Antofagasta Minerals stock drops 16% following Trump measures

The Luksic Group's mining company was joined by a 14% decline in Anglo American and a 10% drop in BHP, after the U.S. tariffs.

Diario Financiero – Monday, April 7, 2025
By S. Fuentes and S. Pumpin

The copper rally couldn't last forever. As of 2025, the red metal had accumulated a 10.65% increase on the London Metal Exchange, reaching US$4.375 per pound as of Wednesday, but the new tariff measures pushed by Donald Trump halted its momentum.

Since "Liberation Day," the price of copper fell to US$4.005 per pound by the close of Friday on the British exchange, representing a drop of nearly 15% in just two trading sessions.

A similar trend was seen on the New York market. The Comex copper price, which stood at US$4.07 per pound before Trump's announcement, has dropped 13% since then.

Stock market impact

In the stock market, mining companies listed on the exchange—such as Antofagasta Minerals, BHP, and Anglo American—were not immune to the situation and saw declines in their stock prices since Wednesday.

Antofagasta Minerals, the mining company tied to the Luksic Group, fell 16%, while Anglo American dropped 14%, and BHP lost 10%.

According to Javier Vergara, partner at Valtin Consulting, if the impact on copper prices is too severe and it falls below the US$4 per pound threshold, mining stocks could be heavily affected.

However, his base case scenario includes a short-term recovery of the red metal to around US$4.4 per pound. Based on that assumption, he stated that the outlook for mining companies would be favorable.

Vergara added that, despite recent turmoil, "in relative terms, the mining sector will perform better than the S&P 500 and the Nasdaq."

Juan Ignacio Guzmán, member of the Center for Copper and Mining Studies (Cesco) and CEO of GEM Mining Consulting, said the reaction in mining stocks is due to "financial speculation," as prior to the announcement, copper prices and mining shares were rising regardless of any declarations.

Projections

The new price of the red metal is the key question facing the market.

Plusmining market analyst Juan Cristóbal Ciudad estimated that the metal's price could stabilize between US$3.800 and US$3.900 per pound.

However, he warned that "retaliatory actions from major economies such as China or Europe—and their impact on economic growth and copper demand—could push the price even lower."

BHP hires bird of prey Ónix to guard Minera Escondida’s port

Diario Financiero – Monday, April 7, 2025

Ágata, the hawk that was hired by Antofagasta Minerals to guard the port area of Minera Centinela, now has a “colleague.” This is Ónix, a bird of prey enlisted by BHP’s Escondida to guard the facilities at Puerto Coloso, south of the city of Antofagasta, for similar duties: to scare away coastal birds whose droppings damage the site’s infrastructure.

According to BHP, Ónix is a hawk that weighs about 500 grams, and whose mere presence in flight is enough to scare away pigeons, pelicans, and seagulls. The bird was born and trained at a breeding facility authorized by the Agricultural and Livestock Service (SAG). This bird has been “employed” for over a year: every day it patrols the facilities and surrounding areas of Escondida’s Puerto Coloso. In less than two months, the 700 birds that used to hover around Puerto Coloso have dropped to around 40, according to the mining group.

“We understand that this is something necessary, not only for the safety of the infrastructure, but also for the safety of people,” said Gabriela Bravo, CHO Production Manager at Escondida.

“The price of copper could find a technical support level around US$3.90 per pound”

The Minister of State explained why the price of the red metal is falling in international markets, what was achieved during the visit to India, and what’s next for lithium.

Diario Financiero – Monday, April 7, 2025
By Valeria Ibarra

While carrying out an intense agenda in New Delhi, Mumbai, and Bangalore—focused on strengthening bilateral ties and promoting Indian investment in Chile’s mining sector—the Minister of Mining, Aurora Williams, received news of the 10% tariff increase on products from Chile. The measure excluded copper and lithium, but that did not prevent the red metal from dropping in global metals markets in the following days.

