

Strengthening the Korea–Chile Strategic Partnership

Subtitle:

Translating Summit Diplomacy
into Action and Building a Future
Industry Partnership

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**Session 1: Prospects for the Chile-
Korea Relationship**

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1. Chile: Strategic Value Beyond GDP

- Although Chile is a middle-sized economy in terms of GDP, its strategic importance is disproportionately high due to its pivotal role in global supply chains, critical minerals, renewable energy, and scientific research.

1. Critical Minerals: Chile is the world's largest producer of copper and one of the leading suppliers of lithium, making it indispensable to global semiconductor, battery, and electric vehicle supply chains.

2. Energy Transition: Chile possesses world-class solar and wind resources, positioning itself as a future global hub for green hydrogen production.

3. Science and Space: Northern Chile hosts some of the world's most advanced astronomical observatories, making the country a strategic partner for international scientific research and space observation.

1. Chile's strategic value extends well beyond what its GDP alone would suggest.

- **4. Digital Connectivity:** Chile is emerging as a digital gateway to Latin America through expanding submarine cable networks and growing investments in AI data centers and cloud infrastructure.
- **5. Regional Gateway:** As Latin America's first OECD member and one of the region's most open economies, Chile serves as a reliable gateway for Korean businesses seeking to expand into the Latin American market.
- Historically, Chile has often been described as an exceptional country in Latin America because of its institutional stability, democratic resilience, and commitment to an open economy. Today, however, **Chilean exceptionalism has acquired a new meaning**. In an era shaped by **economic security and technological competition**, Chile stands out as a **strategic power in critical minerals, renewable energy, and scientific research**. Its influence extends far beyond the size of its economy, making Chile an indispensable partner for Korea's future industrial and economic security

1. Korea–Chile: Building a Strategic Alliance Beyond Trade

The Korea–Chile partnership is evolving beyond the conventional FTA framework(since 2004) toward a comprehensive strategic partnership built on **technology, resilience, and innovation**.

- 1. Supply Chain Resilience and Critical Minerals:** Securing the Future Supply Chain
- 2. Artificial Intelligence and Digital Transformation:** Building a Digital Partnership for the Future
- 3. Carbon Neutrality and Clean Energy Transition:** Partnering for a Green Future
- 4. Space, Astronomy, and Polar Research:** Expanding Cooperation Beyond Earth
- 5. Defense and Defense Industrial Cooperation:** Developing a Long-Term Security Partnership

1. Chile is a global leader in critical minerals

- As a global leader in critical minerals, Chile plays an indispensable role in securing the raw materials essential for Korea's advanced manufacturing sectors.
- Its abundant reserves of lithium, copper, molybdenum, and rare earth elements make Chile a cornerstone of resilient supply chains for batteries, semiconductors, electric vehicles, and defense technologies.



[Potret Salar de Atacama, Sumber Litium Murni Terbesar di Bumi](#)

Table 1. Chile's Strategic Position in Critical Minerals

Mineral	Global Reserves	Global Production	Global Ranking	Strategic Relevance to Korea
Copper	Approximately 180 million metric tons (largest in the world)	About 24% of global production	1st	Semiconductors, electric vehicles (EVs), power grids, AI data centers
Lithium	Approximately 9.3 million metric tons (among the world's largest reserves)	About 22% of global production	2nd	Rechargeable batteries, energy storage systems (ESS), EVs
Molybdenum	Among the world's largest reserves	About 15% of global production	3rd	Specialty steel, aerospace, defense industries
Rhenium	Among the world's leading reserves	About 36% of global production	1st	Aircraft engines, gas turbines, superalloys
Iodine	Largest reserves and production worldwide	About 66% of global production	1st	Semiconductors, medical applications, display technologies
Rare Earth Elements (REEs)	Emerging resource potential	Limited commercial production	Emerging producer	EV motors, defense technologies, advanced electronics

Source: U.S. Geological Survey (USGS), Mineral Commodity Summaries (2024–2026); National Minerals Information Center, Chile.

