

PUBLIC POLICY, RISK & STRATEGY

# Navigating Artificial Intelligence

Trends and Regulatory Debates in Latin America

September 2023

## About this report

*Navigating Artificial Intelligence: Trends and Regulatory Debates in Latin America provides a comprehensive overview of current AI regulation debates and national policies in Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay.*

Based on thorough research, this report illuminates the actors and nuances shaping public discourse on AI in each country. It identifies common themes and country-specific characteristics of the AI landscape, offering insights into the future of AI adoption and regulation in the key countries of the region.

The countries analyzed in the report follow internationally established standards for the regulation of AI. However, each country is at a different stage of developing and implementing policies and regulations, resulting in Latin America being a highly diverse region regarding the implementation of AI technologies.

Prepared as of September 2023, this report compiles the latest regulatory debates and developments in the region. The information in the report is from government sources, academia, and international organizations.

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# Contents

## Trends and Debates in Latin America

This document provides a comprehensive overview of current AI regulation debates and national policies in Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay. The findings are presented in four sections:

# 01

### **Executive summary**

The summary provides a brief overview of the approaches taken by the top countries in the region regarding the ongoing discussion on the development, adoption, and regulation of AI.

# 02

### **Introduction**

This section discusses the reasons why AI is currently at the forefront of political, economic, and social public policy agendas. It examines the key international frameworks and regulatory initiatives being considered globally.

# 03

### **State of play in Latin America**

This section provides country profiles that explore two aspects of each country's AI landscape. First, the profiles delve into the public discourse on AI adoption in various sectors of society. Secondly, they offer insights into possible legal frameworks to regulate AI-powered technologies.

# 04

### **Conclusions**

The conclusion provides an analysis of the obstacles facing AI policy and regulation in the region.

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## Chapter 1

### Executive summary

## Summary

### Regional AI trends

**Navigating Artificial Intelligence** provides a comprehensive overview of current AI regulation debates and national policies in Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay. It delves into the **sources** informing the public debate around AI in each country, the **dominant narratives and leading voices** around AI, and the effect of the public discourse on the regulatory proposals in each country.

The report's main findings indicate that while there are some common trends regarding the approach to AI in the countries analyzed, each country is at a different stage of creating and implementing policies and regulations.



### Main findings Regional trends

1

The AI frameworks and standards established by the OECD, UNESCO, and the G20 serve as common references in national policies and frameworks concerning ethical use.

2

Drawn from these frameworks, the most important topics prioritized in the countries' domestic AI agendas include data privacy, transparency of algorithms, awareness of AI interactions, and preparation for the labor market. Disinformation and misinformation are considered to a lesser extent.

3

Although presidential terms could impact the continuity of AI policies and their relevance according to each government's agenda, AI policies in Colombia, Chile, and Uruguay have extended beyond individual presidential terms.



## Primary findings

### Features by country



#### Chile

- Chile’s AI strategy is the only one that sets medium and long-term goals. It lays out measurable progress indicators summarized in 70 priority actions and 180 initiatives to be carried out between 2021 and 2030.
- The law proposal would also establish mechanisms to authorize the development, commercialization, distribution, and use of AI in Chilean territory. Authorized projects are subject to evaluation every 5 years.
- One notable aspect of the proposed policy is that it includes economic sanctions for noncompliance with the regulation.



#### Brazil

- Brazil’s legal report on AI is the most exhaustive effort in the region that discusses foreign regulatory models and implications about AI adoption.
- Brazil’s proposed legal framework raises the possibility of having separate regulations for public and private sector.
- Like Chile, Brazil requires providers and users of AI to comply with a risk assessment mechanism prior to placing an AI-powered product or service on the market. Such mechanism is protected under applicable IP and trade secret laws.



#### Colombia

- Colombia specifies the areas in which it wants to deploy AI: Fintech, Edutech, Agrotech, Travel, and Healthcare.
- Colombia’s AI policy has been tied to two different National Development Plans, ensuring continuity. Colombia distinguishes between private and public sector in its AI ethics.
- The country is a pioneer in enabling a public AI Lab to facilitate test environments like regulatory sandboxes.



#### Uruguay

- Uruguay’s strategy, unlike that of other countries, focuses on AI governance within the public sector.
- Uruguay’s AI policy is a federal priority and includes actions to train government employees on AI-related issues.
- Uruguay’s strategy incorporates feedback from civil society through referendums and public consultations.