The minister explained from the tour that the temporary exemption for Chilean copper could extend for up to nine months, as long as the U.S. investigation lasts, and also gave a preview of what might happen with the metal’s price in the coming days.

- How will the tariff increase affect Chilean foreign trade, especially minerals?
- These are global tariffs, and the exclusion of copper is mainly related to the investigation being carried out by the U.S. Department of Commerce, which has a timeframe of up to nine months. In this regard, the President of the Republic, the Foreign Minister (Alberto van Klaveren), and the Finance Minister (Mario Marcel) have all addressed the matter, emphasizing that this is not a measure directed specifically at Chile.

- Copper is falling in the markets. What is the reason?
- The copper market is facing an unusual combination of economic and geopolitical factors that create volatility. That’s why, this past Friday, we saw a drop in the copper price, even though it remains above US$4 per pound. Today the price maintains a downward bias in a context marked by these geopolitical and trade tensions.

- What do you expect to happen to the price in the coming days?
- Any correction in the market will depend largely on how the trade situation between the United States, China, and the European Union evolves. A preliminary estimate suggests that the price could find a technical support level around US$3.90 per pound of copper, although today there is uncertainty when it comes to making a clearer forecast regarding this price.

The impacts that may occur will depend on how the market adjusts, indicating that companies operate with long-term prices that allow them to weather the short-term volatility the price may show.

Achievements of the visit to India

During the state visit to India, the head of the ministry held a bilateral meeting with her Indian counterpart, Minister of Mines G. Kishan Reddy, in which they addressed shared priorities around the sustainable development of essential minerals for the energy transition. The Asian authority expressed interest in Chile's technological development in mining and the opportunity to leverage that experience in his country.

- What achievements did Chilean mining obtain during this tour to India?
- Among the most important achievements, it is worth highlighting the mandate from President Gabriel Boric to begin negotiations for a comprehensive economic partnership agreement that is to be signed during 2025. This agreement includes the mining sector.

- Are there opportunities to open new markets or increase exports?
- There is ample room to increase the demand for critical minerals, and for Chile to be the one to meet that demand, considering three key aspects.

First, the size of the Indian market. Today, copper usage per capita is less than one kilogram. If we consider the standards seen in other countries, per capita consumption can reach four kilograms. That gives us significant growth potential to introduce critical minerals in India. Secondly, India's growing manufacturing sector is also important in its demand for critical minerals. And third, the technological development and innovation existing in this country also require critical minerals. Therefore, we are facing great opportunities for Chilean mining.

- Which minerals have the most potential in the Indian market?
- Critical minerals, with copper as the great conductor and lithium as the great storer—both essential for the energy transition—as well as molybdenum. From the perspective of the minerals being demanded, there is a wide range, but copper and lithium stand out.

What's next for lithium

This year is key in the implementation of the National Lithium Strategy. On one hand, Codelco expects to finalize the agreement with SQM by September. Also in the coming months, the strategic partner(s) for the Maricunga project and the consortium for Enami's Alto Andino project will be announced.

- When will the results of the strategic partners for the prioritized salt flats be announced?
- We expect to announce these results in the second half of April. Alongside revealing those who meet the conditions and have been evaluated, we have started the required Indigenous consultation process in order to grant CEOLs.

“The exclusion of copper (from tariffs) is mainly related to the investigation being carried out by the U.S. Department of Commerce, which has a timeframe of up to nine months.”

Report by the Corporación de Bienes de Capital analyzes labor demand through 2028

Employment linked to construction investments would fall 16% by the end of 2025: only mining increases

The decline is compared to the more than 106,000 workers recorded last January. Mining projects will reach their employment peak in August, while hiring in public works is expected to rebound in the second half of 2026.

El Mercurio de Santiago. April 7, 2025.
By Marco Gutiérrez V.

The weakness of the economy, the lack of new projects in the real estate sector—one of the largest generators of on-site jobs—and the completion of works in various sectors, with a slow replacement of these. These are some of the factors that explain why employment linked to investment plans currently under construction in Chile will end 2025 with around 89,900 jobs, 16% below the level observed at the beginning of this year, which stood at 106,873 people.

