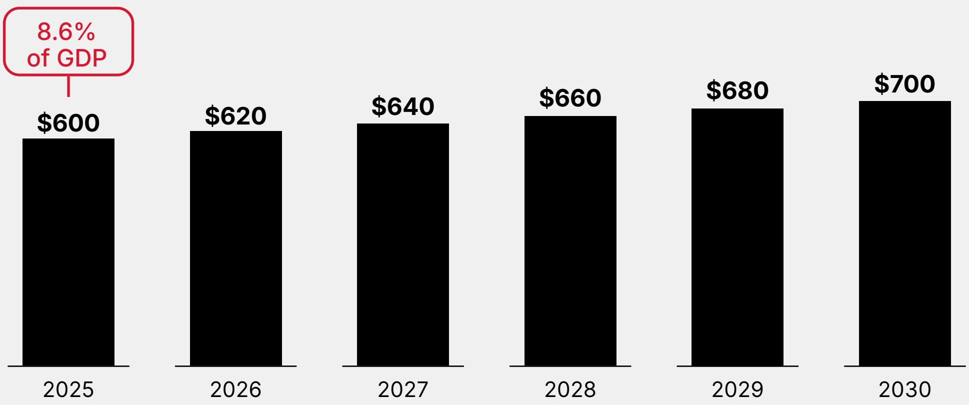
By 2030, mobile's contribution to the economy in Latin America will reach $700 billion, driven by the improvements in productivity and efficiency brought about by the continued expansion of mobile services and the growing adoption of digital technologies, including 5G, IoT and AI. By 2030, mobile's contribution is forecast to have grown at a CAGR of 3.2%, slightly below the forecast growth in regional GDP for 2025–2030 (CAGR of 3.5%).

While the mobile contribution underscores the continued role of mobile and digital technologies as a key driver of economic activity, it also highlights the need to accelerate digital transformation across the region. Unlocking the next phase of growth will depend on the implementation of forward-looking policies on spectrum, quality of service and regulation, alongside strong collaboration between governments and mobile operators.

Figure 3

Latin America: the economic impact of mobile to 2030

Billion



Source: GSMA Intelligence

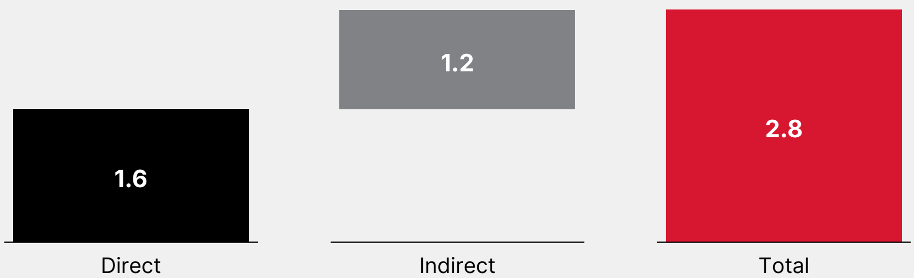
The mobile ecosystem in Latin America supported almost 3 million jobs in 2025

Mobile operators and the wider mobile ecosystem provided direct employment to 1.6 million people in Latin America in 2025. In addition, economic activity in the ecosystem generated 1.2 million jobs in other sectors, meaning almost 3 million jobs were directly or indirectly supported.

Figure 4

Latin America: employment impact of mobile, 2025

Jobs (million)



Source: GSMA Intelligence

The fiscal contribution of the mobile ecosystem reached $50 billion in 2025

Taxes constitute the majority share of government revenues around the world. In 2025, tax revenues in Latin America reached $1.3 trillion (19% of regional GDP). This represented an increase of 2.4% on the previous year.

The mobile sector in Latin America made a substantial contribution to the funding of the public sector, with $50 billion raised through taxes on the sector in 2025. A large contribution was driven by services, VAT, sales taxes and excise duties ($20 billion). The fiscal contribution from the mobile ecosystem accounted for 3.8% of total tax revenues in Latin America.

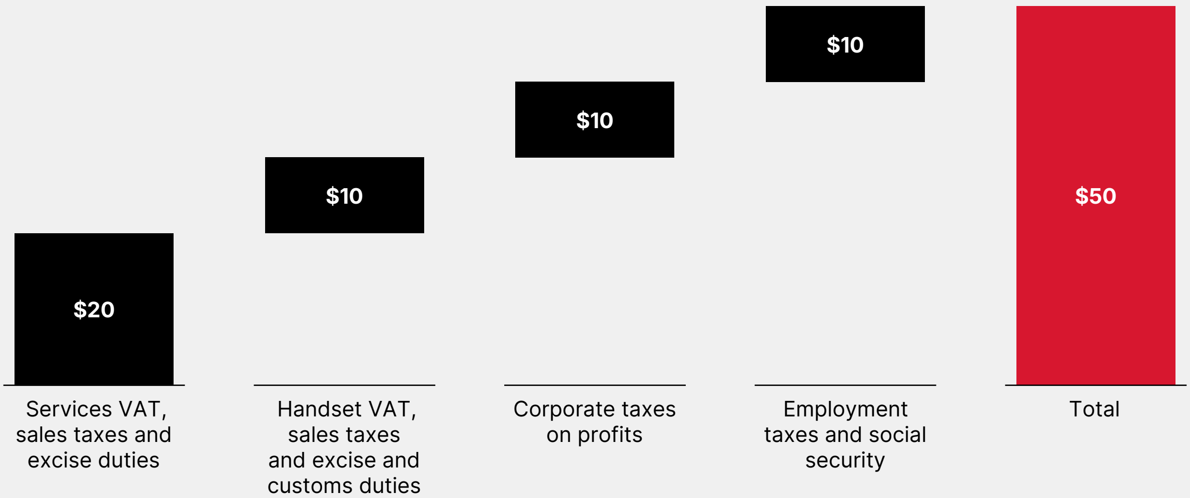
Beyond its direct contribution, the mobile industry can strengthen public finances by enabling more efficient collection of taxes across the economy. Digital payments are a key channel here, helping to improve the traceability of transactions. Governments are also increasingly using mobile platforms to facilitate tax filing and payments. High compliance costs remain a significant challenge, particularly among individuals and small and medium-sized enterprises (SMEs). By reducing administrative burdens and simplifying procedures through mobile applications, authorities can lower friction, expand the tax base and improve compliance rates.

More broadly, digital financial services play a key role in economies with high levels of informal economic activity, as is the case across much of Latin America. By expanding access to financial services and formalising transactions, mobile-enabled financial services can help integrate individuals and small businesses into the formal economy, supporting more sustainable and predictable revenue mobilisation over the long term.

Figure 5

Latin America: fiscal contribution of mobile, 2025

Billion



Source: GSMA Intelligence

The contribution of 5G and its ecosystem

As 5G networks expand and complementary technologies such as AI mature, the scale of their economic impact will be shaped by infrastructure availability but also investment in digital skills, innovation capacity and the integration of advanced technologies in production processes.

The economic value of digital transformation will come from two main channels:

- external value creation – new revenue streams and business models that expand markets and stimulate additional demand
- internal value enhancement – measurable gains in productivity, cost efficiency and operational performance within firms.

The balance between these channels will vary across sectors, depending on their digital readiness and investment capacity.