1. Institutional Credibility as Chile's Strategic Asset

- Beyond Natural Resources : Chile ' s Institutional Advantage
- Chile's strategic value lies not only in its abundant natural resources but also in its strong institutional foundation.
- As the first South American member of the OECD and one of the world's most open trading economies, Chile provides Korea with a reliable and predictable platform for long - term strategic cooperation.



Table 2. Chile's Institutional Strength as Korea's Strategic Partner

Indicator	Chile	Strategic Significance for Korea
OECD Membership	First South American country to join the OECD(2010)	Demonstrates institutional stability, regulatory transparency, and policy credibility.
FTA Network	One of the world's most extensive FTA networks, covering over 60 economies and the vast majority of global GDP	Provides Korean firms with preferential access to major global markets through Chile.
Korea–Chile FTA	Korea's first-ever Free Trade Agreement , entered into force on 1 April 2004	Established the institutional foundation for Korea's engagement with Latin America and strengthened bilateral economic cooperation.
Investment Environment	One of Latin America's most stable and predictable business environments	Reduces political and regulatory risks for Korean investors and strategic industries.
Gateway to Latin America	Open economy with strong connectivity to Asia-Pacific and Latin American markets	Serves as a regional hub for Korean trade, investment, and supply chain diversification.

Table 3. Chile's Emerging Role as Latin America's Digital Hub

Strategic Asset	Evidence	Implications for Korea
Hyperscale Cloud Infrastructure	Microsoft launched its first cloud region in Chile; AWS is investing US\$4 billion in a new cloud region.	Platform for AI services, cloud computing, and digital business expansion into Latin America
Submarine Cable Connectivity	Google and the Chilean government are jointly developing the Humboldt Cable, the first direct trans-Pacific submarine cable connecting South America with Oceania and the Asia-Pacific.	Faster and more secure digital connectivity between Asia and Latin America
Regional Digital Gateway	Chile is positioning itself as a regional digital hub through data centers, cloud infrastructure, and international fiber-optic connectivity.	Strategic gateway for Korean AI, cloud, fintech, and digital service providers

Chile is emerging as Latin America's digital gateway, connecting the Asia-Pacific and South America through next-generation cloud infrastructure and trans-Pacific digital connectivity.

2. Strategic Cooperation I: Building a Korea–Chile Critical Minerals Supply Chain Partnership

- Why Critical Minerals? : Critical minerals have become strategic assets at the intersection of economic security and the global energy transition. As one of the world's leading producers of lithium and copper, Chile is a key partner for Korea in building resilient, diversified, and sustainable supply chains for future industries.
- E.g. **POSCO: Building an Integrated Critical Minerals Value Chain**
 - Upstream: POSCO's lithium development project in Argentina
 - Midstream: Potential integration with Chile's lithium and copper resources
 - Downstream: Supply of battery materials to Korea
 - Strategic Value: Strengthening the resilience and diversification of the Korea–Latin America battery supply chain
- **Key Message:** Cooperation should evolve beyond individual mining projects toward an integrated regional critical minerals network across Latin America.

2. Strategic Cooperation I: Building a Korea–Chile Critical Minerals Supply Chain Partnership

• **Case 2. LG Energy Solution: Building a Resilient Battery Supply Chain through Chilean Lithium**

Global competition for critical minerals intensifies, securing stable access to lithium has become a key element of economic security and industrial competitiveness.

Chile, one of the world's leading lithium producers, represents a strategic partner for Korea's battery industry by providing a reliable source of critical minerals outside highly concentrated supply chains.

- **Raw Materials: Securing Strategic Lithium Resources and Chile's Advantage:** One of the world's largest lithium reserves, Stable institutional environment and investment conditions, Potential for sustainable lithium production
- **Manufacturing: Korea's Advanced Battery Ecosystem and Strength:** Advanced battery cell technology, global-scale manufacturing capabilities, Strong EV battery supply chains
- **e.g. LG Energy Solution's Role:** Utilize diversified lithium sources to strengthen global production networks, Maintain competitiveness in EV batteries and energy storage systems(ESS), Korea transforms raw materials into high-value battery technology.