Only the mining sector, where there are constant operational expenditures, will close December this year with 17% more workers than last January, ending with nearly 28,000 jobs.

These are some of the conclusions drawn from the latest edition of the "Labor Report" by the Corporación de Bienes de Capital (CBC). The document reflects—as of the end of last December—the evolution of labor demand when investment projects are under construction, with a defined schedule, as recorded by the organization, in this case for the 2024–2028 period. A total of 960 private and public initiatives were selected, with an outstanding investment of US$68.597 billion for the period.

"The drop in labor demand is due to projects gradually concluding their construction phase throughout the year—an average of 21 projects completed per month. But this gap will probably narrow as the year progresses, since new projects will begin defining their schedules and entering the construction phase," commented Orlando Castillo, general manager of the CBC.

The president of the Chilean Chamber of Construction (CChC), Alfredo Echavarría, stated that "according to our data, the magnitude of unemployment versus potential employment stands at about 170,000 jobs. Unfortunately, our projections for 2025 do not show encouraging signs, except in the case of mining due to the start of new projects."

Mining grows and public works retreat

The CBC report analyzes the labor scenario of projects under construction across eight sectors: energy, forestry, industrial, real estate, mining, public works, ports, and technology. The mining, public works, and real estate sectors together account for around 85% of these jobs.

"The mining sector's project portfolio during 2025 reaches its peak labor demand in August, with 29,351 people from 43 initiatives under construction. This total is explained 87% by 10 projects, half of which reach their peak demand this year," explained Castillo.

Among these mining initiatives are: Infrastructure Development and Productive Capacity Enhancement of Collahuasi; El Espino; Seawater Supply to Nueva Centinela; Fénix Gold Project; and Capacity Increase and Production Optimization of the Carmen Lithium Plant, according to the CBC.

According to the report, as of last January, the public works sector led job creation in construction projects, with just over 36,000 jobs, equivalent to 34% of the total. But projections indicate that this number will decline by the end of 2025, finishing the year with around 28,000 workers—a figure similar to that of the mining sector by then.

Metro expansions and works by the State Railways Company (EFE) are among the public works projects with the highest expenditure. These projects are expected to maintain average labor demand of 4,170 and 2,100 jobs per month, respectively, for the 2025–2028 period.

"Starting in the second half of 2026, concession projects—mainly road, reservoir, and desalination plant initiatives—will begin their construction phases and, therefore, their labor demand. Employment demand in this segment will consolidate from the second half of 2027," added Castillo.

Real estate weakness

The real estate sector began this year as the second-largest in terms of job creation, with around 32,500 jobs, but will close the year in third place—after public works and mining—with a 37% drop from that amount.

"In the case of private housing construction investment, it is highly likely that 2025 will be the fourth consecutive year with sales levels well below the historical average of the last 30 years, which clearly does not help employment recovery in this sector," stated Alfredo Echavarría.

The head of the CChC noted that “if we look at the total building permits approved in 2024—around 7.8 million square meters—the lowest figure in the last 32 years, this is also not good news for employment reactivation.”

The energy sector, which in January accounted for 5% of employment in construction plans, will end the year with a slight 7% decrease in its workforce (down to 5,262 people).

“It is estimated that the energy sector will reach its peak labor demand in February 2027, with 6,535 people. This is because, by that year, important projects will be in full construction phase and will therefore demand labor, such as: Cabo Negro Carbon Neutral Fuel Plant and HVDC Kimal-Lo Aguirre Transmission Line, if the environmental approval process is completed on schedule,” said Castillo.

Peak

In October 2020 and July 2021, employment linked to construction investments peaked at nearly 160,000 jobs. This was driven by mining and the MAPA pulp mill project.

EY and El Mercurio Award: Patricio Hidalgo, CEO of the company in the country, recognized company in ESG criteria

Anglo American Chile: "Public perception of mining is more positive today"

The executive states that, given the high copper demand the world will require for the energy transition, Chile's challenge and opportunity is to streamline permits to accelerate projects, without lowering sustainability standards.