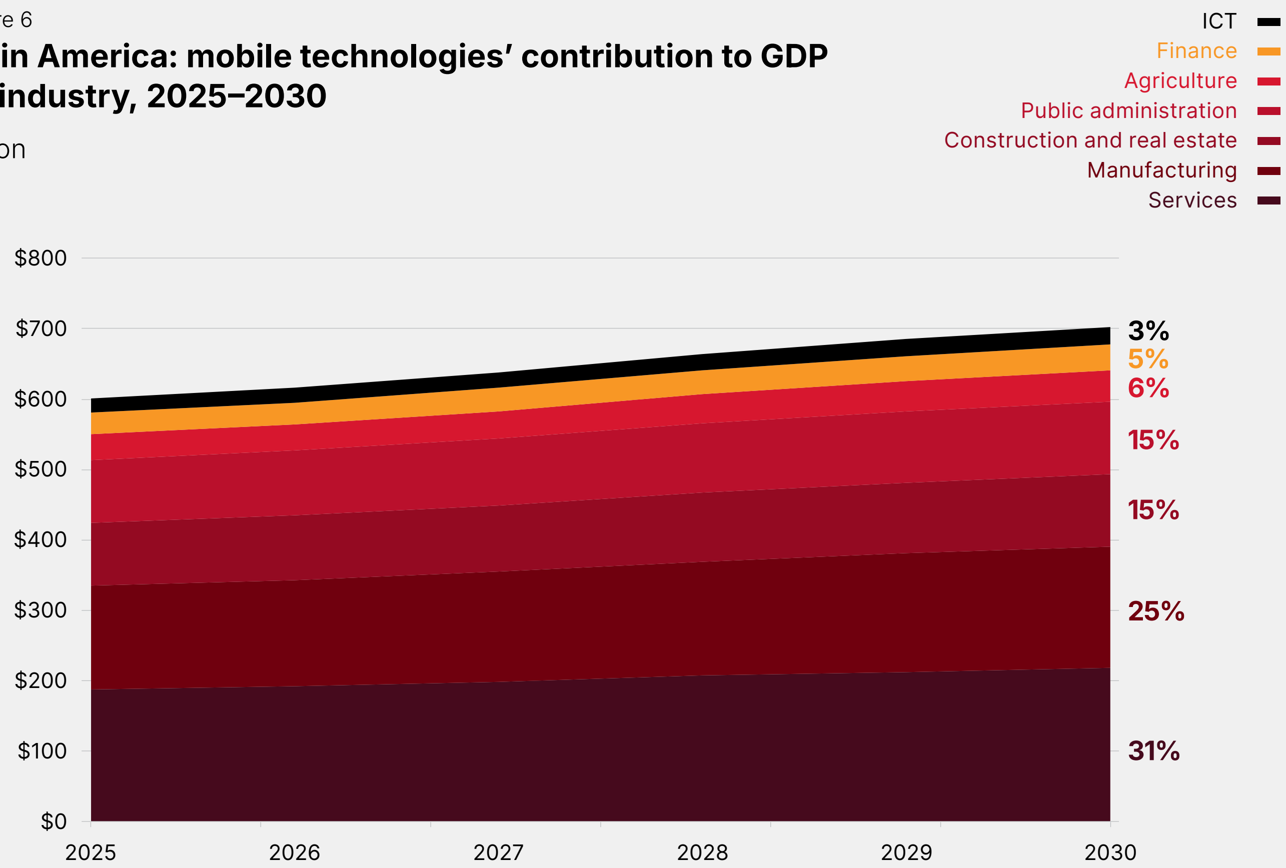
Between 2025 and 2030, services and manufacturing in Latin America are forecast to account for more than half of the incremental economic impact attributable to mobile-enabled technologies. This reflects their relatively high capacity to adopt and deploy advanced digital solutions, including automation, data analytics and connected devices. Agriculture is expected to contribute around 6% of the total impact, with significant untapped potential for smart agriculture applications in a region with a strong agricultural base.

The information and communication technologies (ICT) sector is projected to account for around 3% of the total impact. This underscores a structural challenge: ensuring that digital technologies diffuse beyond core ICT industries and are effectively integrated across the broader economy. Strengthening cross-sector adoption will be critical for 5G and its ecosystem to act as catalysts for economy-wide productivity gains and long-term competitiveness.

Figure 6

Latin America: mobile technologies' contribution to GDP by industry, 2025–2030

Billion



Source: GSMA Intelligence

02

Trends shaping the mobile industry

2.1
AI goes mainstream

AI adoption among operators in Latin America has moved beyond pilots and into operations. By late 2025, most deployments were embedded into core day-to-day processes. While the region is still at an earlier stage of AI monetisation than markets in Europe and parts of Asia Pacific, this reflects structural and economic realities rather than limited technical capability.

Operational efficiency in focus

Operators' AI strategies are evolving in response to changing competitive dynamics, margin pressure and emerging revenue opportunities. Alongside continued investment in 5G and fibre, they are prioritising digitalising operating models and automation to protect profitability. AI plays a central role here. Operators are deploying AI-enabled tools in network planning, fault management and customer operations, and are automating processes. The implementations are designed to improve efficiency and scalability as networks evolve towards cloud-native architectures.

In Brazil, Vivo moved towards autonomous networks in 2025. The closed-loop automation and intent-based networking in its virtualised 5G core automatically detect and resolve physical-layer incidents while also working to automate network capacity creation processes. In 2026, Vivo also began testing agentic AI rApps with Ericsson and AWS, enabling network engineers to interact with the network using natural language interfaces. The deployments prioritise improved network reliability and reduced operational overhead over creating new consumer-facing services.

Similar approaches are emerging across the region. TIM Brazil has extended its partnership with Nokia to deliver a nationwide 5G upgrade following an initial investment in the state of São Paulo. Nokia will support the operator's 5G network by deploying the latest generation of its energy-efficient and AI-RAN-ready AirScale portfolio. This will ensure comprehensive coverage, seamless indoor connectivity and enhanced scalability with reduced energy consumption. Meanwhile, América Móvil has increased automation in its OSS/BSS to streamline provisioning and billing operations across several of its subsidiaries.

