



Ministerio de
Transportes y
Telecomunicaciones

Gobierno de Chile

DTP

Directorio de Transporte Público
Metropolitano



The opportunity of investment:

Public Transit Developments and Major Projects in Santiago, Chile

APTA EXPO

October 10th 2023

Chile, Investment Opportunities in the Latin American Hub



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Investment Commissioner North America
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Chile A Sound Economy



South America



Chile at a glance...

GDP 2022
US \$301 bn

Exports 2022
US \$98,5 bn

Imports 2022
US \$94,7 bn

Population
19,8 million

GDP p/capita 2022
\$29.083
(#2 in LATAM)

CB Interest rate
9,5%

Inflation 2022 12,8%
Inflation 2021 7,2%

FDI Flows 2013- 2022
US \$15,1 bn (annual average)

...A Sound Economy

Corp rate tax
27% (Semi-integrated tax system)

FDI Inward stock US
\$275 bn (2022)

A Robust Foreign Investment Regime

Equal Treatment

Foreign companies based in Chile enjoy the same rights and obligations as Chilean companies in the country.

Free flow of capital & profits

National legislation allows the entry and repatriation of capital without costs.

Pro-business environment

Simple tax structure /ease to set up companies.

Committed to boost investment

Pro-investment agenda of President Boric's government

Why Chile?



Why Chile?

Reasons and Attributes that make Chile a highly attractive FDI reception country.

**ON-GOING
LEADERSHIP**

**ENTREPRENEURIAL
ENVIRONMENT**

**HIGH-LEVEL
TALENT**

**LATIN
AMERICAN
HUB**

**TECH &
SUSTAINABLE
LEADER**

LATIN AMERICAN HUB

Regional platform with global access:

More free trade/tax agreements than anyone else on the planet

FTAs allow privileged tariffs with

88%

Of Global GDP

Logistics Performance Index 2018

#1

LatAm

#34

Worldwide

17

Airports

7 International
10 National

Access to

4.3

Billion Consumers

Agreements to avoid double taxation with

33

economies

56

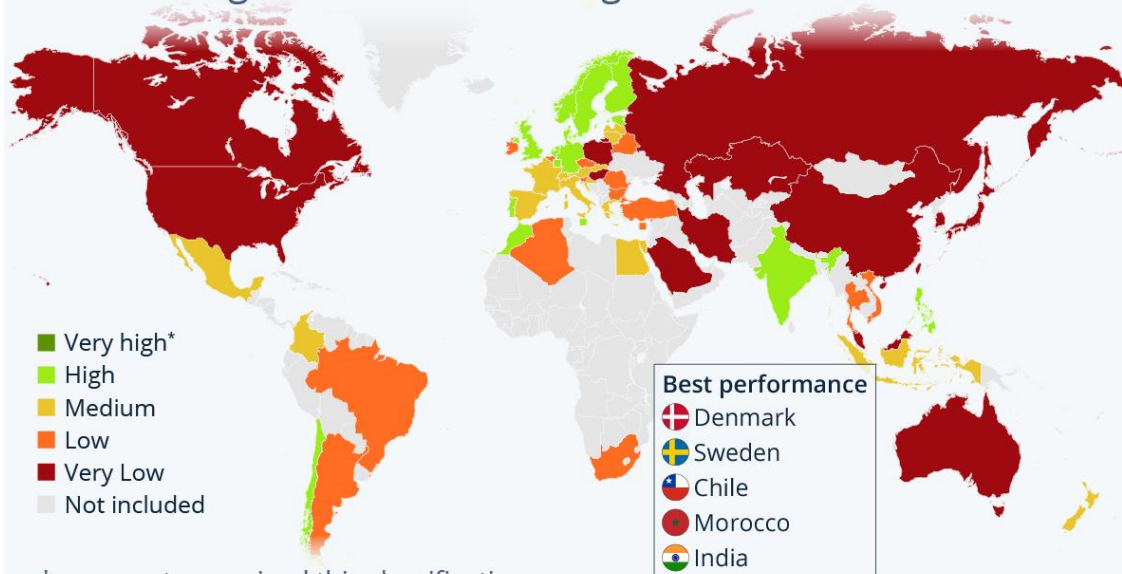
Ports

10 State Public Ports
14 Private for public use
32 private for private use

Chile is, and will continue to be a key player in the Global Energy Transition

Which Countries Act to Protect the Climate?