El Mercurio, Santiago. April 6, 2025.
By JESSICA MARTICORENA.

From the 48th floor of the Titanium building in Vitacura, workers at Anglo American Chile operate and monitor in real time the fully integrated value chain of the Los Bronces mine, located 56 kilometers away and at an altitude of 3,500 meters. This is the Remote Integrated Operations Center, inaugurated in 2021, which has allowed operators who used to work in -20 degree winter conditions to now manage equipment remotely. The result: better working conditions, improved safety, and greater process efficiency.

This is part of the measures the company has taken to build sustainable mining. And it is precisely Anglo American's Chilean subsidiary, the London-based mining company, that was recognized by EY and El Mercurio as a company outstanding in ESG (environmental, social, and governance) criteria.

In Chile, in addition to operating Los Bronces, they hold a 44% stake in Collahuasi mining company in the Tarapacá Region, among other operations. "We take this award with optimism for the things that can be done, both within and beyond the industry, and with humility, because I'm sure there are many companies that are taking sustainability to the next level," says Patricio Hidalgo, CEO of Anglo American Chile.

It was in 2018 that the group defined a sustainable mining plan. One pillar is water management.

The executive explains: “It has allowed us to reduce the use of fresh water by 53% since 2015 in all our operations in Chile, and we are committed to eliminating the use of fresh water in the Los Bronces mining process by 2030.”

To achieve this, they have secured supply for Los Bronces starting in 2026 through a multipurpose desalination plant located in the Quintero area, which will also provide drinking water to around 35,000 people from nearby communities. The plant's capacity is 500 liters per second.

In a second stage, which is still pending approval, they are considering the option of doubling that capacity. “Instead of using that water for the process, the idea is to deliver it to communities—because it’s potable water—and we would use treated industrial water for our processes,” explains Hidalgo.

Meanwhile, at Collahuasi, they are building a desalination plant that will reduce the need for fresh water by around 60% and will begin supplying water in 2026.

As part of the Los Bronces Integrated Project, they also committed to helping reduce pollution in Santiago. “The commitment is to offset 150% of the project’s total annual emissions—a substantial reduction in particulate matter pollution,” he explains.

To put this into practice, they are studying initiatives such as the possible replacement of most wood-burning stoves still found in Santiago homes with electric heaters. They have also committed to achieving carbon neutrality by 2040.

Engaging with communities

A critical factor in the development of mining projects is community engagement, and Anglo insists that this “represents a great opportunity as well.”

In this area, one key focus is education. “We have a pioneering model, and we’ve already implemented this program in more than 41 schools, with 16,000 students who have benefited,” emphasizes Hidalgo.

They are also convinced that “public perception of mining is more positive today. We undoubtedly must keep working on that. We have a tremendous opportunity,” Hidalgo affirms.

He also believes that “mining has gradually become more open. But as a mining country like Chile, we have a great opportunity to explain to our people, to the public, how mining is done.”

Having lived outside of Chile, he notes, “in other mining countries, there is much more information available. The great opportunity lies precisely in opening the door, opening up to discussion, even inviting critics to the table.”

Streamlining permits

The processing of mining projects is a major concern for the industry, and also for Anglo. “When you look at megatrends, particularly the energy transition, the reality is that we are going to need much more copper. Our estimate is that approximately 80 mines the size of Los Bronces will be needed between now and 2040, which means there is an urgent need to bring copper to market.

The great opportunity is to do so efficiently, without endangering the environment or lowering standards. That’s where processes and permits can be streamlined.”

Ministry of the Environment initiates actions to speed up SEIA reform and seeks to change urgency status in its legislative process

There are expectations surrounding the change in presidency of the Senate Finance Committee. Additionally, efforts are being made to obtain immediate urgency status, similar to the permitting bill.