2. Strategic Cooperation I: Building a Korea–Chile Critical Minerals Supply Chain Partnership

Traditional Cooperation	Future Strategic Partnership
Raw material imports	Co-developing resilient critical mineral supply chains
Transactional buyer–supplier relationship	Strategic industrial partnership
Commodity trade	Joint investment and technology collaboration
Short-term commercial transactions	Long-term partnership for economic security

The future of Korea–Chile cooperation should move beyond securing raw materials toward co-building resilient, sustainable, and innovation-driven critical minerals value chains. Rather than a conventional buyer–seller relationship, the two countries should establish a strategic partnership spanning the entire value chain—from mining and refining to battery production and recycling.

2. Strategic Cooperation II: Green Hydrogen

- Green hydrogen is emerging as a key pillar of the global clean energy transition. Chile offers some of the world's best renewable energy resources, making it an ideal partner for Korea in building a sustainable hydrogen value chain. Why Chile? Atacama Desert: One of the world's highest solar irradiation levels / Patagonia: Exceptional onshore wind resources / Combined Advantage: World-class conditions for low-cost green hydrogen production
- Chile's National Green Hydrogen Strategy
- **Objective: Become the world's leading exporter of green hydrogen by 2030**
- **Chile's Strength: Abundant solar and wind resources for cost-competitive hydrogen production**
- **Korea's Strength: Advanced hydrogen utilization technologies, including fuel cells, storage, and transportation**
- **Strategic Value: Complementary strengths create opportunities for a Korea–Chile hydrogen partnership**
- **Key Message:** Combining Chile's renewable energy potential with Korea's hydrogen technologies can establish a competitive and resilient green hydrogen value chain.
- **Policy Proposal:** A Korea–Chile Green Hydrogen Value Chain » Green Hydrogen Production in Chile » Conversion to Ammonia for Efficient Transport » Import to Korea » Power Generation & Industrial Applications » Advancing Korea's Hydrogen Economy
- **Policy Message:** Rather than focusing solely on hydrogen trade, Korea and Chile should build an integrated hydrogen ecosystem spanning production, transport, utilization, and long-term industrial cooperation.

2. Cooperation III: AI Data Centers

AI infrastructure has become a strategic asset in the digital economy. Chile is emerging as South America's digital gateway, while Korea possesses world-class capabilities in AI semiconductors and data center operations. Together, they can build a regional AI ecosystem serving the Latin American market. Why Chile?

South America's Internet Hub: Strategic location with growing digital connectivity

Expanding Digital Infrastructure: Increasing demand for cloud and AI services across Latin America

Gateway to Regional Markets: Ideal base for serving the wider Latin American market

Global Tech Companies Expanding in Chile

Company: Google, Amazon Web Services (AWS), Microsoft

Investment: Expansion of cloud infrastructure and data center investments in Chile

Strategic Value: Reinforces Chile's role as a regional digital and cloud hub for Latin America

Key Message: Growing investments by leading global technology companies demonstrate Chile's potential as a strategic hub for AI and cloud infrastructure in Latin America.

Policy Proposal: A Korea–Chile AI Partnership for Latin America

Korean AI Companies Invest in Chile » Establish AI Cloud & Data Center Infrastructure » Provide AI Services Across Latin America » Expand the Global Reach of Korean AI Software and Digital Solutions

Policy Message: Korea and Chile should move beyond infrastructure investment to establish a regional AI ecosystem that combines Korea's technological strengths with Chile's strategic position as Latin America's digital gateway.

2. Cooperation Area IV: Smart Mining

Chile's mining sector has a strong demand for automation and digital transformation due to the scale, complexity, and operational challenges of its mines.

Korea has globally competitive capabilities in: 5G connectivity / Artificial Intelligence (AI) /Robotics and autonomous systems

These technologies can be applied to develop a Korea–Chile Smart Mining Cooperation Model.