Countries ranked by their climate protection performance according to the Climate Change Performance Index 2023



* no country received this classification

59 countries evaluated on status, trend and target of per-capita greenhouse gas emissions, renewable energy and energy consumption as well as climate change policy

Sources: Germanwatch, NewClimate Institute, Climate Action Network



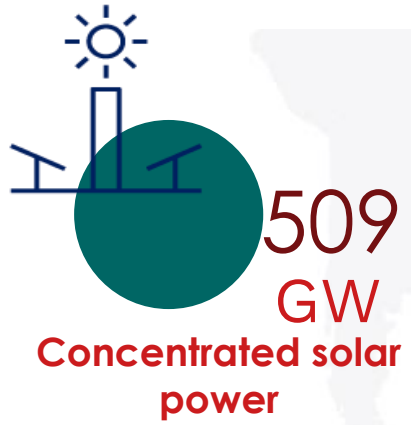


Green Energy Mining Infrastructure

Investment Opportunities

Green Energy

Chile has massive renewable resources to power the transition to a green energy matrix



1800+ GW

GREEN HYDROGEN

- Electricity represents between **45% and 75%** of green hydrogen production cost.
- Green Hydrogen National Strategy, 4 priority areas.
- Commercial agreements with more than 86% of world GDP

1



Regulation and permits

2



Financing and incentives

3



Domestic market and international partnership

4

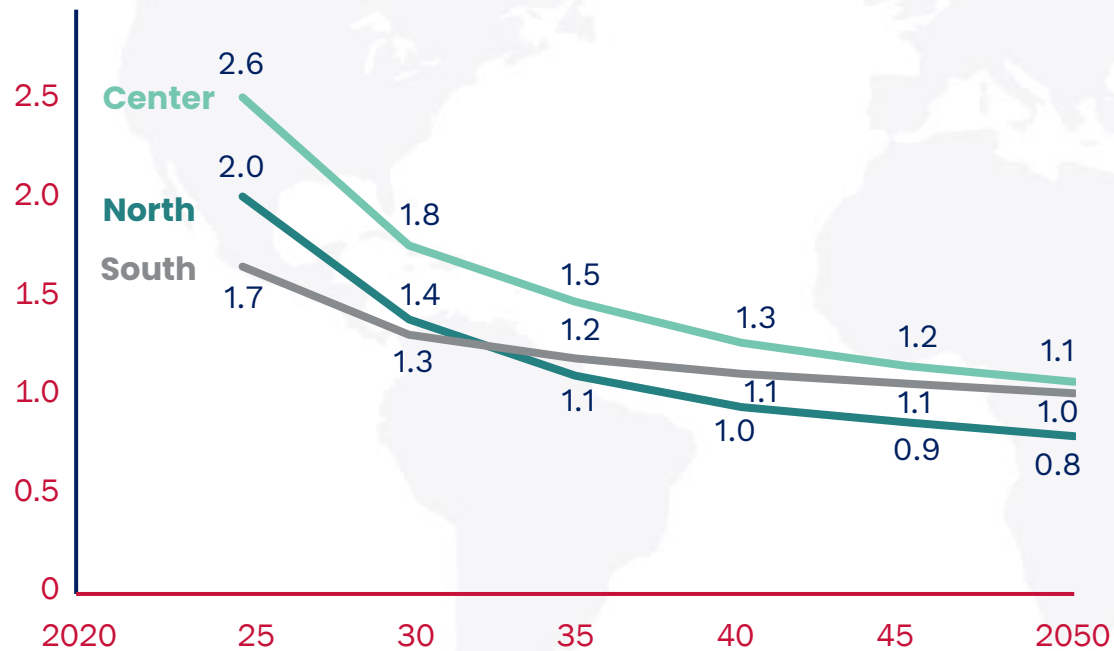


Local development

The cheapest green hydrogen on the planet

Levelized cost of green hydrogen (USD/kg H₂)

Source: McKinsey & Co.