Diario Financiero – Monday, April 7, 2025
By Karen Peña

A historic step was taken on January 14, when the reform of the Environmental Impact Assessment System (SEIA) was approved in detail by the Senate Environment Committee and sent to the Finance Committee. This milestone was significant: it broke a streak of failed attempts that had never reached a voting stage. However, after the legislative recess, the process has yet to resume.

The delay is causing concern, as the reform seeks to strengthen environmental governance and improve the efficiency of the SEIA—an essential factor in boosting investments. So, what's happening? The Senate Finance Committee has prioritized other bills, such as the one setting a new fisheries quota allocation. In fact, the committee will meet this Monday to continue that discussion.

According to sources, there is concern within the Ministry of the Environment (MMA), which has activated efforts with the Finance Committee and is awaiting a change in the committee's presidency—currently held by Felipe Kast (Evópoli)—to push for the reform to be scheduled. The new chair will be Ximena Rincón (Democrats), who is expected to assume the role on Tuesday, April 8.

"We have made efforts to get the Senate Finance Committee to schedule the discussion, but they have had a heavy workload. Nonetheless, it is important to remember that this bill was approved in general by the Senate with broad cross-party support, and there is consensus on the importance of its progress. For this reason, we will continue to insist," officials from the MMA explained when consulted.

Rincón told DF that the government has not spoken to her about this yet, but she first plans to coordinate with the committee members and speak with colleagues who have already reviewed the text: "I don't know what level of urgency the government wants to assign to this. I'm not sure how it will fit with the other bills currently being processed in the committee and that have not yet been finalized. Therefore, it will somewhat depend on how we organize with the Finance Committee members and the conversations we have with the government. But I don't see any particular concern from the government about this bill, beyond the urgencies it has assigned and withdrawn."

She also warned: "This bill should move in tandem with the permitting reform."

There is another effort happening in parallel. Sources confirm that the ministry led by Maisa Rojas has asked the General Secretariat of the Presidency (Segpres) to change the reform's urgency level to receive priority treatment, similar to the permitting reform led by the Ministry of Economy, which is under immediate discussion. Since its introduction to Congress in January 2024, the SEIA reform has held a simple urgency status, and the MMA is now seeking an immediate urgency designation—the highest level available.

The Ministry of the Environment recognizes that urgency is needed to move forward quickly, and insiders have acknowledged concern that the permitting reform might overlap with the SEIA reform. This concern stems from the fact that the former has already passed the Economy Committee and is on its way to the Finance Committee in the Senate.

"This bill is a concrete demonstration that the Ministry of the Environment is working to make the environmental assessment of investment projects more efficient," the ministry said in response to a question on how critical the urgency change is for the reform.

From Segpres, the following statement was provided: "The Executive, through the General Secretariat of the Presidency, periodically evaluates legislative urgencies along with the sectoral ministries. It should also be noted that a large number of bills must be reviewed by the Finance Committees, so placing them on the agenda requires coordinated work with the committee chairs."

The debate to come

After review by the Finance Committee, the bill would move to a vote on the Senate floor, thus completing its first constitutional stage. Only then would it proceed to the Chamber of Deputies. In an interview with DF in January, Minister Rojas highlighted the SEA's technical leadership, but acknowledged that voluntary early participation was not included in the bill. On that point, she said, "I believe we will probably push for its inclusion." She also expressed concern about the rejection of a proposed Consultant Registry and an amendment approved by Senator Carmen Gloria Aravena.

When asked whether the ministry has identified which areas it will insist on or where new proposals will be introduced, the MMA stated that they are in the final phase of the first legislative stage and that the technical discussion on the bill's content took place in the Environment Committee: "We believe the Senate floor debate and vote will be positive."

They added, “We will express our concern over amendment 39, which was approved, because it exempts any project modification from evaluation, and some of those should indeed be evaluated,” referring to Senator Aravena’s amendment.

“This bill should move in tandem with the permitting reform,” said Senator Ximena Rincón.