### Argentina

- Argentine government officials actively participate in discussions regarding AI. Nonetheless, there is no clear roadmap to implement actions that align with the national AI strategy.
- AI adoption is led by actors across varying institutions and levels of administration. The government's Undersecretariat of Science, Technology, and Innovation leads AI efforts.



### Peru

- Peru released their National Strategy for Artificial Intelligence in 2021, outlining its vision for the country's development, use, and regulation of AI.
- The Strategy includes strategic goals to become a leader among Latin American countries in the development and use of AI. However, it lacks clear and measurable objectives, funding mechanisms, and monitoring instruments, among others; according to the OECD.



### Mexico

- Mexico is the only country without an AI government guideline among all analyzed countries.
- In Mexico, the private sector plays an active role in the discourse surrounding AI and the implementation of AI systems despite the absence of regulatory structure. Chinese businesses are notably engaged in this space.
- Unlike other countries, Mexico does not prohibit AI systems that are classified as unacceptable risk by other nations.





## Chapter 2

### Introduction



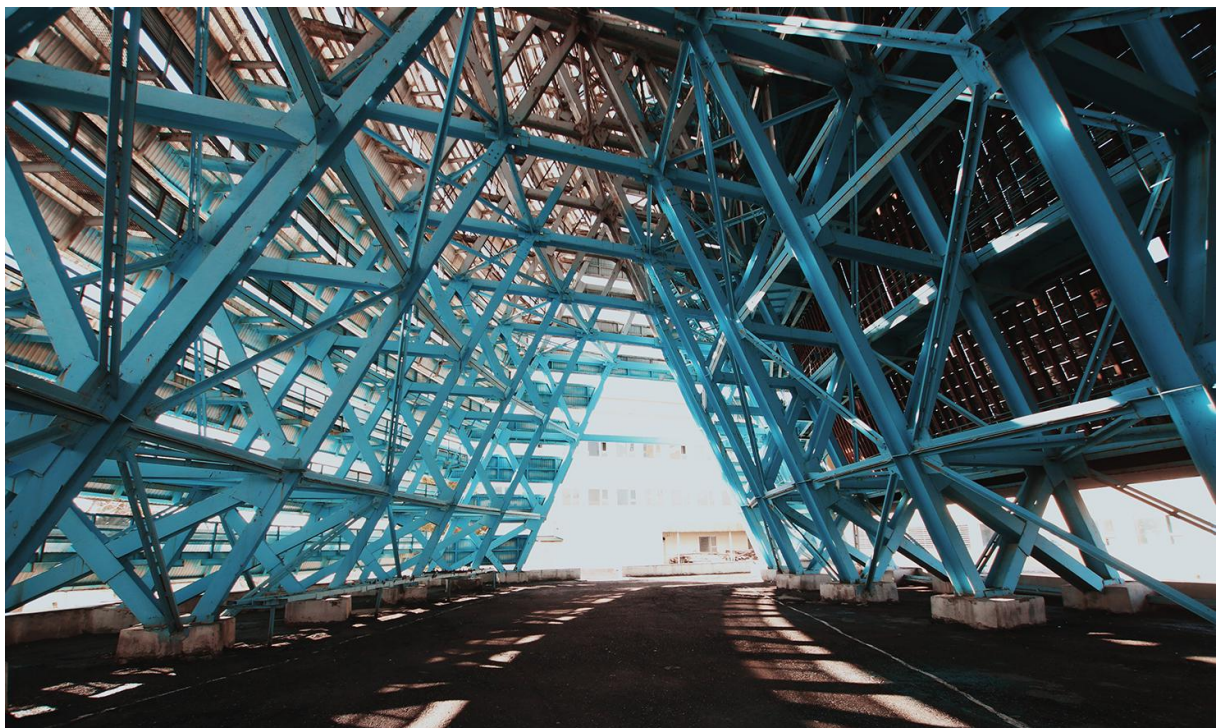
## Introduction

### Main public debates on AI regulation

The unprecedented integration of Artificial Intelligence (AI) into various aspects of everyday life, including the rapid expansion of OpenAI's chatbot Chat GPT and the launch of Google's BARD, [propelled](#) AI to the center of public discourse. Countries are actively seeking to promote initiatives that maximize the benefits of AI while minimizing the risks associated with its potential misuse.

The topics emphasized in the debates regarding AI regulation vary from country to country. Latin American countries encounter challenges related to the social impact of AI technology implementation, whereas, the countries leading the development of AI-systems face competition challenges. Nevertheless, all countries currently are discussing the ethical dimensions of this technology and its potential regulation.