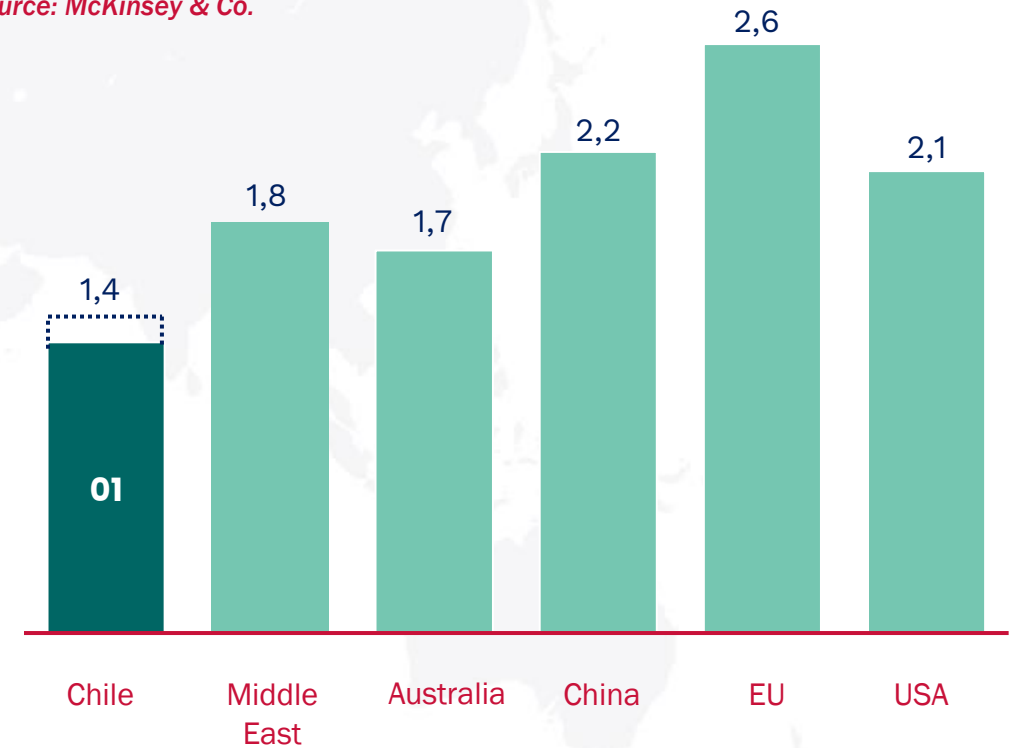


Potential for a **160 Mton** yearly green hydrogen production*

*Source: International Energy Agency.

Levelized cost of production by 2030 (USD/kg H₂)

Source: McKinsey & Co.



*Does not consider conditioning, transport, storage nor distribution costs.

Mining

Mining

Chile has the highest concentration of world-class copper deposits: **30% of the world's reserves.**

The largest deposits of **lithium**, a key component for the development of the electro-mobility industry.

Gold, silver and iron, as well as some of the largest industrial sales deposits in the world.