Pilot Project Model: Mining Site » AI-based drones for exploration and safety monitoring » Autonomous haul trucks and mining equipment » Remote operation and control centers » Digital twin-based smart mine management

Potential Korean Partners: Hyundai Motor Group — autonomous mobility and AI-based systems / Doosan Group — construction equipment and automation technologies / LS Group — electric power systems and industrial solutions / Hanwha Group — robotics, defense, and energy technologies

Policy Proposal: Rather than focusing only on mineral extraction, Korea should pursue a “**Smart Mining Partnership**” that combines Chile's world-class mining resources with Korea's digital technologies. Through joint demonstration projects, Korea can contribute to: 1) improving mining productivity and safety, 2) reducing carbon emissions through automation, 3) creating new opportunities for Korean AI, robotics, and ICT companies in Latin America.

2. Cooperation Area V: Space Industry

The space industry is an unexpectedly promising area for Korea–Chile cooperation.

Chile hosts some of the world's most advanced astronomical observatories, including: Atacama Large Millimeter/submillimeter Array (ALMA), Very Large Telescope (VLT)

These facilities provide Korea with opportunities to cooperate in astronomical research, space data utilization, and advanced space technologies.

Korea has strengthened its space capabilities through: 1) the successful development of the Nuri space launch vehicle, 2) satellite development and operation capabilities, 3) the establishment of the Korea Aerospace Administration.

Potential Joint Project Model: Satellite observation » AI-based analysis of astronomical and satellite data » Space weather monitoring and prediction » Applications in national security and disaster management

Policy Proposal: Korea and Chile can establish a Space Data and AI Cooperation Partnership by combining Chile's world-class astronomical observation infrastructure with Korea's satellite, AI, and space technology capabilities.

Such cooperation could expand beyond scientific research into: 1) AI-based space data services, 2) climate and environmental monitoring, 3) space weather forecasting, 4) security and defense-related satellite applications. Through this partnership, Chile can become Korea's strategic gateway for space cooperation in Latin America, while Korea can contribute advanced digital technologies to Chile's growing space ecosystem.

2. Cooperation Area VI: Climate Change Response

Climate change is another important area where Korea and Chile can expand technological cooperation. Chile is facing increasingly serious environmental challenges, including: large-scale wildfires, prolonged droughts, glacier reduction caused by climate change.

Korea has developed advanced capabilities in: smart forest management, AI-based disaster prediction and response systems, satellite and digital monitoring technologies

Pilot Project Model: Satellite monitoring >> Drone-based forest and environmental observation >> AI analysis and risk prediction >> Early wildfire detection and emergency response

Policy Proposal: Korea and Chile can establish a **Climate Technology Cooperation Platform** that combines Chile's urgent climate adaptation needs with Korea's digital technologies.

Through joint demonstration projects, cooperation can focus on: 1) AI-based wildfire forecasting, 2) real-time forest monitoring, 3) water resource management, climate data sharing and analysis.

Such cooperation would allow Korea to contribute to Chile's climate resilience while creating opportunities for Korean companies in AI, satellite technology, environmental ICT, and disaster-management solutions to expand into Latin America.

2. Cooperation Area VII: Defense Industry

The Latin American defense market has been expanding, creating new opportunities for Korea–Chile defense cooperation. Chile is currently pursuing military modernization and upgrading its defense capabilities to respond to emerging security challenges. Potential areas of cooperation include: 1) Naval vessels and maritime security systems 2) Radar and surveillance technologies 3) Command, Control, Communications, Computers, Intelligence(C4ISR) systems, 4) Unmanned systems, including drones and autonomous platforms

Potential Korean Partners: 1) Korea Aerospace Industries (KAI) — aircraft, aerospace systems, and defense platforms 2) Hanwha Aerospace — defense systems and advanced military technologies 3) LIG Nex1 — missiles, radar, and precision defense systems 4) HD Hyundai Heavy Industries — naval vessels and maritime defense solutions

Pilot Cooperation Model: Naval and defense capability assessment » Joint development and technology cooperation » defense system integration » Training, maintenance, and long-term partnership

Policy Proposal: Korea should pursue a “Defense Technology Partnership” with Chile that goes beyond arms sales and focuses on joint capability development, technology transfer, and defense industrial cooperation. Through cooperation in smart defense systems, unmanned technologies, and maritime security, Korea can strengthen its strategic partnership with Chile and expand its presence in the growing Latin American defense market.