Public consultation period extended for Phase 2 of SEIA regulation amendment

While the SEIA reform continues in Congress, the government is also advancing a two-phase amendment to the Service’s regulation. The adjustments from the first phase have been in effect since early 2024, but the second phase is still underway. The draft was published in the Official Gazette on February 6, and public consultation began the next day. It includes modifications to two chapters of the regulation: project typologies and mixed environmental permits. Although the original deadline for submitting comments was April 2, it has now been extended to April 11. Among other changes, the government has proposed that 17 mixed permits be processed solely through environmental assessment.

Proposed by lawmakers and major business leaders

Prioritizing pro-growth measures: the shift in internal debate sparked by the tariff conflict

It is assumed that the escalation of the trade war—which increased the probability of a recession in the U.S. and globally—would negatively impact Chile's economic outlook and force more prudent action.

El Mercurio de Santiago. April 7, 2025.
By Juan Pablo Palacios

A series of pending or unresolved projects, which are part of its economic agenda, remain on the Government's docket for this final year in office. Among them are the income tax reform, progress toward a sectoral or multi-level collective bargaining system, and a new minimum wage increase mid-year.

However, in the view of private sector leaders and politicians, the tariff war between the United States and other countries—which also affected Chile through the imposition of a 10% rate on exports—has created a complex shift in the landscape, which would require prioritizing measures more focused on economic growth, investment incentives, and employment. There are also calls for presidential candidates to include these issues in their platforms.

The escalation

As a new milestone in this conflict, on Friday, China—Chile's main trading partner—retaliated against the United States, applying 34% tariffs to its products. The escalation of the trade war raised the chances of a U.S. and global recession—from 40% to 60%, according to JPMorgan estimates—which would hurt Chile's economic outlook.

Hence, the growing consensus domestically to shift the focus of the internal debate and act with prudence.

A new focus in the debate

Last week, the president of the Confederation of Production and Commerce (CPC), Susana Jiménez, met with Finance Minister Mario Marcel to analyze the impact of the tariff war on the country.

While supporting the Government's strategy of not retaliating and instead channeling efforts through the diplomatic route of the Free Trade Agreement (FTA) to reverse the 10% rate on Chilean exports to the U.S., the leader of the major business sector reinforced the idea of having a pro-growth agenda.

"This scenario introduces greater uncertainty internationally, which all the more obliges us to develop a pro-growth agenda—one we already needed before this situation—but now there's even greater pressure to create attractive conditions for investment development in Chile, for productive activity growth, and for a stronger labor market. That should be the agenda of the Government and of all the current presidential candidates," said Jiménez.

The political view

In Congress, there is some consensus about the need to reprioritize the economic agenda. This was expressed by Congressman and chair of the Lower House Finance Committee, Carlos Bianchi (Ind.). "We're already at almost 43% of GDP in debt—we don't have any more debt capacity. Given that, what remains is a public spending adjustment and better spending distribution and growth—nothing more. This situation (tariffs) is going to change the entire focus of the discussion; Minister Marcel will have to forget all pending proposals and find mechanisms that allow the country to improve its economic figures," says Bianchi.

Meanwhile, the opposition is calling on the Executive to act cautiously in its final year in office. "Prudence must be total, not only in the tax agenda but also in public statements—especially those of the President of the Republic regarding our trade partners," said Finance Committee member Congressman Miguel Mellado (RN).

A similar view is held by fellow committee member and deputy head of the UDI caucus, Felipe Donoso. "The Government, in the face of this tariff war, must first and foremost show prudence, and should focus its economic policy on opening new markets—which won't have immediate effects—and also take internal measures to better navigate this situation," he stated.

In this context, both UDI and RN have already told the Government they are not in favor of raising taxes to offset the revenue shortfall that would result from a lower corporate tax rate, as proposed by Finance Minister Mario Marcel. "We told the minister that we are only open to tax cuts and will reject any increases," said Congressman Donoso.

In response to the rejection expressed by the main parties of Chile Vamos, from the ruling coalition, Congressman Jaime Naranjo (ex-PS) ruled out the possibility of a tax reform debate without tax increases to offset reductions.

