
CHILE



PLUGG
TECHNOLOGIES

www.plugg.tech

Chile Report

Chile is emerging as a top nearshoring destination, offering a highly skilled workforce, strong digital infrastructure, and government-backed incentives for foreign investment. With thriving tech hubs like Santiago and a rapidly expanding IT, software development, and business process outsourcing (BPO) sector, Chile provides businesses with a stable and innovation-driven environment to scale their operations in Latin America.

Talent Pool and Workforce

Chile has built one of the most stable and well-developed economies in Latin America, reflected in its highly skilled and educated workforce. With a strong emphasis on STEM education and technical training, Chile has become a hub for key industries such as technology, mining, and finance. Government initiatives like Start-Up Chile and increased investment in digital education have fueled the growth of the country's tech workforce, which now includes approximately 250,000 professionals in software development, IT services, and related fields.

Chile's nearshore tech sector is rapidly expanding, offering expertise in software development, IT support, and business process outsourcing (BPO). The country's 9.6 million-strong workforce, stable economy, and time zone alignment with North America make it an attractive destination for nearshoring, particularly in IT, business services, and engineering.

The IT industry is projected to grow at a compound annual rate of 8.55% from 2022 to 2027 (Technavio), driven by the integration of artificial intelligence (AI) in businesses, a surge in digital information services, and rising demand for IT consulting, software development, and technical support. With 91% internet penetration—the highest in Latin America—and 5G coverage expected to reach near-full availability by 2025, Chile is well-positioned as a leading tech and nearshoring hub in the region.

Highlights:

- **Fast-Growing IT Sector:** Chile's IT industry is set to grow 8.55% annually (2022-2027), driven by AI, digital services, and software development.
- **Top Nearshoring Hub:** A 9.6 million-strong workforce, stable economy, and U.S.-aligned time zone make Chile ideal for IT, business, and engineering nearshoring.
- **Strong Digital Infrastructure:** With 91% internet penetration and 5G expansion by 2025, Chile leads Latin America in connectivity and tech readiness.

Language

The official language of Chile is Spanish, and it is spoken by the vast majority of the population. However, the Chilean variety of Spanish has unique characteristics, including specific slang, fast-paced speech, and regional accents, which can differ slightly from the Spanish spoken in other Latin American countries.

English proficiency tends to be higher in major cities like Santiago. Chile ranks 52nd out of 113 countries in the EF English Proficiency Index.

Highlights:

- Spanish is the primary language among the general population. English fluency is not widespread in Chile but is more common in the major cities, especially the capital Santiago, and within the business community.





Plaza de las Armas,
Santiago, Chile

Government

Chile's government actively supports nearshoring, foreign investment, and digital transformation, creating a business-friendly environment for international companies. President Gabriel Boric's administration continues to promote initiatives such as investment in digital infrastructure, tax incentives for startups, and policies encouraging foreign direct investment (FDI)—key factors for companies expanding into Latin America.

A major government-backed initiative, the National Artificial Intelligence Policy, aims to regulate and promote AI-driven industries, while investments in broadband expansion and 5G connectivity strengthen Chile's digital infrastructure. Additionally, efforts to streamline environmental approvals for mining and infrastructure projects are making it easier for businesses in energy, logistics, and manufacturing to operate efficiently.

Chile also remains committed to strengthening its trade and investment policies. It is an active member of global trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and MERCOSUR, giving nearshoring companies greater access to international markets. Furthermore, government initiatives such as Start-Up Chile and tax incentives for tech firms continue to attract high-value industries, reinforcing Chile's status as a stable, innovation-driven, and business-friendly economy. With these policies in place, Chile stands out as one of the most attractive nearshoring destinations in Latin America.

Education

Chile's educational system is renowned for its emphasis on technical and vocational training, producing a workforce adept in various industries.

Notably, the Pontificia Universidad Católica de Chile in Santiago holds the top position in Latin America's World University Rankings, reflecting the country's commitment to academic excellence. Complementing this, Chile boasts an additional 31 universities, offering diverse programs to meet the nation's educational needs.

A significant aspect of Chile's higher education is its focus on STEM (Science, Technology, Engineering, and Mathematics) disciplines. According to the OECD, 30% of first-time students enroll in STEM courses, surpassing enrollment in other fields. This trend is bolstered by initiatives such as Start-Up Chile, which fosters innovation and entrepreneurship, and increased investments in STEM education. These efforts have cultivated a tech-savvy workforce, with approximately 250,000 professionals engaged in software development, IT services, and related sectors.

Highlights:

- **Top-Tier Education:** Chile is home to Pontificia Universidad Católica de Chile, the #1 ranked university in Latin America, along with 31 other universities offering diverse programs.
- **Strong STEM Focus:** 30% of first-time students enroll in STEM courses, the highest among all fields, driving Chile's tech and engineering workforce.
- **Growing Tech Talent:** With 250,000 professionals in software development and IT services, Chile's investment in innovation and programs like Start-Up Chile is fueling a thriving tech ecosystem.

Economic Outlook

Chile's economic outlook for 2025 indicates a modest recovery, with GDP growth projected between 1.5% and 2.5%, according to the Banco Central de Chile.

This growth is expected to be driven by increased public spending and robust external demand, particularly for copper and lithium exports. However, domestic household and business spending may remain subdued. Inflation is anticipated to decline to 3.6% by the end of 2025, approaching the central bank's target of 3% by early 2026. Despite these positive trends, challenges persist, including potential slowdowns in key trading partners like China and internal political dynamics, especially with upcoming presidential and legislative elections.