A portfolio of more than **100 exploration projects** and mining prospects are available for purchase, financing or joint venture

The mining investment portfolio in Chile for the next 10 years: **US\$ 74 billion.**

Annual expenditures of mining companies on auxiliary services and machinery: **US\$ 15 billion**

28%

World's total
production
copper

44%

World **Lithium**
Reserves

270k

Highly
specialized
workers



Teck



Glencore



RioTinto

Infrastructure

Infrastructure

Chile's concession system has become a worldwide model and has been in place since the early 90's

100+ contracts awarded in the last 30 years

Key PPP worldwide players are already present in Chile: Astaldi, Atlantia, Airport of Paris, Brookfield, CPP Investment Board, CHEC, OHL, Sacyr, and Vinci

Investments for **US\$27 billion** materialized in the last 30 **years**: airports, highways, hospitals, public buildings and reservoirs

65 contracts currently in operation

The 2022-26 concession portfolio has a value of **US\$13.3 billion**

InvestChile 


PARISAÉROPORT

VINCI 

SACYR

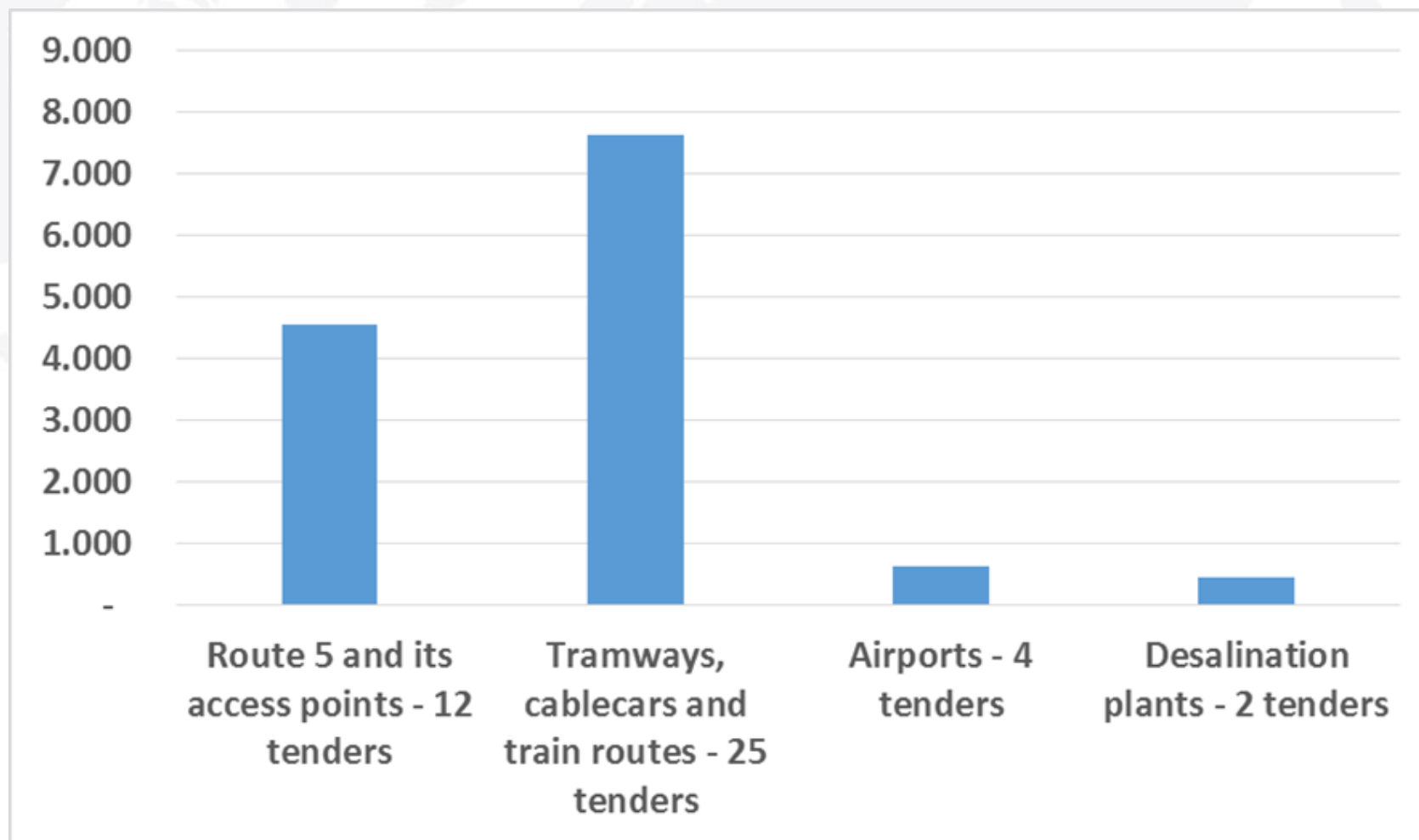


Brookfield

OHL

2022-2026 CONCESSION PORTFOLIO

Total value of the Project Portfolio– USD 13 billion. 43 tenders and 54 projects



InvestChile

US \$24 bn

Portfolio of projects 2022
(in different stages of development)

Government agency that promotes Chile and proactively attracts foreign investment.

+700 companies
advised each year

Services to speed up your businesses

We offer specific services and key information for each stage of the development of investment projects, to support and facilitate investment decisions.

Specialized services at every stage of your investment project



PROSPECTION

- General information regarding the investment climate in Chile
- Investment opportunities
- Government programs and public tenders
- Public investment project portfolio
- Specialized reports & publications
- Foreign Direct Investment Statistics

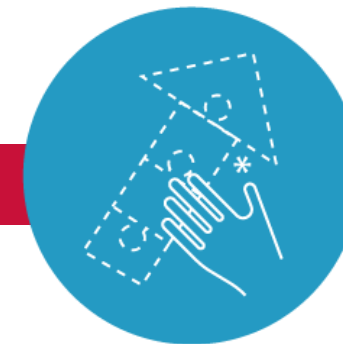


PRE-INVESTMENT

- Meetings Agenda.
- On-site visits & Virtual tours.
- Pool of service providers.
- Industry-specific information.
- Legal advice: setting up a company, taxes, regulations, permits, visas.
