2025 Portfolio of Non-Conventional Water Infrastructure in Chile

By late 2025, Chile reports a portfolio of 65 water infrastructure projects based on non-conventional sources, with estimated domestic and international investment of approximately US$25.6 billion. The portfolio is led by desalination projects, followed by transport and pumping systems and water treatment and reuse projects.

I. Overview of the 2025 Project Portfolio (ACADES-CBC Survey)

Non-conventional water infrastructure has assumed an increasingly significant role in Chile's investment agenda, in response to water security challenges, particularly in regions facing greater water scarcity and in sectors with high water demand.

According to the survey prepared by the Chilean Association for Desalination and Reuse ("*Asociación Chilena de Desalación y Reúso"* - "ACADES") and the Capital Goods Corporation ("*Corporación de Bienes de Capital"* - "CBC"), 65 desalination, water treatment, and water conveyance projects have been identified, with an estimated total investment of US$25.6 billion, primarily concentrated in desalination plants. The purpose of this survey was to update the amounts of committed investment and to systematize the implementation status of the various initiatives.

As a general matter, these are long-term, highly complex projects, which typically require environmental assessment, sector-specific permits, and land-use authorizations, depending on the type and location of the project.

The scale of the portfolio, its diverse territorial distribution, and the range of end users - including the mining sector, water and wastewater utilities, multipurpose projects, and initiatives associated with green hydrogen - constitute clear indications of a deepening market and sustained investment in water solutions in Chile.

This expansion is expected to give rise to material legal challenges, particularly in four key areas: (i) real estate and land-use matters, such as land ownership, easements, concessions, and land-use compatibility; (ii) environmental compliance, in particular with Environmental Qualification Resolutions ("*Resolución de Calificación Ambiental"* - "RCA") and with the conditions, measures, and monitoring plans required under the Environmental Impact Assessment System ("*Sistema de Evaluación de Impacto Ambiental*" - "SEIA"), as well as the processing and obtaining of sector-specific permits; (iii) the contractual structuring of projects; and (iv) financing requirements typical of project finance structures.

II. Composition of the Investment Portfolio by Project Type

The ACADES-CBC survey divides the investment portfolio into three main categories, allowing for a comparative identification of the principal regulatory and contractual focal points for each type of initiative:

(i) **Desalination plants**: 38 projects, with an approximate investment of US$19.2 billion;
(ii) **Water treatment and reuse plants**: 7 projects, with an approximate investment of US$354 million; and

(iii) **Water conveyance and pumping systems**: 20 projects, with an approximate investment of US$5.9 billion.

This segmentation is relevant, as each project type faces different legal and regulatory risks, as well as distinct operational challenges, both during development and in the operational phase.

III. Regulatory and Legal Challenges by Project Type and Environmental Permitting Stage

In practice, the legal risks associated with non-conventional water infrastructure in Chile are driven by two complementary axes: (i) the project type, which determines the set of applicable permits, authorizations, and land-use restrictions; and (ii) the project's stage within the SEIA, which defines which obligations are enforceable at each point in time and the level of regulatory certainty available for contracting and financing purposes.

From a project-type perspective, the predominant regulatory fronts tend to be organized as follows. In desalination, the regulatory focus is concentrated on environmental assessment and, where applicable, authorizations for the use of the coastal zone (e.g., maritime concessions), together with monitoring and management obligations associated with intake, conveyance, and discharge, as well as the mitigation and monitoring of marine impacts. In water conveyance and pumping, the principal legal challenges relate to land ownership, the creation of easements, the occupation of land parcels, and territorial compatibility. Complexity increases in projects with extensive alignments, which require coordinating permits and authorizations across multiple sections. In water treatment and reuse, the emphasis shifts to health and sanitary requirements, water quality standards, traceability, and the allocation of responsibilities vis-à-vis end users, in addition to the proper contractual allocation of operational, control, and quality assurance obligations.

This "map" is overlaid by the project's administrative phase. According to the ACADES-CBC survey, the portfolio is distributed across three SEIA statuses: 28 projects with a favorable RCA, 14 projects under environmental assessment, and 23 projects not yet submitted to the SEIA. This segmentation is relevant because the focus of legal work changes materially at each stage:

(i) **Projects with a favorable RCA:** the priority is compliance. This includes incorporating environmental conditions into project contracts so as to internalize the RCA requirements within the parties' obligations (conditions, measures, and monitoring plans), securing any pending sector-specific permits and land-use authorizations, and structuring control, reporting, and traceability mechanisms to evidence compliance throughout construction and operation.

(ii) **Projects under environmental assessment:** the priority is managing regulatory uncertainty: strengthening the technical record, anticipating and responding to observations from the environmental authority, adjusting the project design to preserve environmental and territorial feasibility, and managing the impact of the procedure on the schedule, costs, and financing terms.

(iii) **Projects not yet submitted to the SEIA:** the priority is preparing for a bankable submission, through early definition of project scope, alternatives and alignments, identification of territorial and sectoral constraints, and preparation of consistent, robust supporting documentation to reduce the risk of subsequent redesigns.

In summary, while the project type determines the applicable permitting and land-use constraint matrix, the environmental stage defines whether the legal focus is on preparing the SEIA submission, steering the environmental assessment, or implementing and evidencing compliance following environmental approval—each with direct effects on the contractual timeline, risk allocation, and financial viability.

Conclusion

The 2025 portfolio identified by ACADES-CBC confirms that non-conventional water infrastructure is an expanding market in Chile, characterized by large-scale projects and long-term investment horizons. The viability of these initiatives depends on close coordination among regulatory permits, land-use authorizations, and an appropriate contractual structure.

In this context, comparative advantage lies not only in “obtaining” authorizations, but in anticipating and managing regulatory risk: planning permitting pathways from early stages, designing contracts that allocate responsibilities in an appropriate, clear, and verifiable manner, and structuring compliance and reporting mechanisms consistent with the requirements of financiers and counterparties.

For legal practice, this translates into a clear value-creation space: supporting permitting and compliance strategies, structuring long-term agreements with performance standards, remedies, and guarantees aligned with the actual risk profile, and safeguarding the financial viability of projects in the face of environmental, land-use, and operational uncertainties. As non-conventional water infrastructure becomes established as a central pillar of water security in Chile, the quality of the legal architecture will be a determining factor in turning the pipeline into effective execution.

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