Customer care comes first

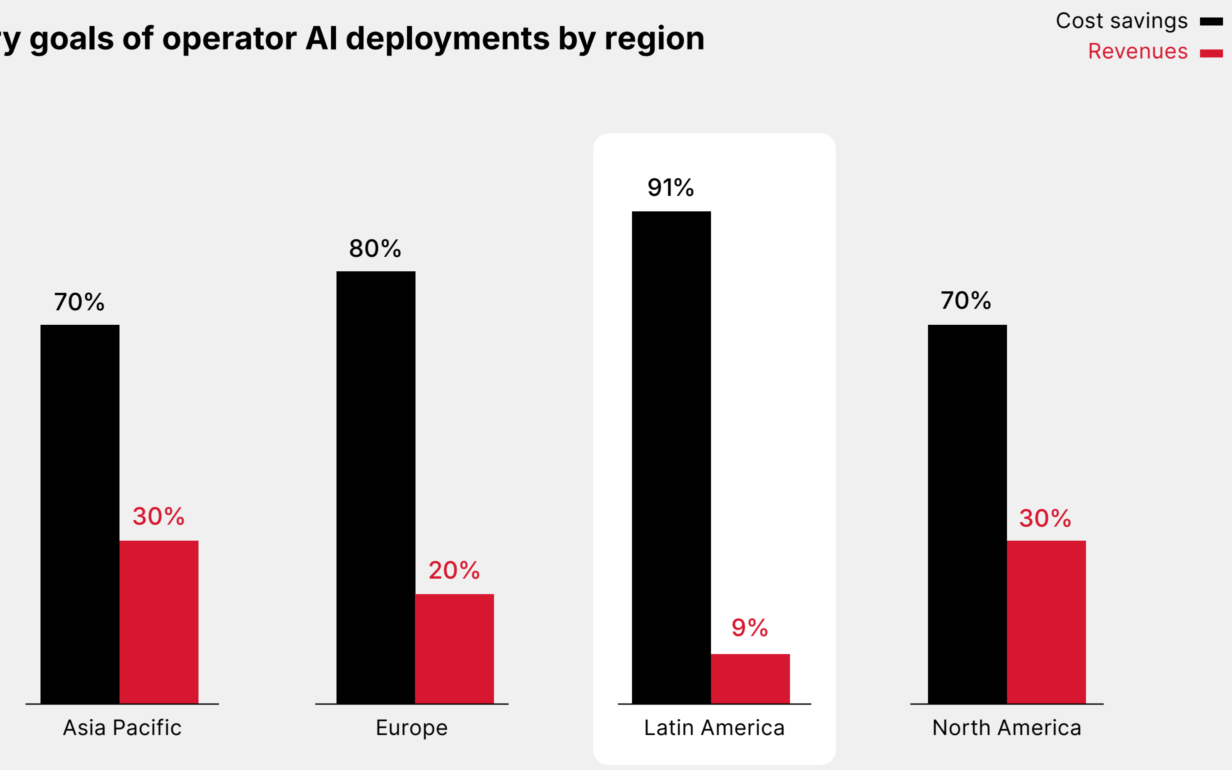
AI deployments in Latin America span a range of areas, but adoption is highly concentrated in customer-facing operations. Customer care accounts for 78% of operator AI deployments in the region – the highest share of any region. Deployments typically involve AI agents and chatbots to reduce handling times, improve first-contact resolution and support multilingual delivery of services.

In Chile, Claro has deployed AI agents and post-call analytics in customer service, using generative AI to transcribe and analyse each customer interaction. AI agents also help predict Net Promotor Score and automate high-volume processes such as SIM blocking for lost or stolen devices. The operator has reported significant reductions in handling times and operational costs, with AI agents running 24×7 in production.

The maturity of such use cases is reflected in 85% of AI deployments in Latin America already at the live stage, compared to a global average of 66%.[2] However, only 8% of AI deployments are currently network-focused, and 9% have revenue generation as their primary objective, compared to 20–30% in Europe and Asia Pacific. The focus in Latin America remains firmly on efficiency, cost containment and scalability.

Figure 7

Primary goals of operator AI deployments by region



Source: GSMA Intelligence

2. GSMA Intelligence Telco AI tracker

Alignment with B2B growth strategies

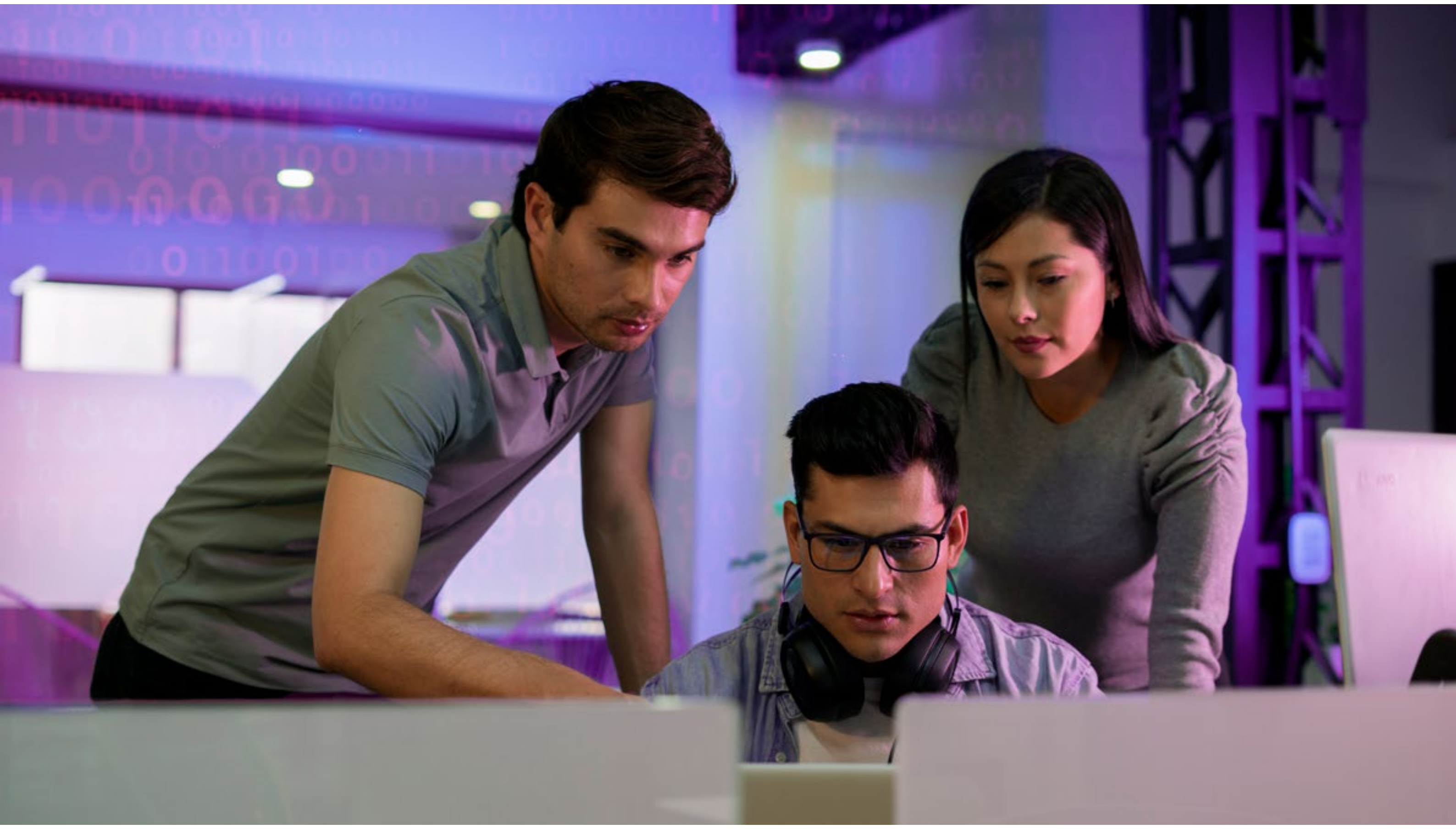
B2B services are increasingly important to the growth strategies of operators in Latin America. AI is beginning to support this shift. Operators are repositioning around B2B digital solutions in sectors such as agribusiness, logistics, energy and financial services. Examples include the following:

- **América Móvil** has partnered with Qualcomm in industrial AI and IoT. The operator's subsidiary, Hitss, has teamed up with Qualcomm to promote digital transformation in the region. The collaboration will deliver industrial solutions using AI, IoT and edge computing. Hitss plans to commercialise Qualcomm-based end-to-end solutions to help improve efficiency, safety and sustainability across sectors.
- **Telefónica** lists Brazil as a priority market where fixed–mobile convergence and B2B digital services are key growth pillars.[3] Telefónica aims to increase the share of B2B revenues from digital services by the end of the decade, reinforcing the role of data-driven and AI-enabled capabilities to support enterprise customers.

