

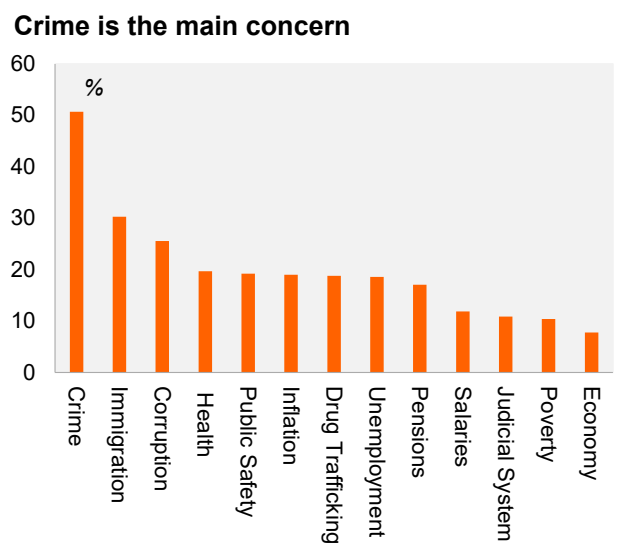
An Updated 2025 Chilean Elections Primer

This is an updated primer on the upcoming legislative and presidential elections in Chile within the broader political context.

Context

Over the past few years, the electoral calendar in Chile has been unusually busy. The agenda has included the customary presidential, congressional and municipal elections, as well as the elections related to two constitutional processes and the introduction of regional governorships during that period. The electoral swings within the political spectrum were swift, albeit in the context of a return to mandatory voting in September 2022. Importantly, left and right-wing parties have alternated (quite peacefully) at the presidency in the country's presidential terms since 2009.

Polls consistently show that the public's main concerns are centered on public safety, including crime and drug trafficking, as well as immigration. Calls for a new constitution are not at the forefront of voters' concerns.



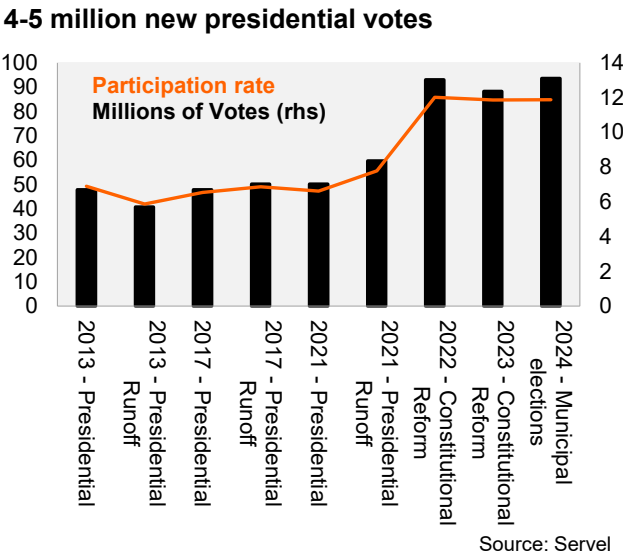
Source: Criteria, July 2025

What's next in Chile's elections calendar

Chile is scheduled to hold congressional elections and the first round of the presidential election on Sunday, November 16. The presidency is won by a candidate with 50% +1 of valid votes. An eventual presidential runoff between the top two candidates would take place on Sunday, December 14; the country has seen runoffs in presidential elections since 1993, when President Eduardo Frei Ruiz Tagle was elected. Chilean presidents cannot run for consecutive terms, but there is no limit on the number of terms they can serve. Elected officials will take office on March 11, 2026.

After a 10-year hiatus, voting became mandatory once again in 2022. While fines to deter absenteeism have boosted participation in recent elections, it is still unclear whether a fine will be in place for the upcoming presidential election. Under the status quo, no fine will be in place for the presidential election. However, an opposition-sponsored bill in

Congress would set a fine to deter absenteeism for Chilean nationals, yet not for foreigners registered to vote. Voting is paper based. Official results are delivered via the electoral service (SERVEL) website, usually starting at 6 pm on election day – with the results generally evident three hours later.