- Public incentives: advice & support for application.



LANDING



RE-INVESTMENT

- Support for re-investment & expansion projects
- Contact with key stakeholders in the ecosystem: public, private, academia, industrial associations.
- Support with problem solving, conflict resolution related to operating in Chile

#InvestChile Tools to Power up your business

BROCHURE

*中文 - EN - ESP

Our brochure 'Chile, the Place to Build Your Future, as well as, some of the previous tools are available in: Mandarin (*中文), Spanish, Portuguese, Japanese & German.



INVESTOR'S GUIDE

*中文 - EN - ESP - POR

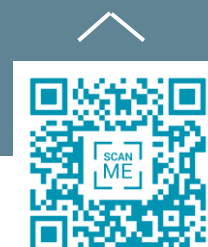
A complete guide to setting up your business operations.
Steps for landing / Incentives for Foreign Investment / Intellectual Property / Tax structure of Chile / Environmental Legislation / Visas and Foreign Citizens / Personal Data legislation / Labour Laws and Social Security.



SECTORIAL E-BOOKS

EN - ESP

FDI projections & opportunities regarding food, sustainable packaging, energy, mining, venture capital & Fintech, global services & digital economy in Chile.



INVESTCHILE PORTFOLIO

EN - ESP

This public-private portfolio includes +120 projects in different sectors such as: Infrastructure, tourism, energy & mining.



“A sustained investment strategy to improve citizens’ quality of life”



Alejandra Provoste

Chief Innovation Officer DTPM

CREATING A PUBLIC TRANSPORT SYSTEM FOR THE PEOPLE



THROUGH A SUSTAINED INVESTMENT STRATEGY

FOCUSING ON:



Sustainability



Gender and Diversity



Customer Experience



CREATING A PUBLIC TRANSPORT SYSTEM FOR THE PEOPLE



**New zero-emission
high-standard buses**



**Modern and safe
bus stops**



**Digital
Payments**



**MORE THAN
2,500 MM USD
INVESTED SINCE 2018**

Euro VI Buses 813 MM

Electric Buses 1,093 MM

Technology 45 MM

Infrastructure 529 MM

Investment 2018 - 2023

JUST FINISHED THE DEPLOYMENT OF NEW CONTRACTS FOR THE BUS OPERATION

6

CONTRACTS

2,500

OPERATION OF BUSES

991

NEW ZERO-EMISSION BUSES



IMPROVED PERFORMANCE INDICATORS



E3

E2

E1

E3

E2

E1

E3

E2

E1

E3

E2

E1

E3

“Procurement process for the operation and supply of zero-emission buses”