As a result, domestic and regional debates inform the discussion in other countries. **Therefore, this report provides an overview of the regulatory debates about AI in various regions worldwide, which informs the discussion in Latin America.**



## Global developments

### Regulatory initiatives

Global developments are shaping the attitudes and responses toward AI across sectors in the Latin American countries. The main advances in AI regulation are taking place in East Asia, Europe, and the United States.



**East Asia has emerged as a leading region in AI adoption** with notable policies, infrastructure, and ethical frameworks to implement AI systems.

Leading countries are Singapore, Japan, and South Korea.



The **European Union's AI Act** is the world's first devoted AI law introduced by a major regulator providing guidelines for business compliance.

Leading countries are Italy, Spain, Germany, France, Ireland.



**In 2020, the US government launched the National AI Initiative**, which would create a AI Advisory Committee. The country has not yet passed any bill regulating the use of AI.

### Developments in East Asia

East Asia has emerged as a leading region in AI adoption. Singapore, Japan, and the Republic of Korea have developed notable policies, infrastructure, and ethical frameworks to implement AI systems. Of these countries, the Republic of Korea is expected to pass an AI bill in the second half of 2023. Similarly, China has launched an initiative to regulate AI systems, with a focus on [regulating](#) generative AI systems such as chatbots.

### Developments in Europe

In 2021, the European Union introduced the [European Union's AI Act](#) (AI Act), the world's first law introduced by a major regulator devoted to AI. It categorizes and establishes legal obligations for AI systems based on their level of risk. It defines systems that limit individual freedoms to be unacceptable risks. Additionally, high-risk systems include those used in high-stakes decision-making and government applications. The act defines the types of AI products and services that can be developed and sold within the EU while providing guidelines for business compliance.



While the AI Act became law on June 13, 2023, several countries have opted to temporarily [prohibit Chat GPT](#) to ensure compliance with General Data Protection Regulation. Italy was the first to adopt this measure, prompting other countries such as Spain, Germany, France, and Ireland to consider [prohibiting](#) the platform as well.

Europe has taken a leading role in driving the international agenda for AI development, influencing the policies of Latin America. Under the EU-LAC Digital Alliance, the European Union committed to promoting legislation, regulatory frameworks, and policies related to AI development in LAC.

Additionally, in early September, G7 countries committed to creating a unified, but non-binding, international rulebook expected to include commitments from companies to take steps to stop potential societal harm by AI systems, invest in tough cybersecurity controls, and create risk management systems to curb the potential misuse of technology.

### **Developments in the United States**

Actors in the forefront of AI development in the US are advocating for the regulation of AI-powered technologies and the establishment of an international institution to govern AI's development and use. In 2020, the government launched the National AI Initiative domestically, which mandated the formation of the National Artificial Intelligence Advisory Committee ([NAIAC](#)).

The committee is a multidisciplinary group that has been tasked with informing the AI Initiative Office and the US President on AI-related topics since 2022. Currently, the United States has not passed any legislation governing the use of AI. However, various government entities are working on regulatory frameworks, like the the Office of Science and Technology Policy's release of the [Blueprint for an AI Bill of Rights](#) and the Department of Commerce's release of the [Technical AI Standards](#) framework. Similarly, in a meeting at the White House, seven leading AI companies pledged in July 2023 to make sure AI is developed with the necessary safeguards.



## Advocacy networks

### International frameworks

In addition to policy developments in Asia, Europe, and the US, frameworks and standards set by regional and multilateral organizations are informing the AI debate in Latin America. These **extensive networks have generated some regional policy trends and the development of common narratives regarding AI.**

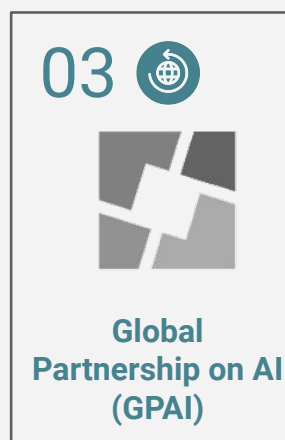
Multilateral organizations function as platforms for dialogue, advocating for collective cooperation and discussion on AI policy rather than serving as enforcement agencies. The primary organizations that offer frameworks for initial AI regulation within each country include **UNESCO, OECD, Global Partnership on AI, and LATAM 4.0 Initiative.**



**International actors and institutions** facilitate the sharing of policies, standards, and regulations between regions, which are then discussed among stakeholders in each individual country.



**Regional actors** help shape regional AI regulation trends through strong bilateral and multilateral relationships, as well as participation in regional organizations.