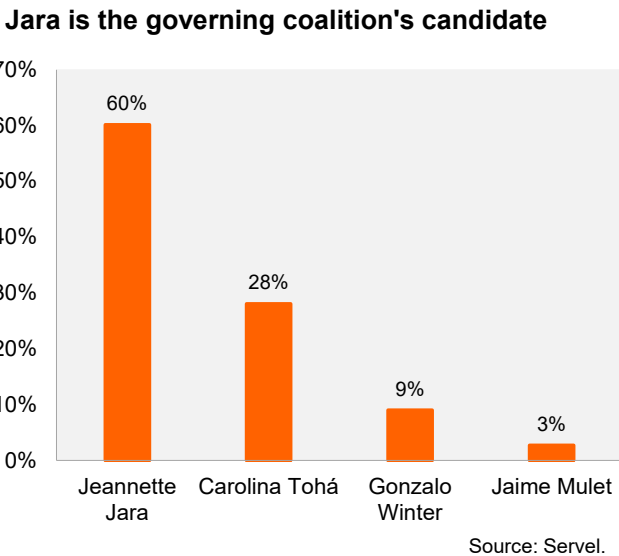


Presidency: the President is elected to a four-year term, without the possibility of immediate reelection, as mentioned above. Initiating an impeachment process requires a majority vote in the Lower House and two-thirds support in the Senate for its approval. Unlike other countries in the region, no Chilean president has ever been impeached. During the previous congressional term, the then opposition twice tried to impeach former President Piñera.

Congress: all 155 Lower House seats are up for election for a four-year term; in the Senate, 23 of the 50 seats are up for election for an eight-year term (the remaining 27 seats were filled in 2022).

The primaries

Presidential primaries were held on June 29, with only the governing coalition choosing their candidate, as the opposition did not participate. Voting was voluntary and the results are binding for the first round of the presidential election. Jeannette Jara, former labor minister and member of the Communist Party, reached 60% of the vote, defeating center-left contender and former interior minister Carolina Tohá, congressman Gonzalo Winter from President Boric's party, and congressman Javier Mulet. Participation in the governing coalition's primary was low, reaching 9%, below the 12% of 2021.



The presidential polls

According to a broad set of polls, the presidential candidate of the governing coalition Jeannette Jara is leading voter intentions, with these converging to the government's approval at roughly 30%. Polls show that two-time presidential candidate for the opposition Republican party, José Antonio Kast, is trailing second, followed by either center-right candidate, Evelyn Matthei, or independent Franco Parisi.

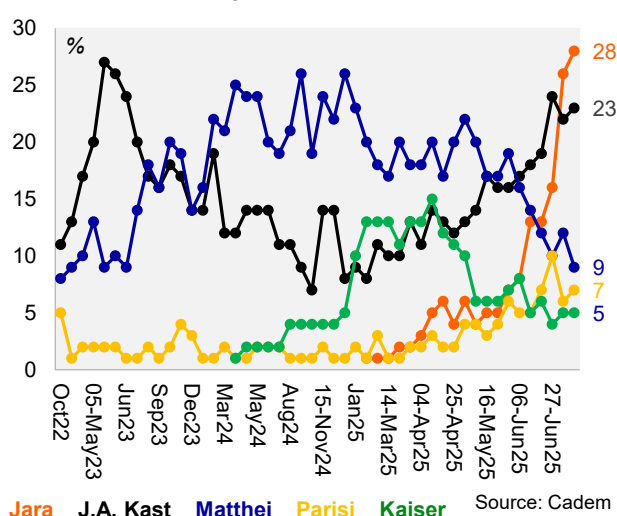
Opposition candidates have campaigned prioritizing security, immigration control and a smaller state, among other things. While Kast is expected to present his economic program on August 18, he has supported deregulation, a swifter fiscal consolidation based on reduced spending, and tax cuts.

Jara's program presented during the primary focused on public safety, strengthening of the public health system, and economic growth with redistribution; she has called for growth driven by domestic demand, a tax on large corporations, and the implementation of a "vital" wage roughly 50% above the current minimum wage.

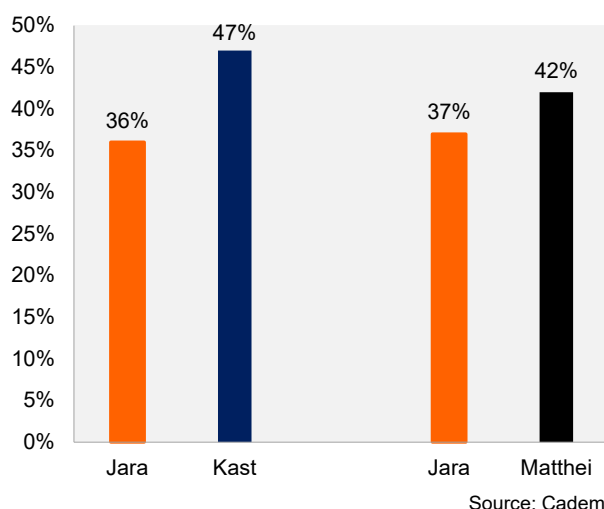
Runoff scenarios show that opposition candidates Kast or Matthei would defeat Jara by a significant margin.