Globally, there is a growing trend towards partnerships focused on end-to-end solutions, with operators leveraging AI to strengthen enterprise offerings in areas including automation, analytics and managed digital services. However, these remain at an early stage in most markets in Latin America, reflecting the varying levels of digital maturity.

Looking ahead, it will be crucial for operators to translate the maturity of AI in operations into commercial growth. Several monetisation opportunities are beginning to gain traction globally and are likely to shape the region's next phase of AI adoption. These include enterprise AI services (encompassing inference and intelligent automation), GPU-as-a-service offerings (often linked to private cloud and edge infrastructure) and vertical-specific AI analytics solutions.

Looking ahead, it will be crucial for operators to translate operational AI maturity into commercial growth



3. "Telefónica Transforms to Grow", Telefónica, November 2025

2.2
Cybersecurity and digital trust emerge as key pillars

Cybersecurity is a key pillar of telecoms operations as networks shift to cloud-native and software-defined architectures. With the rapid expansion of digital services, cloud infrastructure and connected devices, operators face a growing and more complex attack surface. More than 90% of operators globally classify cyberthreats as high or very high.[4] Latin America faces one of the largest readiness gaps globally. While operators from the region recognise the severity of threats, preparedness levels lag.

The threat level rises and the readiness gap grows

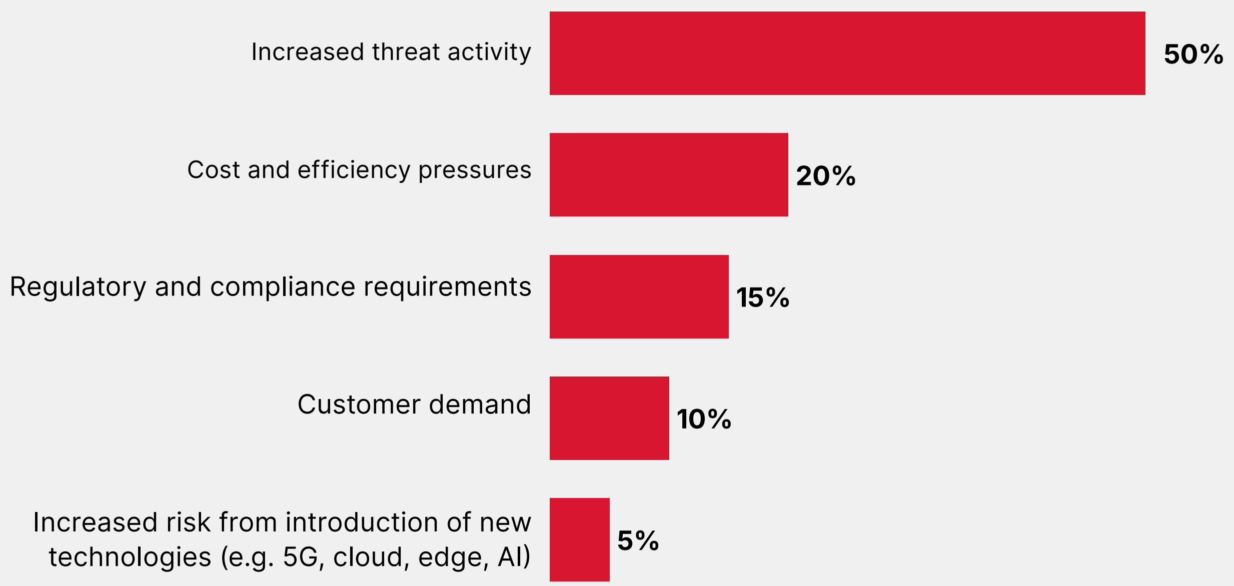
Cyberthreat levels are expected to increase over the next three to five years, according to 95% of operators surveyed in the GSMA Intelligence Telco Security Survey, with 40% anticipating a significant increase. Key drivers include deeper network digitisation, expanded attack surfaces from cloud and edge deployments, and AI.

In Latin America, 95% of operators rate data breaches as a high or very high threat, yet only around 30% believe they are adequately prepared to defend against them. Similar gaps exist for malware and social-engineering attacks, which increasingly target customer-facing IT systems. At the same time, regulatory pressures are increasing. Data protection regimes such as the Brazilian General Data Protection Law (LGPD) and evolving financial-sector compliance requirements are raising baseline security expectations.

Figure 8

Factors driving security strategies among operators in Latin America

What are the most important factors driving your organisation's security strategy? (Ranked 1st)



Source: GSMA Intelligence Telco Security Survey 2025

4. GSMA Intelligence Telco Security Survey 2025

Operators embed secure-by-design approaches

Operators are shifting away from traditional security models to native, secure-by-design approaches, where protection is embedded directly into network hardware, software and operational processes. Native security is a critical enabler of resilience in software-defined networks. Embedding security across the RAN, core and cloud platforms improves protection against unknown threats and can deliver operational efficiencies by simplifying compliance and reducing complexity.

While security investments are defensive, they also underpin customer trust, reduce the risk of churn and can offer monetisation opportunities in enterprise security services.

Recent examples of network-embedded security solutions in Latin America include the following:

- **Chile:** Claro partnered with cybersecurity provider Cyan AG to deploy AI-enabled protection against phishing and malware directly in its mobile network. The service operates without customer-side installation, illustrating the shift towards network-embedded security rather than app-based solutions.
- **Brazil:** Operators including Vivo, Claro and TIM have combined secure-by-design network architectures with AI-enabled monitoring and automation as part of broader efforts to strengthen increasingly virtualised and cloud-native networks.

APIs emerge as a core cybersecurity tool

A growing share of cybersecurity activity in Latin America is now delivered through network APIs, as part of the GSMA Open Gateway initiative. Network APIs are being commercialised first to address fraud, identity and authentication risks. Security-first API deployments across Latin America include the following:

- **Brazil:** In 2025, Vivo (Telefónica), Claro and TIM launched commercial Open Gateway APIs for SIM Swap, Number Verification and Device Location, enabling banks and fintech companies to detect fraud and prevent account takeovers in real time.
- **Mexico:** Altán Redes, América Móvil, AT&T Mexico and Telefónica Mexico launched Open Gateway APIs in 2025 for SIM Swap, Number Verification and Device Location, helping prevent fraud in digital payments and financial transactions.
- **Paraguay:** Claro, Personal and Tigo jointly launched the SIM Swap API as the first Open Gateway use case, targeting fraud prevention in banking and insurance services.
- **Colombia:** Claro, Movistar and Tigo have introduced SIM Swap and Number Verification APIs in 2026.
- **Argentina:** Telecom Argentina, Telefónica and Claro introduced Device Location Verification, SIM Swap, Number Verification, Device Status and Device Location APIs.

Similarly, in Chile, Entel, Telefónica and Claro have launched SIM Swap and Number Verification APIs. In Peru, Entel has introduced SIM Swap and Number Verification services. In Uruguay, Claro has introduced SIM Swap.