### **United Nations Educational, Scientific and Cultural Organization (UNESCO)**

UNESCO drafted a document titled [“Recommendation on the Ethics of Artificial Intelligence”](#) and in November 2021 the 193 Member States at UNESCO’s General Conference adopted the recommendations. In 2023, Assistant Director-General for Social and Human Sciences, Gabriela Ramos, announced a partnership between UNESCO and the European Commission to speed up the implementation of ethical rules for AI in the least developed countries.

### **Organization for Economic Cooperation and Development (OECD)**

The OECD is an influential organization for setting AI standards due to its innovative AI Principles, AI Policy Observatory, and Framework for the Classification of AI Systems. In 2019, it published its [AI Principles](#) document, which seeks to support governments and other entities in creating a trustworthy AI with a focus on human interests. The document functions as a legal instrument that embodies the collective aim of its member countries and served as the foundation for the G20 AI Principles, which were endorsed by leaders in June 2019. In the same year, the OECD released the [AI Policy Observatory](#) to provide timely recommendations to adapt to developments in the AI field. In 2022, it released a [Framework for the Classification of AI Systems](#) that helps to assess AI system characteristics according to the OECD AI Principles. The framework classifies AI systems according to the following dimensions: People & Planet, Economic Context, Data & Input, AI Model and Task & Output.

### **Global Partnership on Artificial Intelligence (GPAI)**

Launched in 2015, the GPAI is a multi-stakeholder [initiative](#) seeking to bridge the gap between theory and practice on AI by supporting cutting-edge applied research on AI-related themes. Argentina, Brazil, and Mexico are the only Latin American affiliates among the 29 members of GPAI. GPAI’s aim is to identify knowledge gaps, facilitate international collaboration on AI, and devise frameworks for AI transparency.

### **LATAM 4.0 Initiative**

Launched in Colombia, the LATAM 4.0 [initiative](#) brings together governments, companies, academic institutions, and civil society organizations in the region with the aim of developing a Regional Artificial Intelligence Strategy for Latin America. Its goal is to regionalize AI development to reduce costs, expand markets, exchange best practices, unify governance criteria, and promote regional integration.



## Chapter 3

# State of Play in Latin America



## State of Play in the Region

### Country's landscape

The developments and frameworks mentioned are exerting influence on attitudes and responses toward AI across various sectors in Latin American countries. The ensuing section supplies an overview of AI public discourse in Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay. Each country's profile provides a summary of AI public opinion, outlining if there is a national strategy for AI, highlighting policy priorities, and identifying participants in the dialogue. Additionally, each profile explores regulatory frameworks in each country.

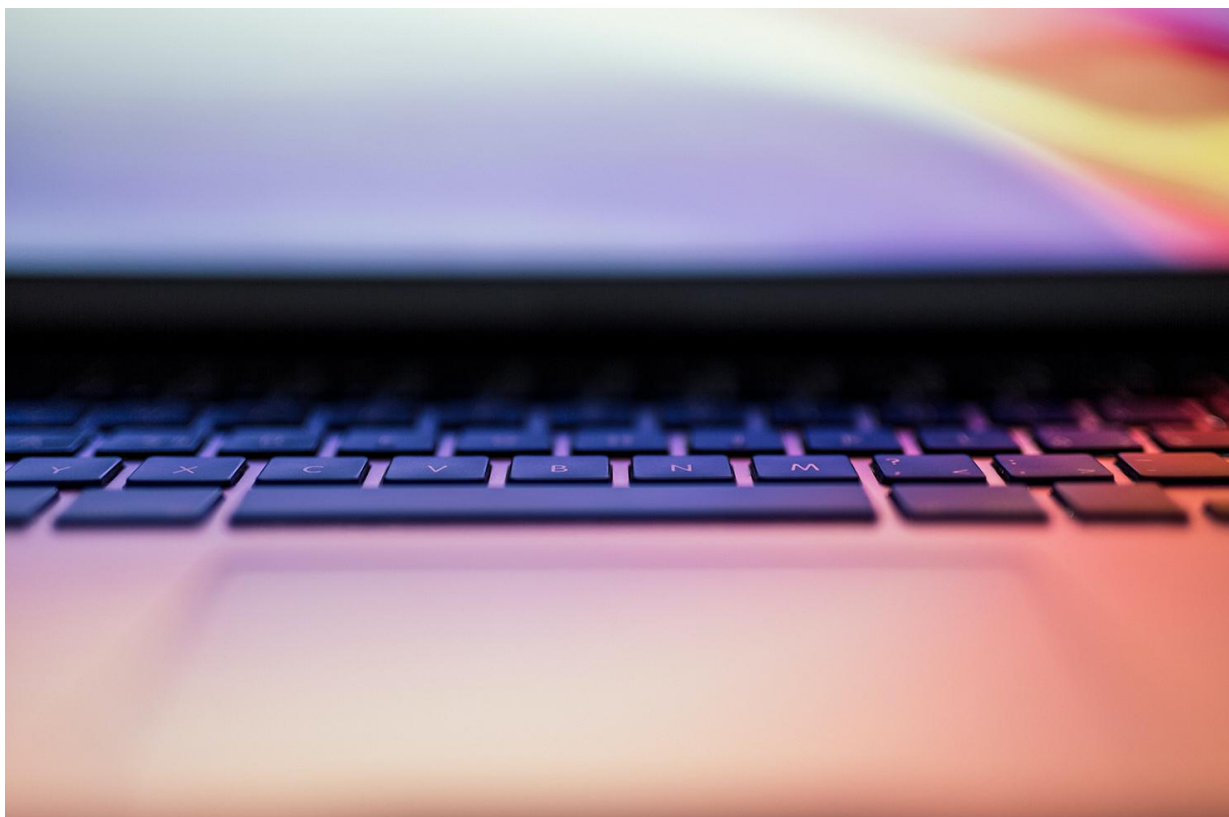
The order in which each country's landscape is presented reflects the [Oxford Insights' 2022 Government AI Readiness Index](#), as the findings in this report regarding the advancements for AI policy and regulation match this ranking.