At this point in the previous cycle (2021), the CADEM poll had eventual winner Gabriel Boric (30%) leading the polls, followed by center-right Sebastián Sichel (25%), senator from the center-left Yasna Provoste (12), and then José Antonio Kast (8%). The first round held in November 2021 was won by Kast with 27.91% followed by Boric with 25.83%. Matthei has called for a focus on raising structural growth, reducing bureaucratic red tape to streamline investment, reforms to public employment, and fiscal consolidation. Parisi has mentioned plans to lower corporate taxes for small and medium firms, eliminating VAT on certain goods and services, and further decentralizing the state.

First round voter preference



Presidential runoff scenarios



The next administration's economic team

Kast recently announced economist Jorge Quiroz as head of his economic team; the economic program is scheduled to be released on August 18. Former minister of finance Ignacio Briones has represented presidential candidate Matthei in economic seminars. Jara has yet to announce the head of her economic team.

The president's sphere of influence in economic policy begins with the cabinet, the Budget Director, and the Director of the Tax Authority – appointments that do not require congressional approval. The president must also appoint the president of the financial market regulator (*Comisión para el Mercado Financiero*) and nominate members of the Autonomous Fiscal Council (for confirmation by the Senate). Other key roles include BancoEstado, Codelco and other state-owned enterprises.

Central Bank Governor Rosanna Costa will end her five-year term at the helm of the institution during the next four-year mandate, in February 2027, but still has two years remaining in her 10-year appointment. The president is also expected to nominate the replacement for central bank board member Alberto Naudon, whose term ends in 2028. These nominations must be ratified by the Senate.

Limited fiscal space for the next administration

According to Chile’s fiscal institutional framework, during the first 90 days of its term, each incoming administration must publish a decree that includes the annual structural balance targets and a medium-term gross public debt anchor (as a share of GDP) that encompasses at least its four-year term.

The Public Finance Report published by the MoF in April includes an illustrative scenario for 2026-29 in which gross public debt peaks at roughly 43% of GDP and then gradually declines, following a trend toward a structural balance by 2029. Note that this scenario considers average real expenditure growth of 1.2% YoY for the period, well below the 4.9% ten-year average.

All in all, we believe that the next administration will need to implement a structural annual spending adjustment of at least 0.5% of GDP.

Official Medium-Term Forecasts

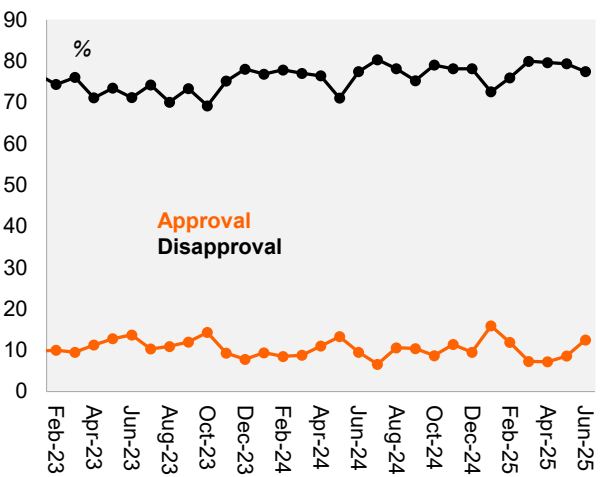
		2026	2027	2028	2029
GDP		2.30	2.17	2.00	2.00
Revenues	% YoY. real	4.0	3.2	3.2	2.0
Expenditures		1.4	1.5	1.4	0.6
Nominal Fiscal Balance		-0.9	-0.7	-0.6	-0.2
Structural Balance	% of GDP	-1.4	-0.7	-0.2	0.1
Gross Public Debt		43.3	43.1	42.7	41.2

Source: Budget Office. Public Finance Report April 2025

Odds of a “Dark horse”?

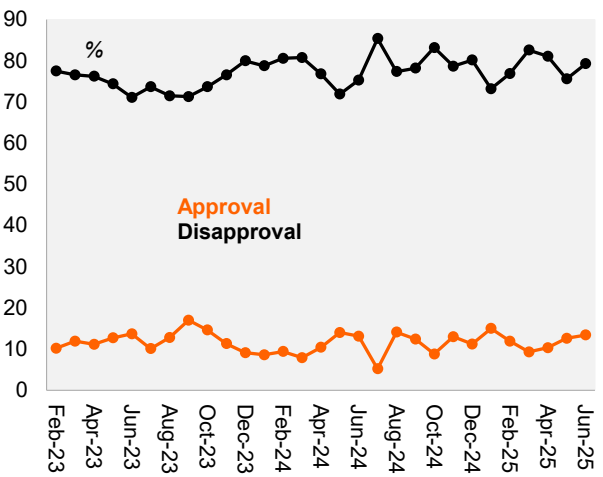
The polls indicate that established politicians – some more experienced than others – are well positioned for the presidency. However, they also suggest that approval of political institutions is very low, raising questions about the possibility of an outsider being elected to the presidency in Chile. The bar to run as an independent is relatively low, requiring just over 35 thousand signatures of support. There are currently more than 200 independent candidates trying to reach the threshold.