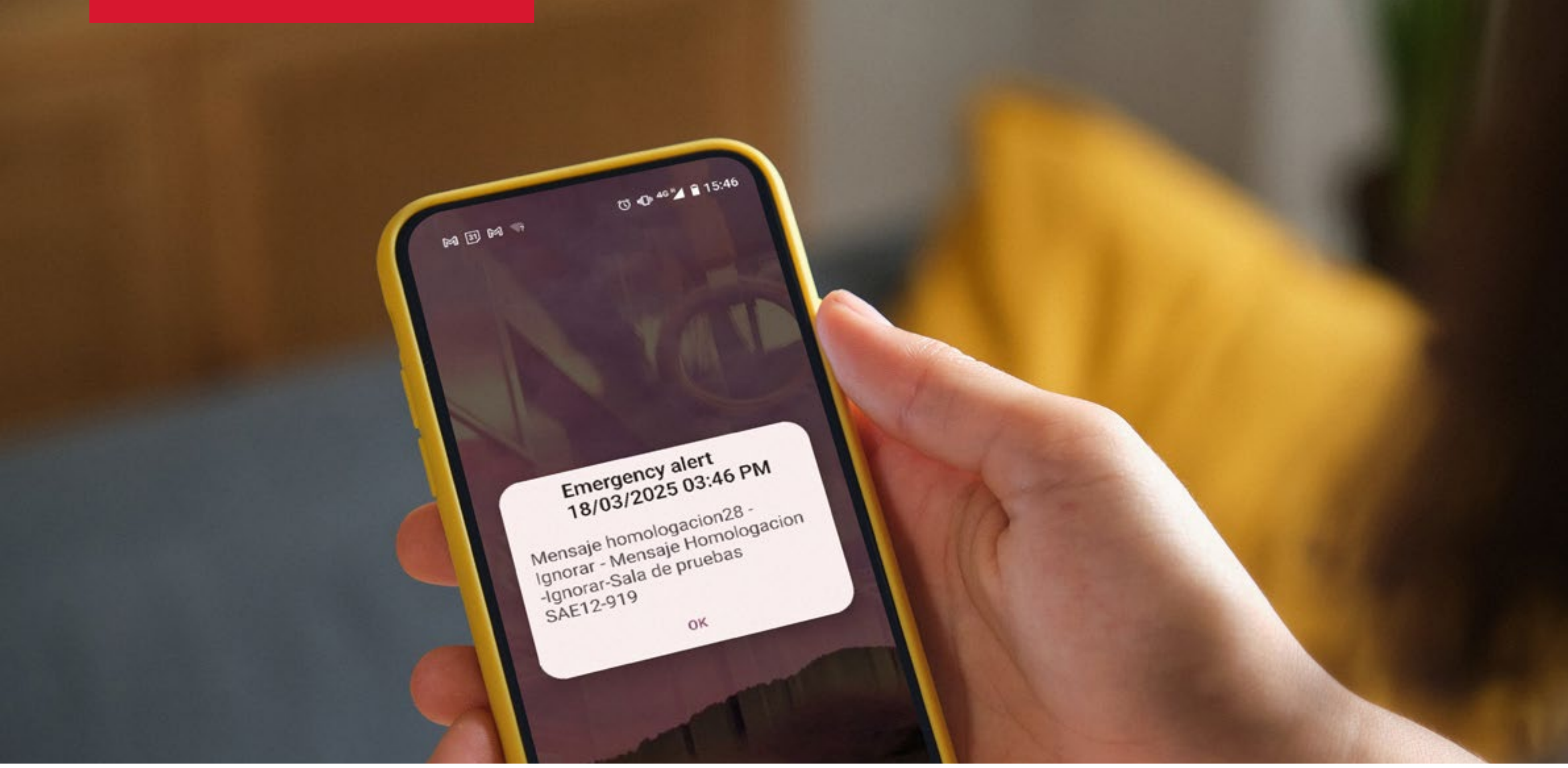
By December 2025, 11 operators and operator groups had committed to the GSMA Open Gateway initiative in the region, accounting for around 90% of mobile market share by connections.

AI represents a double-edged sword

AI plays a dual role in the cybersecurity landscape. Operators identify AI and machine learning as having the greatest impact on security strategies over the next two years, supporting automated incident response, fraud detection and real-time anomaly identification. At the same time, AI is increasing risk by enabling more sophisticated social engineering attacks, and fraud related to deepfakes. Operators are responding through partnerships and internal capacity building. Examples include the following:

- In Peru, Entel launched Entel Digital, a B2B solutions business. The unit will initially roll out four strategic services including cybersecurity, fleet management (IoT), ERP consulting and CRM.
- Claro introduced a new ecosystem of cybersecurity solutions and plans to invest COP15 billion in cybersecurity for businesses in Colombia. Integrated into its security operations centre, the AI-powered solutions enable real-time network monitoring, threat detection and risk reduction, helping companies optimise their cybersecurity investments.
- Tigo launched GotiBot, an AI chatbot on WhatsApp, to promote safe internet use. The tool supports parents, caregivers and teachers by answering questions on topics such as cyberbullying, online safety, digital wellbeing and cybersecurity.

As AI becomes embedded into networks and enterprise offerings, cybersecurity resilience becomes a prerequisite for AI monetisation and long-term growth. Given the scale and complexity of threats, industry-wide collaboration is increasingly important. Initiatives such as the GSMA Network Equipment Security Assurance Scheme (NESAS) and the Telecommunication Information Sharing and Analysis Center (T-ISAC) can help strengthen collective resilience, particularly in regions such as Latin America where there are large readiness gaps.



2.3 Operators boost network resilience with direct-to-device connectivity

Direct-to-device (D2D) satellite connectivity is emerging as a fourth dimension of connectivity alongside mobile, fixed and Wi-Fi. By December 2025, 118 mobile operators globally, including 15 in Latin America, had at least one satellite partnership, together covering around 70% of global mobile connections. Activity has moved from trials to early commercial developments.

For operators, D2D is a complementary connectivity layer that extends coverage, improves resilience and addresses persistent connectivity gaps. In Latin America, where geography, population distribution and exposure to natural disasters add pressure to mobile infrastructure, D2D is beginning to gain traction. Two distinct development pathways are emerging: consumer D2D and IoT-focused D2D.

Consumer D2D: coverage certainty as a differentiator

On the consumer side, D2D is being driven by the reality that coverage gaps persist. GSMA Intelligence consumer research consistently shows that reliability of coverage is the number-one factor for consumers when choosing a mobile operator. In Brazil, for example, 77% of consumers say they would pay for satellite-enabled services.[5] Consumer D2D is therefore primarily positioned around the following:

- coverage extension when users move beyond the reach of the terrestrial network
- emergency and safety use cases (SOS messaging but limited voice)
- disaster resilience
- churn reduction and brand differentiation.

Early launches reflect this positioning. In the past year, Entel has enabled direct-to-cell satellite connectivity for compatible smartphones in Chile and Peru, extending coverage to remote mainland regions, islands and territorial waters. The deployment uses Starlink's satellite network and demonstrates early commercial scaling of D2D in the region.