#### Government AI Readiness Index

The index ranks countries by answering "how ready is a given government to implement AI in the delivery of public services to their citizens?" It analyzes three key pillars for implementing and enabling AI systems.

1. Government pillar: Considers a government's vision as well as its attention to regulations and associated ethical issues.
2. Technology sector pillar: Considers a country's technological capacity, human capital (STEM graduates), and business environment.
3. Data & Infrastructure pillar: Considers high-quality and representative data samples, as well as connectivity infrastructure.



## Chile

### Overview

- In Latin America, Chile serves as the primary regional standard for AI, excelling in infrastructure, professional training, cutting-edge human capital, research and governance.
- Chile's National AI Strategy outlines a clear roadmap for integrating AI, including definable objectives and timelines.
- Chile's regulatory frameworks prioritize the following considerations that are aligned with recommendations by the UNESCO and OECD: algorithmic transparency and accountability, impact in labor market, impact on consumption relations, intellectual and industrial property, cybersecurity, and gender.



**Government AI Readiness Index 2022**  
Chile stands out in the Data and Infrastructure pillar of this index.



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### Public debate

In 2021, the Ministry of Science, Technology, Knowledge, and Innovation (MinCiencia) published Chile's National Artificial Intelligence Policy at the behest of former President Sebastián Piñera. The policy includes 70 priority actions and 180 initiatives to be completed between 2021 and 2030, with quantifiable performance indicators. Its creation was informed by feedback from both experts and citizens who reviewed and provided input on their concerns regarding AI-powered technologies. Chile's policy, like those of other countries, utilizes the OECD AI Principles and the University of Montreal's AI recommendations. Its principles prioritize people's well-being, respect for human rights and security, sustainable development, inclusion, and globalization.

The policy recognizes the adaptable nature of AI, the concerns it raises regarding data privacy, and the challenges it brings in regards to labor and sustainability. The Chilean strategy takes into account intellectual property, gender, and cybersecurity. It details measures to enhance AI capabilities, beginning with amendments to the national education program aimed at boosting AI skills. To map its progress as prescribed in the country's policy, Chile has launched Observa, the Observatory of Science, Technology, Knowledge and Innovation. With the support of UNESCO, the Ministry of Science initiated a series of workshops to update the country's National AI policy, engaging various actors from the public and private sectors and experts.



In 2021, Chile inaugurated the [Centro Nacional de Inteligencia Artificial](#) (CENIA), which falls under the National Agency for Research and Development. The CENIA has emphasized the need to avoid halting the global advancements of AI but instead urges “large corporations to stop training large and increasingly powerful proprietary language models without robust limits on their malicious use.” In August 2023, in collaboration with the Chilean government, ECLAC, CAF, IDB, OAS, private sector companies, and academic institutions, CENIA launched its [AI Latin American Index](#), aimed at comparing Latin American countries’ development on AI across several dimensions including governance, private investment, and human capital.