Additionally, recent significant copper discoveries in other countries could impact Chile's position in the global copper market, necessitating strategic adjustments in its mining sector.

CURRENCY

\$1 USD = 952.38
Chilean Peso
(CLP)



Business Landscape of Santiago, Chile

Chilean Culture

In Chile, personal relationships and trust are the foundation of both business and social interactions. Establishing strong connections is essential before engaging in significant business dealings. Initial meetings often focus on building rapport, with time devoted to non-business discussions to foster familiarity. Social activities outside the workplace, such as dinners, sporting events, or weekend gatherings, are common ways to strengthen these bonds. This emphasis on relationships extends beyond work and into Chilean daily life, where family and close-knit friendships play a central role in society.

Chilean business settings tend to be formal and conservative. Punctuality is valued, and professional attire is expected, particularly in corporate environments. Greetings typically involve a firm handshake and direct eye contact, and it is customary to address counterparts by their titles and surnames until invited to use first names, demonstrating respect and professionalism. This formality also extends to broader Chilean culture, where politeness and proper etiquette are highly regarded in both professional and social settings.

Beyond business, Chilean culture is shaped by its rich history, diverse landscapes, and deep national pride. Chileans have a strong sense of identity, shaped by indigenous Mapuche heritage, Spanish influence, and modern global trends. Family is at the core of social life, with weekends often spent enjoying traditional asados (barbecues) or gathering for long meals with loved ones. Chileans are known for their warm hospitality and close friendships, and while they maintain formality in professional settings, personal interactions are often warm, welcoming, and filled with humor.

Top Nearshoring Industries

- Software Development
- IT Services
- Business Process Outsourcing (BPO)

US Companies in Chile

- Google
- Amazon
- Microsoft
- IBM
- Oracle



10.5 Hour
Direct Flight
from NYC

Capital: Santiago
Time Zone: (Chile Standard Time (CLT), UTC -4;
Population: 20.2 Million
Currency: Chilean Peso (CLP)

Cultural Facts:

The concept of 'pitutos', referring to personal networks and connections, is deeply ingrained in the Chilean business world. Who you know can often expedite processes, secure introductions, or create business opportunities, highlighting the importance of maintaining strong professional and personal relationships. While merit and qualifications are important, leveraging connections remains a common and accepted practice in both business and job markets.

Why Nearshore?

Optimize Your Workforce with Strategic Talent Arbitrage

As companies continue to seek innovative ways to stay competitive, nearshoring offers a compelling solution that balances cost-efficiency, collaboration, and high-quality service. By choosing nearby locations for outsourcing, businesses can foster long-term partnerships with external teams, ensuring both cultural compatibility and smoother operational integration.

Benefits of Nearshoring

Access to a Highly-Skilled Talent Pool: Latin America offers professionals with advanced technical skills and business training.

High English Proficiency: Many professionals in the region possess excellent English skills, minimizing communication barriers and enhancing collaboration.

Aligned Time Zones: Teams in nearby regions work in similar time zones, allowing for real-time communication and quicker decision-making.

Cultural Compatibility: Teams from neighboring countries often share cultural similarities with the US, leading to smoother collaboration and stronger business relationships.

Faster Onboarding and Ramp-Up Time: Teams can be onboarded quickly due to geographical proximity and cultural alignment, reducing project delays.

Cost Efficiency: Companies can access skilled talent at a significantly lower cost than hiring locally in the US.

Latin America's Key Advantages

Latin Americans are well known for their innovative and collaborative approach to problem-solving. The ability to quickly access and integrate highly specialized talent into a shared culture with unified metrics for productivity and success opens the door to enhanced value creation and a distinct competitive edge. The strategic advantages of nearshoring are significant, and forward-thinking business leaders who embrace this innovation will stay ahead of the competition.



Plugg Technologies

In 2015, our founder, Brian Samson, took a bold leap. Leaving San Francisco for Buenos Aires, he embraced the challenge of scaling a FinTech startup. What began as a small team grew into a powerhouse of 85 talented professionals in Argentina. This transformative experience revealed a powerful truth: Latin America is brimming with exceptional tech talent poised to drive global innovation.

Inspired by this discovery, Brian founded Plugg—a company dedicated to bridging U.S. businesses with the best and brightest minds in LATAM.

Joining him on this mission is Ruben Santana, a staffing expert with 30 years of experience leading successful nearshoring operations in Mexico. Ruben’s deep understanding of the region’s talent landscape has been pivotal in shaping Plugg’s success.



Ruben Santana, President



Brian Samson, Founder

The Plugg Technologies Experience

Today, Plugg is more than a staffing partner—we’re a trusted ally for U.S. companies looking to build exceptional teams throughout Latin America. With a strong foundation of trust, honesty, and transparency, we’ve placed hundreds of top candidates, helping businesses scale faster and more efficiently. Our robust infrastructure, visionary leadership, and unmatched recruiting expertise ensure a seamless nearshoring experience every step of the way.

At Plugg, our mission is simple yet profound: to provide personalized, hands-on service tailored to the unique needs of every client. We combine deep regional roots with an unwavering commitment to excellence, offering a level of care and attention that sets us apart.

From the initial consultation to ongoing support, we focus on building lasting partnerships grounded in integrity and genuine collaboration. With Plugg, you’ll experience more than a service—you’ll gain a partner dedicated to your success.

Contact Us Today to Learn How We Can Help

 Ruben@plugg.tech  www.plugg.tech