5. Satellite and NTN tracker, Q4 2025, GSMA Intelligence, 2026

IoT-focused D2D: enterprise-driven opportunities

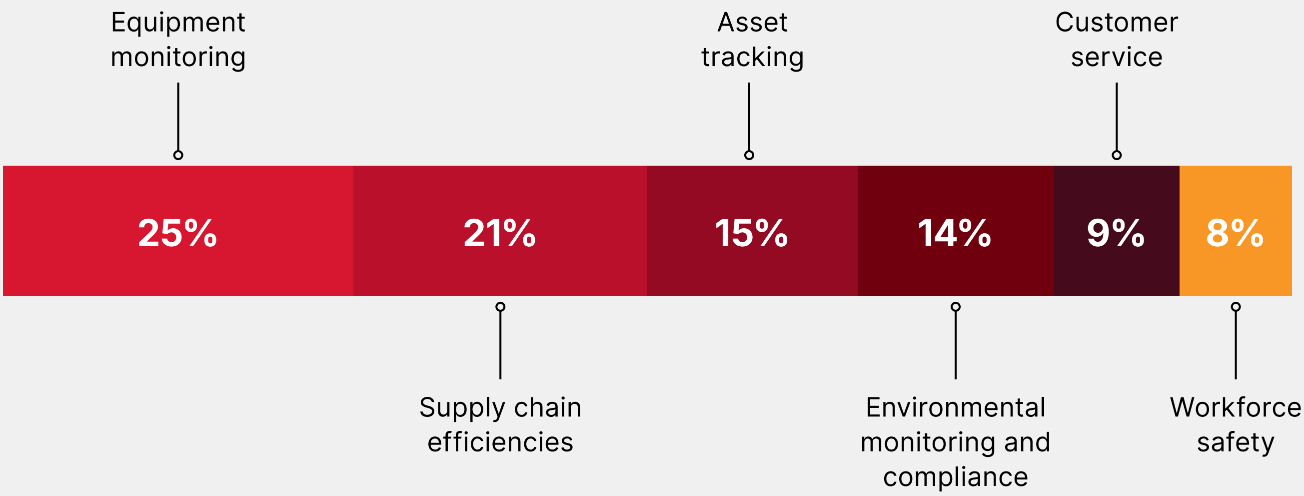
IoT connectivity is one of the most compelling near-term opportunities for D2D. Although mobile networks reach around 90% of the global population, they cover only around 15% of the earth's land and sea area. Many companies with transient operations still experience coverage gaps on a daily basis.

The satellite IoT base is currently small, at around 5 million devices worldwide. However, the addressable market by 2035 is 2.5–3.0 billion devices, representing a potential expansion of 500× as non-terrestrial network (NTN) standards mature and costs fall. Enterprise demand for satellite-enabled IoT reflects a sense of pragmatism. According to GSMA Intelligence enterprise research, the most attractive use cases focus on fundamental operational needs, with equipment monitoring ranking highest, followed by supply chain efficiency, asset tracking and environmental monitoring.

Figure 9

Enterprises want satellite connectivity to help with the basics

Which areas of your business are most likely to benefit from an expansion of data and insights provided by satellite-enabled industrial IoT devices? Percentage of enterprises



Source: GSMA Intelligence survey on enterprise attitudes to satellite, May/June 2025

The role of hybrid connectivity

The satellite IoT market is expanding rapidly, supported by growing investment in LEO constellations that improve latency, coverage and cost efficiency. Operators across Latin America are increasingly evaluating LEO partnerships as part of broader resilience strategies, particularly in geographically complex markets such as Brazil, Chile and Peru.

However, high infrastructure costs, regulatory fragmentation around spectrum and licensing, and device standardisation challenges continue to limit scale. While the evolution of NTN standards is reducing technical uncertainty, commercial viability will depend on ecosystem coordination across mobile operators, satellite providers, chipset vendors and regulators.

Against this backdrop, the hybrid terrestrial-satellite connectivity model has emerged as a practical next step. Hybrid modules allow seamless switching between networks. Rather than positioning satellite as a standalone alternative, the architecture embeds it as a resilience layer that activates only when terrestrial coverage is unavailable. This reduces the total cost of ownership and positions D2D as a complementary resilience layer. In Latin America, where remote mining sites, agricultural projects, offshore energy facilities and cross-border logistics often move beyond traditional coverage, hybrid connectivity aligns closely with business needs. For mobile operators, these models help maintain their position in the connectivity value chain. By integrating satellite technology into their current networks and SIM management systems, operators can improve their system resilience.

Examples of recent D2D announcements from Latin America

Entel enables D2D in Peru and Chile

Entel has activated Starlink D2D satellite connectivity for Apple iPhones in Peru. In Chile, Entel also launched D2D satellite services with Starlink. The service uses more than 650 D2C-capable Starlink satellites to provide coverage across both mainland and island regions including Rapa Nui, the Juan Fernandez Archipelago and territorial waters extending up to 12 nautical miles.

Viasat tests D2D satellite communication

The satellite operator conducted a direct-to-handset communication test using D2D technology in the L-band. It demonstrated two smartphones connecting via satellite using 3GPP NTN standards, and data transmission for IoT devices in agriculture and transport.

Sateliot partners with BWS for satellite IoT connectivity

The satellite operator has partnered with IoT company BWS to develop hybrid IoT devices using NB-IoT, 4G and 5G technologies over LEO satellite networks to extend coverage in remote regions in Brazil. The collaboration includes the integration of BWS IoT tracking solutions with Sateliot's global LEO network, addressing territorial coverage gaps.

D2D satellite regulatory sandbox announced in Brazil

In Brazil, Anatel has announced a regulatory sandbox designed to support trials for D2D satellite connectivity.

03

Mobile industry impact

The mobile industry in Latin America continues to play a strategic role in social and economic development. Beyond expanding connectivity, operators are helping more people and businesses participate in the digital economy, supporting more inclusive public service delivery and strengthening environmental resilience.

As governments digitise essential services and industries transition to more sustainable operating models, mobile networks and digital platforms are becoming foundational infrastructure for long-term development.

Over the past year, the industry has made progress with closing the digital inclusion gap through coordinated infrastructure and service expansion, while also enabling sustainability and resource efficiency across vertical sectors.

3.1 Advancing inclusion through meaningful connectivity

Mobile broadband coverage has increased across Latin America, yet meaningful connectivity remains uneven. While coverage gaps continue to narrow, usage gaps persist due to affordability constraints, limited digital literacy and socioeconomic inequality.

As a result, policy mechanisms, universal service funds and public–private partnerships are increasingly being used to move beyond infrastructure rollout and focus on effective access and service integration.

Rural connectivity, productivity and targeted funding

Governments in Latin America are deploying financial and regulatory tools to extend connectivity to underserved areas and strengthen local digital ecosystems.

In Brazil, the government allocated BRL395 million from its Universal Telecommunications Services Fund (FUST) to support rural broadband expansion across 20 states. Administered through the National Bank for Economic and Social Development (BNDES), the programme prioritises small and medium-sized ISPs to help strengthen local connectivity ecosystems. Brazil has also established a technical cooperation agreement between the Ministry of Communications, Anatel and the Ministry of Agrarian Development to accelerate rural connectivity expansion, aiming to promote digital training and coordinated policy design.

In Peru, the Coverage Canon mechanism enabled operators to deliver 4G services to 425 rural communities by mid-2025, connecting more than 67,000 residents in regions including Cajamarca, Cusco and Huancavelica. The initiative highlights how a targeted push from the regulator can help further extend mobile connectivity.

Beyond households, connectivity initiatives are increasingly supporting sectors such as agriculture and rural enterprises.

Public services and digital government

Operators are increasingly supporting digital transformation across public services through connectivity, cloud infrastructure and AI capabilities. For example, in Ecuador, CNT has partnered with Google to implement AI-enabled solutions across more than 30 projects in health, education and public security. The initiatives aim to improve efficiency, reduce administrative bottlenecks and expand service accessibility. Inclusion efforts are evolving beyond connectivity provision and towards integrated digital ecosystems that combine infrastructure, platforms and advanced analytics.