Approval of Congress



Source: Pulso Ciudadano

Approval of the judiciary



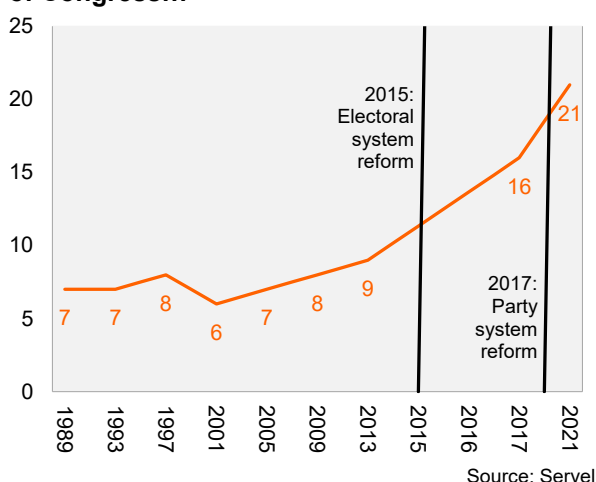
Source: Pulso Ciudadano

Potential scenario for Congress

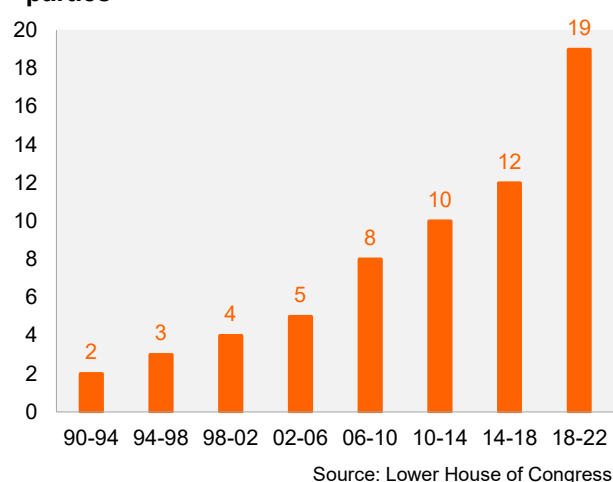
Unholster's Decide Chile, a data analytics firm, simulated parliamentary outcome scenarios based on the possible configuration of both the right- and left-wing coalition electoral lists. Based on the 2024 municipal election results, and allocating the party vote to respective electoral lists, the study indicates that the political right has the advantage. If both the political left and right coalesced behind one respective electoral list, the political right would have a comfortable majority in both chambers. However, in a more likely scenario of a divided right and two electoral lists against a solid block on the left, the political right would still achieve a majority in the Senate but fail to control the Lower House. Simulations by UDD achieved similar results.

Regardless of this year's election results, however, increasing polarization and fragmentation of Chile's political system is likely to continue to generate headwinds for broad-based structural reforms. Efforts to reform the political system have failed to gain traction in Congress.

Rising number of parties in the lower chamber of Congress...



... Along with increased resignations from parties



Other frequently answered questions

- 1. Is there a blackout period on polls?** A legal blackout period on the publication of polls begins 15 days prior to the elections.
- 2. Have former presidents publicly endorsed any candidate?** As of July 15, former presidents' Frei, Lagos, Bachelet have not endorsed a candidate.

Key Dates in 2025 & 2026

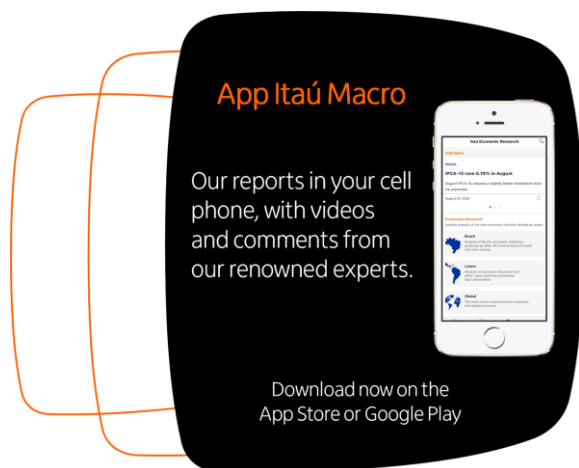
April 30:	Deadline to register for presidential primaries
June 29:	Presidential primaries
August 18:	Deadline to register for the presidential election and Congress
September 17:	Media campaigns begin
November 1:	Blackout period on polls begins
November 16:	Presidential and Congressional elections
December 14:	Presidential runoff
March 11, 2026:	New President and Congress take office

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