2. Cooperation Area VIII: Digital Government

Digital government is one of the most promising areas for Korea–Chile cooperation. Chile has developed one of the most advanced e-government systems in Latin America, while Korea is also recognized as a global leader in digital public administration.

Both countries have strong complementary capabilities and can develop joint digital government solutions.

Potential Cooperation Areas: 1) Electronic customs systems 2) Digital procurement platforms 3) AI-based public administration 4) Digital identification systems

Pilot Cooperation Model: Korea's digital government technologies » Joint development and demonstration with Chile » Adaptation to Latin American public-sector needs » Expansion to regional markets

Policy Proposal: Korea and Chile can establish a Digital Government Cooperation Partnership and jointly develop models that can be applied across Latin America.

Rather than pursuing cooperation only at the bilateral level, Korea and Chile can create a regional digital transformation model by combining: 1) Korea's advanced ICT infrastructure and administrative innovation, 2) Chile's experience as a digital government leader in Latin America.

This partnership can provide new opportunities for Korean digital technology companies to enter Latin American markets while contributing to public-sector modernization across the region.

2. Cooperation Area IX: Bio & Agri-Food Industry

The bio and agri-food sector is another promising area for Korea–Chile cooperation. **Chile is a major agricultural producer in the Southern Hemisphere, creating a strategic advantage because its production seasons are opposite to those of Korea and the Northern Hemisphere.**

This seasonal complementarity provides opportunities for cooperation in: 1) Smart farming technologies 2) Advanced seed development 3) AI-based agricultural management 4) Cold-chain logistics systems

Potential Cooperation Model: Korean agricultural technologies » Smart farm demonstration projects in Chile » AI-based crop management and productivity improvement » Stable agricultural supply chains » Expansion of Korean food companies into Latin American markets

Policy Proposal: Korea and Chile can establish a Bio and Agri-Food Innovation Partnership by combining Chile's agricultural resources and global export networks with Korea's digital farming and food-processing technologies.

Cooperation can focus on: 1) climate-smart agriculture, 2) precision farming, 3) agricultural data platforms, 4) food safety and logistics innovation. Through joint projects, Korean food and biotechnology companies can use Chile as a strategic base for expanding into the broader Latin American food market, while Chile can benefit from Korea's advanced agricultural technologies and value-added food industries.

2. Cooperation Area X: Cultural Content Industry

The cultural content industry is emerging as a powerful area for Korea–Chile cooperation. The popularity of K-content, including Korean music, dramas, films, and digital entertainment, has grown significantly in Chile. At the same time, demand for Korean language education and cultural exchange programs is increasing, creating opportunities to expand cooperation beyond cultural consumption into the broader creative economy.

Potential Cooperation Model: K-Content expansion » Digital Korean language and cultural education » AI-based translation and localization technologies » Joint cultural content production and industry cooperation

Policy Proposal: Korea and Chile can establish a K-Culture and Digital Content Partnership by combining Korea's globally competitive content industry with Chile's growing interest in Korean culture.

Key cooperation areas include: 1) digital platforms for Korean language education, 2) AI translation and content localization, 3) joint production of cultural content, 4) cooperation between creative industries and technology companies. Through this partnership, Korea can strengthen its cultural presence in Latin America, while Chile can become a strategic hub for expanding K-content and creative industries throughout the region.