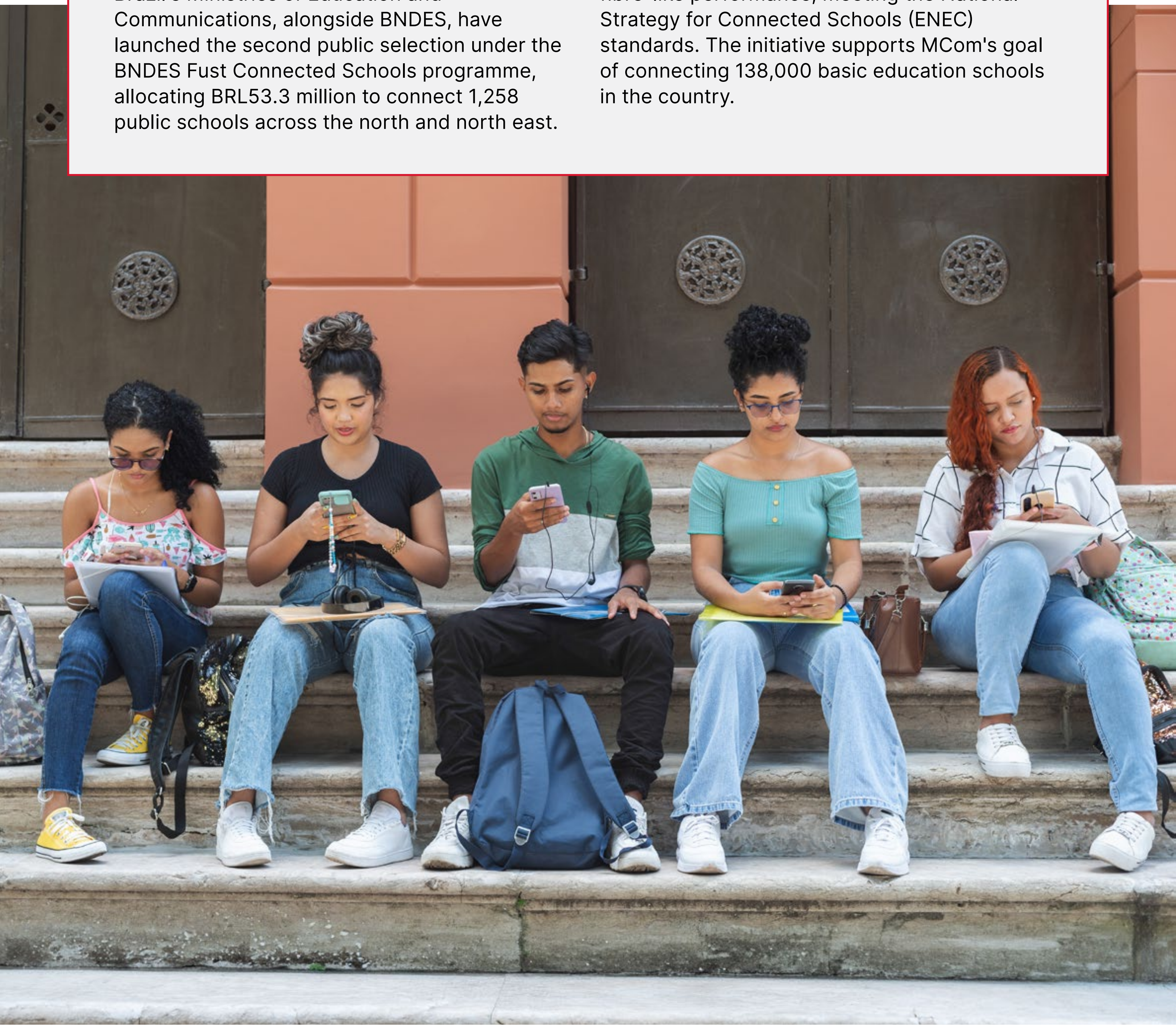
Brazil's focus on connectivity in education

Education remains a major focus for connectivity programmes in Brazil. Regulator Anatel mandated operators including Vivo, Claro, TIM and Sky to provide internet connectivity to 118 federal, state and municipal university units and federal institutes. The operators had 60 days to select units from the list, with connection to be provided within six months and maintained for three years where infrastructure exists, or built within a year where backhaul is required.

Brazil's Ministries of Education and Communications, alongside BNDES, have launched the second public selection under the BNDES Fust Connected Schools programme, allocating BRL53.3 million to connect 1,258 public schools across the north and north east.

The initiative targets regions with limited connectivity and is expected to benefit around 410,000 students through improved digital access.

Meanwhile, Brazil's Ministry of Communications (MCom) has completed a pilot testing 5G FWA to deliver internet to rural schools. Conducted in partnership with CPQD, Qualcomm, Intelbras and Brisanet, the five-week trial in Rio Grande do Norte connected three schools and recorded fibre-like performance, meeting the National Strategy for Connected Schools (ENEC) standards. The initiative supports MCom's goal of connecting 138,000 basic education schools in the country.



3.2
Enabling sustainability and resource efficiency

Mobile operators are supporting the transition to more sustainable operations as they work towards their net-zero goals. As digitalisation accelerates, operators are both managing rising energy demand and enabling other industries to reduce emissions. Their networks, data centres and IoT platforms increasingly shape the carbon footprint of downstream users, positioning the sector as both a direct energy consumer and an indirect enabler of decarbonisation.

Decarbonising network operations

Operators across the region are strengthening renewable energy sourcing and commitments to reduce emissions.

Emission reduction targets and renewable energy procurement

Telecom Argentina announced decarbonisation targets to reduce greenhouse gas emissions by 58.8% by 2034. Validated by the Science Based Targets initiative, the goals encompass Scope 1 and 2 emissions from grid operations and energy use, and Scope 3 emissions across the value chain.

Telecom Argentina also signed a 10-year solar energy deal with MSU Green Energy for 60,000 MWh of solar power annually, accounting for 17.5% of its energy consumption. The operator aims to source 50% of its energy from renewables by 2030.

Transition to renewable electricity

In Chile, Movistar has signed an agreement with Copec EMOAC, an energy solutions provider, to operate nationwide using 100% renewable energy. The operator has also reduced its energy consumption from almost 300,000 MWh in 2015 to around 250,000 MWh in 2024.

Solar-powered initiatives

In Venezuela, Telefónica plans to install more than 60 solar panels at base stations and replace conventional heating, ventilation and air-conditioning (HVAC) systems with eco-friendly alternatives. Its Energy Efficiency Program has already cut CO_2 emissions by 138 tonnes annually through upgrading networks and phasing out outdated equipment. It is also promoting e-waste recycling and adoption of digital services.

In Colombia, Movistar will expand its renewable energy strategy with the installation of more than 2,200 solar panels across 17 additional technical sites, as part of the third phase of its nationwide energy transition plan. In partnership with renewable energy company SunColombia, the project will generate around 1.6 GWh of clean energy annually, cutting nearly 300 tonnes of CO_2 emissions. The initiative will support Movistar's goal of operating entirely on renewable electricity by 2030 and achieving carbon neutrality by 2040, in line with the global RE100 pledge.

In Brazil, Claro launched its seventh solar plant in Guaiba, Rio Grande do Sul, under the Energia da Claro programme. With 109 plants, the programme (in collaboration with partners) has helped prevent more than 450,000 tonnes of CO_2 emissions since its inception in 2017.