Diego Cruz

Chief Financial Officer

**RENEW THE
OPERATION OF 30%
OF THE BUS ROUTES
IN THE CITY**

2,100

**OPERATION OF
BUSES**

1,000

**NEW ZERO-EMISSION
BUSES**

5

CONTRACTS

115

BUS ROUTES



**SIGNIFICANTLY INCREASE
THE NUMBER OF WOMEN
OPERATING BUSES**

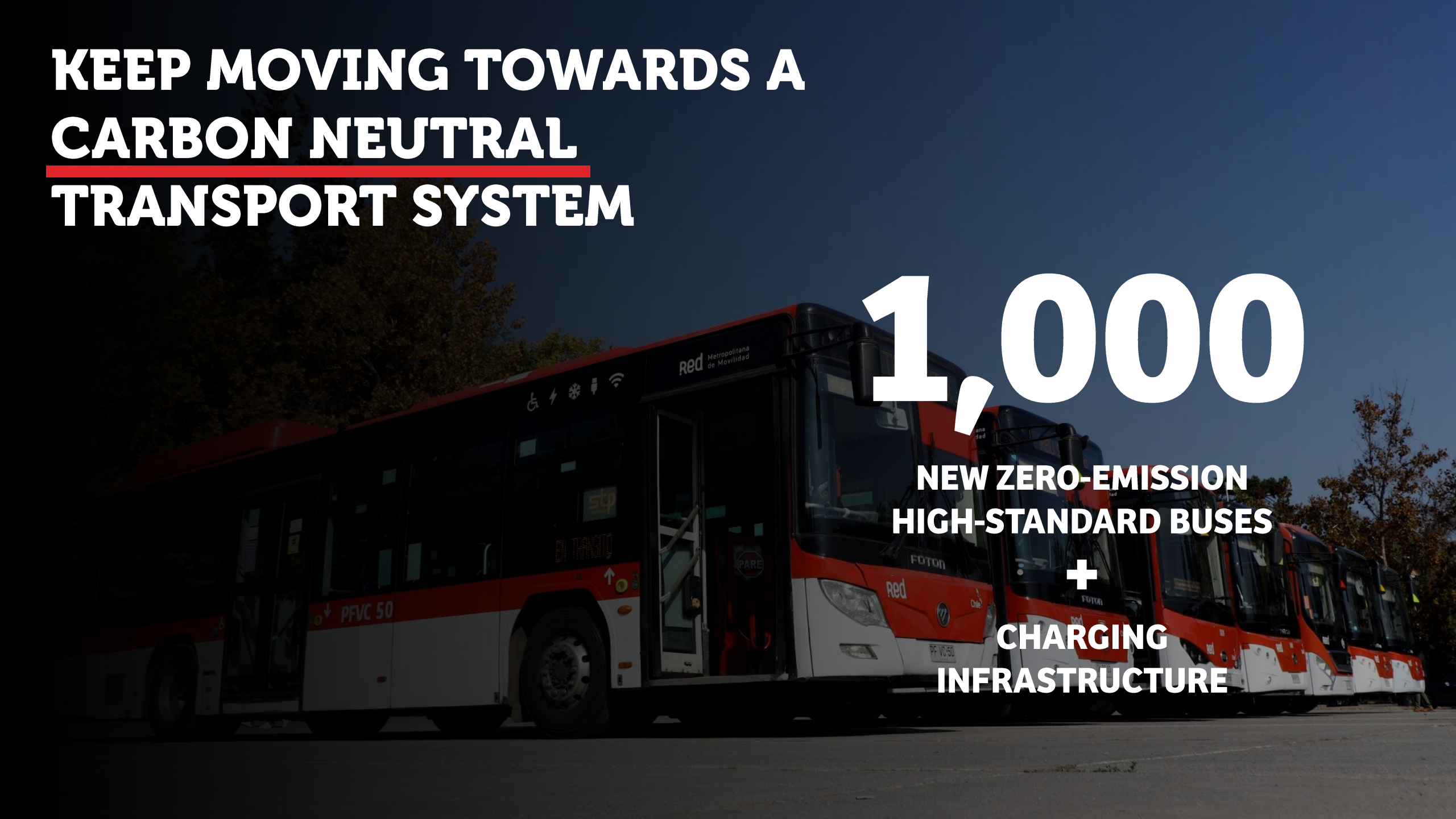
KEEP MOVING TOWARDS A CARBON NEUTRAL TRANSPORT SYSTEM

1,000

**NEW ZERO-EMISSION
HIGH-STANDARD BUSES**

+

**CHARGING
INFRASTRUCTURE**



INCREASED STANDARD IN PERFORMANCE INDICATORS



**EXCESS
WAITING TIME**



**PUNCTUALITY
COMPLIANCE**



**QUALITY OF
SERVICE**

PAYMENT FORMULA

BASE INCOME

- ✓ Operated Km
- ✓ Passenger Demand
- ✓ Offered capacity

±

PERFORMANCE

- ✓ User's waiting time
- ✓ Quality of service

+

OTHER

- ✓ Fleet Supply
- ✓ Charging Infrastructure
- ✓ Fare Evasion Reductions Incentive
- ✓ Performance Bonus