2. Cooperation Area X: Cultural Content Industry

- Promoting Chilean Content in Korea and Introducing Chile's Cultural Heritage to Korean Audiences. e.g. Chilean Film and Drama Exchange
- Organize Chilean Film Festivals in Korea / Introduce Chilean films, dramas, and digital content through Korean OTT platforms / Promote joint Korea–Chile film and drama productions
- **Potential Content Themes**
 - Chile's history and democratic experience / Stories reflecting Chile's political transformation, social changes, and democratic development / Patagonia's unique natural heritage
 - Documentaries and creative content featuring Patagonia's landscapes, biodiversity, and environmental value / The Atacama Desert and scientific heritage: Content highlighting the world's driest desert, astronomical observatories, and environmental innovation
 - Indigenous culture and heritage (Mapuche culture) / Stories introducing Chile's indigenous traditions, identity, arts, and cultural diversity
- **Policy Message:** "Cultural cooperation should move beyond the export of Korean content to Chile and **promote mutual cultural exchange** by bringing Chilean stories, heritage, and creativity to Korean audiences."

3. De la Cooperación de Recursos a una Alianza de Innovación

Korea–Chile cooperation should no longer remain limited to expanding trade after the Korea–Chile Free Trade Agreement (FTA in 2004).

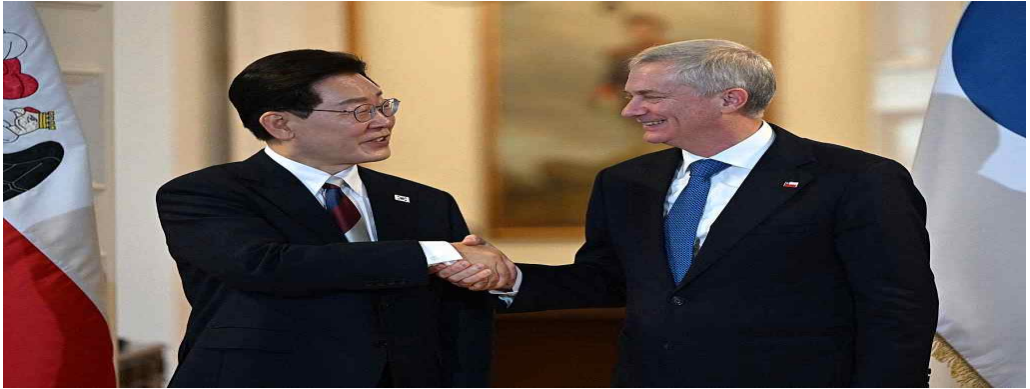
It should evolve into a “Future Industry Strategic Alliance” covering key areas such as: 1) critical minerals 2) clean energy 3) artificial intelligence (AI) 4) space technology 5) digital transformation

The true value of summit diplomacy will be realized only when political agreements are institutionalized through concrete mechanisms, including: 1) joint projects; 2) joint investment; 3) joint research and development (R&D) ; 4) human resource exchanges, etc.

By moving from a traditional trade -based partnership toward a technology - and innovation - driven alliance , Korea and Chile can create new sources of national competitiveness and establish a strategic model for cooperation between Asia and Latin America.

“Chile y Corea no solo deben compartir recursos, sino también conocimiento, tecnología e innovación para construir juntos el futuro.

“De la confianza política a la innovación conjunta: Corea y Chile construyen juntos el futuro.”



Thank you very much.

If you have any further questions, please feel free to contact Dr. Sang-sub, Ha <sanchito@hanmail.net>

Appendix: **Five Strategic Projects** for the Korea–Chile Future Industry Partnership

Strategic Project	Key Activities	Expected Outcomes
① Korea–Chile Critical Minerals Supply Chain Alliance	Joint development, processing, and recycling of lithium and copper resources	Strengthening supply chain stability and enhancing Korea's battery industry competitiveness
② Green Hydrogen Value Chain Partnership	Joint demonstration projects covering production, transportation, and utilization of green hydrogen	Supporting carbon neutrality goals and securing future energy security
③ AI & Digital Innovation Partnership	Data centers, smart mining, and digital government cooperation	Establishing a gateway for Korean ICT companies to expand into Latin America
④ Space & Climate Research Cooperation Platform	Satellite technology, astronomical research, and wildfire/climate monitoring	Strengthening scientific cooperation and enhancing disaster response capabilities
⑤ Future Industry Cooperation Fund & Industry–Academia Network	Establishing collaboration among governments, companies, universities, and research institutions	Institutionalizing the achievements of summit diplomacy and ensuring sustainable cooperation