Smart infrastructure and resource optimisation

Beyond their own operations, operators are enabling sustainability across sectors through IoT and digital infrastructure:

- Telefônica Brasil signed a BRL3.8 billion agreement with Sabesp to deploy large-scale smart water metering using NB-IoT connectivity, enabling real-time monitoring, improved leak detection and more efficient water resource management.
- TIM Brasil has launched smart metering IoT solutions for water and gas utilities in partnership with Nouvenn. Using IoT and NB-IoT devices, the smart metering system enables real-time remote monitoring of consumption and transmits usage data to a centralised platform, helping utilities optimise resource management and reduce waste.
- In Peru, Claro and Huawei deployed a commercial EcoMatrix mobile site that consolidates multiple sub-3 GHz bands onto a single pole. The solution supports the 700, 850, 1900 and 2600 MHz bands, reducing equipment requirements from 15 units per site to three. The deployment improved coverage by 1.8 dB, reduced antenna installation space by 30% and delivered 35% site-level energy savings.

04

Policies for innovation and growth

4.1
Expanding the digital revolution across Latin America

Latin America has made significant progress closing the connectivity gap – in particular, expanding mobile internet coverage to 63% of the population by 2024. This has been possible, in large part, by sustained investment from the telecoms sector, enabling more people to access the benefits of connectivity. However, a usage gap of 32% remains. This refers to those who are within coverage but, for various reasons, are not yet benefiting from mobile internet access. This gap must be urgently addressed.

It is essential to identify the challenges that persist and take action to maximise the potential benefits across productivity, economic development, social inclusion, education, health, financial inclusion and sustainability.

Latin America on the threshold of structural reconfiguration

For a digital revolution to expand across the region, decision makers are encouraged to reflect on the regulatory framework and current state of the telecoms market, with the aim of promoting public policies that foster a financially sustainable industry capable of developing and strengthening the infrastructure needed.[6]

Globally, efficient regulation based on principles such as minimum intervention and proportionality has been widely adopted. Authorities should intervene only where market conditions alone cannot ensure effective competition, and avoid imposing obligations where the costs outweigh the expected benefits.

Addressing asymmetries across the value chain

Addressing asymmetries across the value chain is the starting point for a competitive and sustainable ecosystem. The digital ecosystem currently comprises numerous players. However, regulatory frameworks show a significant imbalance in the regulatory burden placed on different players.

In Latin America, 70% of total mobile downlink traffic is generated by just three companies.[7] However, the digital platforms that drive this traffic operate under significantly different regulatory conditions to the operators that maintain the infrastructure enabling connectivity. The asymmetry does not reflect the actual impact on the use of infrastructure, but rather differences in the rules governing each part of the value chain.

A sustainable digital ecosystem requires that all players who benefit from networks contribute to their development and maintenance, and that regulatory frameworks create the right incentives for the efficient use of shared infrastructure

> **Addressing asymmetries across the value chain is the starting point for a competitive and sustainable ecosystem**

6. See GSMA Digital agenda for new governments
7. See GSMA Fair Share

Policy and regulatory recommendations for the digital revolution in Latin America

- Establish a long-term national digital agenda focused on strengthening legal certainty.
- Foster ongoing dialogue with the private sector through public consultations that seek to harness industry knowledge.
- Integrate digital agenda decisions into all levels of government to harmonise achievement of connectivity objectives.
- Review existing policy frameworks to streamline applicable regulation and encourage the expansion of services.
- Build institutional capacity with autonomy, authority over the digital ecosystem and independence to make evidence-based decisions that are aligned with the pace of technological advancement.
- Address digital ecosystem asymmetries to promote the responsible and efficient use of networks.
- Develop a deeper understanding of the usage gap to achieve meaningful connectivity.
- Define spectrum policies that maintain what works and help scale strategic objectives.
- Facilitate access to the new spectrum the mobile industry requires under reasonable and predictable conditions, avoiding a revenue-driven focus.
- Streamline infrastructure deployment through a simplified and efficient regulatory framework.
- Implement regulatory impact assessments to enable evidence-based regulation.
- Recognise quality of service as a competitive attribute. Informed users and transparency of available services are the most effective tools for driving quality-of-service competition.
- Promote policies that enable take-up of renewable energy across the sector.
- Assess the effectiveness of tools such as universal service funds, and consider fiscal reform to promote affordability and digital inclusion.
- Develop a private-sector incentive policy to strengthen digital inclusion programmes.
- Support the telecoms industry in advancing the adoption of AI.
- Strengthen national cybersecurity strategy and critical infrastructure protection. A balanced and collaborative approach will be essential to building a resilient, trustworthy digital environment aligned with the challenges ahead.

Digitalisation is not guaranteed; it is the result of informed, coordinated and consistent decisions. Moving forward requires modern, robust and universally accessible networks. Achieving these means designing policies that drive investment and respond to the sector's current realities.

The GSMA seeks to provide data-driven evidence to help authorities foster an inclusive, competitive and resilient digital ecosystem – one capable of meeting today's challenges and building a more prosperous future for society in Latin America. The mobile industry can become a strategic partner in the digital revolution.

4.2
Planning spectrum policy to unlock the benefits of digital transformation

Spectrum policy can help unlock the socioeconomic benefits of digital transformation. Long-term spectrum roadmaps, the timely availability of strategic bands for mobile growth, fair pricing and effective dialogue with the private sector can support sustained investment and the delivery of better quality networks.

The cost of spectrum is an important factor for mobile development. If operators spend too much on spectrum either at auction or in annual fees, they will have less to invest in their networks. Policy decisions can help deliver spectrum costs that are not artificially inflated. These include ensuring abundant spectrum supply (to avoid scarcity and thus high prices at auctions), avoiding high reserve prices, and ensuring licence obligations are not overly onerous. Indefinite licences – or long-term licences with a presumption of renewal – can also encourage investment.

Timely and adequate access to mid-band spectrum is essential to the development of networks as it provides city-wide capacity and offers the capacity needed by various applications. Countries will need an average of 2–3 GHz of mid-band spectrum in the 2035–2040 period to meet rising traffic demand.

The 3.5 GHz range is being used today to power 5G launches, while the 6 GHz band has also been harmonised internationally. Following identification for IMT at the World Radiocommunication Conference 2023 (WRC-23), 6 GHz is now the harmonised home for the expansion of mobile. It is the largest remaining single block of mid-band spectrum for mobile services and supports greater capacity for mobile. It will be crucial for the launch of future 6G networks.

Future networks also need low-band (sub-1 GHz, such as 600 MHz) and high-band spectrum (above 24 GHz). Low bands support wide coverage and help reduce the digital divide between urban and rural areas. High-band, mmWave spectrum can deliver high-capacity for hot spots in areas such as sports stadia or transport hubs. Only countries with effective spectrum policies will be able to unlock the transformative potential of new technologies and position themselves as leaders in the evolving digital economy.

Only countries with effective spectrum policies will be able to unlock the transformative potential of new technologies

Further reading

Region in Focus: Latin America, Q4 2025, GSMA Intelligence, 2026

Telco AI: State of the Market, Q4 2025, GSMA Intelligence, 2026

Staying one step ahead: telco security in 2025, GSMA Intelligence, 2025

Satellite and NTN tracker, Q4 2025, GSMA Intelligence, 2026

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