CONTRACT STRUCTURE WITH INCREASED CERTAINTY AND REDUCED RISK FOR FINANCING

Bus Financier
Receives payment first

Bus Operator
Receives the remaining



**THE SYSTEM FUNDING IS
GRANTED BY THE LAW THAT
APPROVES THE SUBSIDY**

65%

**PUBLIC TRANSPORT
SUBSIDY**

35%

**FAREBOX
REVENUE**

T I M E L I N E

CONSULTATION

STATEMENT OF WORK

TENDER DOCUMENTS

Q1 2024

✓ Industry (RFI)

✓ Experts

✓ Citizenship



BUDGET 2,800 MM USD
BUS OPERATION

700 MM USD
BUS SUPPLY AND FINANCING

“Technological Transformation: A modernization and digitalization strategy”



Alejandro Schmidt
Chief Technology Officer

A TECHNOLOGICAL TRANSFORMATION FOR THE PUBLIC TRANSPORT SYSTEM



**Fleet management
for a high-
standard service**



**World class
passenger information
systems**



**Modern and
adaptable
Ticketing system**



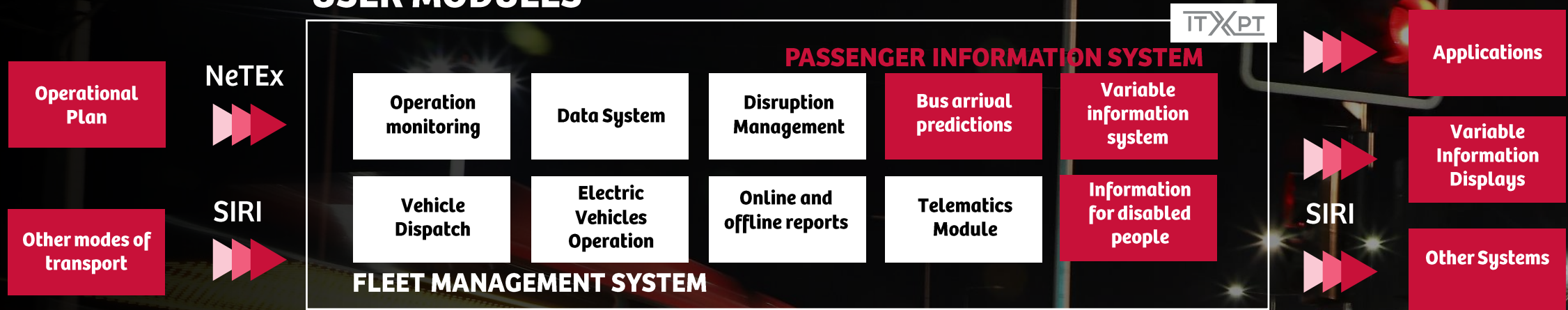
**Advanced tools for
operational
programming**