"I'm open to reducing corporate taxes, but only if there's a compensatory tax. If it's just going to be a reduction in corporate taxes, we're not on board. The Government is clear on this—at least those of us in the Finance Committee are open to lowering corporate taxes, but only with tax compensation," he emphasized.

Tax space

The Government would not have the political support to raise taxes and could only move forward with changes for small and medium-sized enterprises (SMEs).

Losses from renewable energy through March reach 25% of the total recorded in all of 2024

Curtailments of solar and wind power plants continued to rise between January and March, exceeding 1,600 GWh, 3% more than in the same period last year. The phenomenon is seen as the “dark spot” within a scenario in which renewables already account for 44% of total generation so far in 2025.

Pulso – Monday, April 7, 2025
By Víctor Guillou

As electricity generation from clean sources continues to break records in Chile, so do the so-called curtailments. The phenomenon—also known as cuts or reductions—refers to the portion of solar and wind generation that is excluded from the scheduling of the National Electric System (SEN), due to an oversupply of renewable energy during daylight hours. For this reason, it is also seen as energy loss, since it means discarding or not supplying clean energy to the system.

According to figures from the National Electric Coordinator (CEN), the record of reductions from Variable Renewable Energy (VRE) plants—mainly wind and solar—shows that between January and March of this year a total of 1,610 GWh was lost, marking an increase of 3% compared to the same period in 2024, when curtailments reached 1,566 GWh.

Thus, the amount of energy lost in a first quarter sets a new record, after the phenomenon hit a new high in 2024. In the first three months of last year, 27% of the annual total was curtailed, which rose to 5,909 GWh—the highest annual figure since records began.

So far in 2025, renewable curtailments represented 16% of the available Variable Renewable Energy (VRE), made up of solar and wind sources. Solar is by far the most affected, accounting for 1,236 GWh of the total, or 77%. In fact, solar losses were the ones that grew the most in the quarter, increasing 7% compared to the 1,149 GWh of solar curtailments in the first quarter of 2024. Meanwhile, the volume of curtailed wind energy between January and March decreased by 10% to 375 GWh.

For Ana Lía Rojas, executive director of the Chilean Association of Renewable Energy and Storage (Acera), the level of reductions observed during the period is “the dark spot” in an overall scenario where non-conventional renewable energies (NCREs) reached a 44% share of total electricity generation during the first quarter. Rojas lamented that “curtailments continue to increase and are increasingly concerning. The paradox is clear: more than 1,600 GWh of clean energy was curtailed or spilled—equivalent to 25% of the total curtailed in all of 2024,” she noted, adding that forecasts point to a deepening of the phenomenon going forward.

“We know that curtailments increase toward the end of the year due to greater availability of solar and wind resources. So, with a simple extrapolation, curtailment estimates for 2025 are worse and higher than those for 2024, with no short-term measures in sight to address this situation,” she stated.

“This loss reflects the high cost of failing to move decisively on infrastructure, flexibility, and storage to make full use of the renewable potential already available. An urgent reform of the market design is required, along with incentives for storage, incentives for electrification of energy consumption, and robust expansion of efficient transmission,” she emphasized.

For his part, Jaime Toledo, president of the Renewable Generation Association (AGR), noted that the curtailment of clean energy means that “it must be replaced by energy generated from fossil fuels, which is more expensive and polluting. Ultimately, curtailments of clean energy have environmental and economic consequences for Chile. For this reason, we believe that the regulatory authority must make its greatest efforts to prevent this situation from occurring,” he said.

Asked whether the SEN can be operated in a way that avoids this phenomenon, Toledo asserted that “of course it can. To minimize the overall cost of operating the national electric system, the only option is to integrate more clean energy into the grid.”

“To integrate more clean energy into the grid, it is urgent to make operational criteria more flexible and modern so that clean, cost-effective, and local energy sources can safely contribute to the electricity supply for Chileans,” he stressed.