

InvestChile Executive Summary

Title of the study: Foreign Investment in Chile 2022

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The most recent information from the United Nations Conference on Trade and Development (UNCTAD) indicates that the global foreign direct investment (FDI) momentum weakened in 2022, with downward pressure on projects after the growth seen in the first quarter. This was confirmed by the most recent figures on global investment flows released by the Organization for Economic Co-operation and Development (OECD), for 2022.

Although OECD figures as of the third quarter showed global FDI growth of 16%, 2022 closed with global flows down 24% from 2021.

Based on the most current figures, the United States is the leading economy in terms of both outward and inward FDI in the world. Brazil also stands out as one of the most important FDI destinations worldwide.

In terms of greenfield projects, there was an increase in both the number of projects and the capex (capital expenditures) value. This document also takes a look at deals that do not necessarily involve FDI.

In Latin America, the outlook is more auspicious. The information gathered shows that the main countries in the region presented an increase in FDI reception, even when compared to pre-pandemic levels.

Chile, meanwhile, had a significant increase in FDI in 2022, mainly in reinvested profits and equity capital shares. This is especially relevant because these two components represent fresh resources for the economy and the 2022 numbers are among the most significant in the historical series of FDI received in the country.

An analysis of investment projects in Chile highlights InvestChile's project portfolio, which also shows the highest numbers since its origin.

Projects in the Mining, Energy and Global Services sectors are analyzed separately, and are noteworthy for the resilience of their industries. In the Energy sector, Chile once again ranked first among the most attractive emerging economies for the development of non-conventional renewable energy (NCRE) projects, according to BloombergNEF's Climatescope ranking.

Likewise, one of the highlights of 2022 is the country's capacity to consolidate as a digital hub in the region, motivated mainly by the existing connectivity and the support of non-conventional renewable energies.