Marcopolo

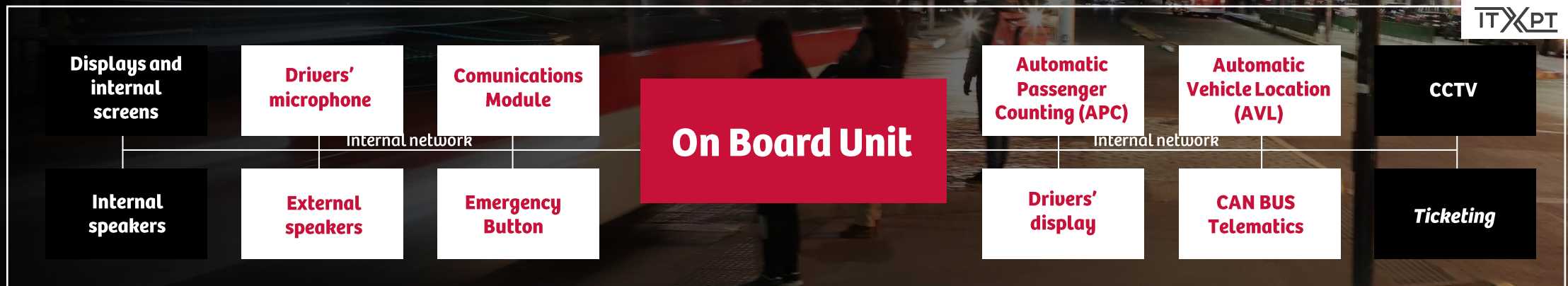
FLEET MANAGEMENT AND PASSENGER INFORMATION PROCUREMENT

- ✓ Advanced systems for **disruption management**
- ✓ Tools to support **drivers' daily tasks**
- ✓ Increased service reliability
- ✓ High-quality and precise **operational data**
- ✓ Efficient **vehicle dispatch** process
- ✓ Passenger information for **multimodal journeys**

USER MODULES



ONBOARD ARCHITECTURE



T I M E L I N E

CONSULTATION

STATEMENT OF WORK

TENDER DOCUMENTS

Q1 2024

✓ Industry (RFI)

✓ Experts

✓ Citizenship



BUDGET 130 MM USD

TICKETING SYSTEM MODERNIZATION PROCESS

- ✓ Focus on **customer experience**
- ✓ Adaptability for the **diverse mobility needs** of the population
- ✓ **Reduce access barriers** to the ticketing system
- ✓ **Create digital experiences** for public transport users



**Renew
validators for
buses**



**Modernize
Backoffice
System**



**Modern digital
payments**



**Enable bank
card payments
with fare
integration**

T I M E L I N E

CONSULTATION

STATEMENT OF WORK

TENDER DOCUMENTS

Q4 2023

Q2 2025

✓ Industry (RFI)

✓ Experts

✓ Citizenship

BUDGET 300 MM USD

OPTIMIZATION TOOLS FOR WORLD CLASS TRANSPORT SYSTEMS

- ✓ To maximize the routes productivity
- ✓ Focused on the optimization of electric buses
- ✓ With an easy and straightforward user interface
- ✓ Powerful optimization algorithms

T I M E L I N E

CONSULTATION

TENDER DOCUMENTS

Industry (RFI)
Q3 2023

Q3 2024



BUDGET 3 MM USD



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Metropolitano



Thanks!