### **Regulatory and legal frameworks**

In April 2023, Chile’s Chamber of Deputies published a [draft law](#) for regulating AI systems. This proposal intends to create a consistent and unified legislation that organizes the creation, marketing, distribution, and application of AI systems. It also aims to regulate civil liability, regulate its use in the criminal, educational, cultural, and audiovisual fields, protect intellectual property rights and the full range of artistic and cultural creations, and protect consumers.

The draft adopts a risk-based approach that categorizes systems into unacceptable risk and high-risk. In this approach, all developers, suppliers, and users of AI systems in the Chilean territory must request authorization to develop, commercialize, distribute, and use AI systems. The draft also indicates the rights of users to know when they are interacting with an AI system. Failure to comply will result in fines and the cancellation of authorizations as specified in the draft. The initial stage of congressional discussion concerning the draft bill remains ongoing. No updates have been released regarding when additional debates or voting may occur.



## Brazil

### Overview

- Brazil is one of the leading countries in the region in terms of AI development. Its strengths lie in its infrastructure, connectivity, human capital, data availability, and governance.
- The National AI Strategy (EBIA) serves as a roadmap for promoting AI development and innovation in Brazil, while ensuring its ethical use, largely based on the OECD's AI recommendations.
- Brazil's AI strategy and bill are the product of thorough research and debate regarding the advantages and disadvantages of the various global approaches to AI.



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### Public debate

In 2021, the Brazilian Ministry of Science, Technology and Innovation launched the Brazilian AI Strategy ([EBIA](#)). The strategy draws from the OECD AI framework, G20 AI Principles, and the Ethical Guidelines for Trusted AI in the European Union.

The Brazilian President of the Federal Senate appointed a [commission to develop comprehensive standards](#) for the responsible development, implementation, and responsible use of AI systems across the country. The commission presented a report and a draft bill (Draft AI Law) in December 2022. The bill aims to replace three AI bills pending in Congress since 2019 (5.051/2019, 21/2020, and 872/2021). The [report and the "Draft AI Law"](#) include a debate about the different global approaches to AI regulation, and discuss the most suitable approach for Brazil. The 900-page report established a precedent for discussing foreign approaches to regulating AI in an effort to develop appropriate regulations for Brazil.

Recent developments regarding AI debate in Brazil include CAF's active role in the deployment of a responsible AI governance, including the implementation of regulatory sandboxes, the strengthening of Brazil's National Data Protection Authority as the National AI authority, and EBIA's ethical update. BRICS agenda on AI will also set a policy and regulatory precedent in Brazil's future developments of the technology.



## AI regulation approaches debated

### Responsive regulation approach

- This approach is flexible allowing for a combination of legal and regulatory models with varying degrees of sanctions.
- It is a model that emphasizes ethics and principles, with a focus on ensuring effectiveness.

### Consortium creation approach

- It proposes the establishment of a single entity to facilitate the exchange of information between regulators and the regulated. This entity would serve as a central hub.

### Late regulation model

- This approach challenges the view that AI requires regulation, arguing that overly burdensome regulatory requirements can be disruptive to the industry and hinder investment.
- Proponents of this perspective emphasize that delaying regulation can incentivize innovation.

### Chinese regulatory model

- This model strives to strike a balance between deterrence and innovation incentives. It establishes laws and standards to mitigate risks while also offering investment incentives to encourage innovation.
- This approach incentivizes what is desirable rather than solely prohibiting what is not.

### Risk-based regulation

- A dominant position, highlights the existence of several risks depending on the type of AI system.

### Other considerations

- It considers regulations for the public and private sectors separately.
- It factors in international standards for AI governance while distinguishing between AI systems in general and High-Risk AI Systems.

## Regulatory and legal frameworks

Brazil's draft bill proposes a risk-based strategy to establish boundaries for the implementation of AI systems. The bill necessitates an unspecified authority to consistently evaluate and enhance a list of AI systems that pose high-risk. The present list entails systems in critical infrastructure, education and vocational training, recruitment, credit scoring, biometric identification, and autonomous navigation (if the system could physically endanger individuals).

The draft prohibits the use of AI systems that may harm the health or safety of individuals or groups. It also restricts "public authorities from conducting social scoring and using biometric identification systems in publicly accessible spaces, unless there is a specific law or court order that expressly authorizes the use of such systems (e.g., for the prosecution of crimes)." The proposed regulations offer AI system users and providers certain entitlements. These include the right to prior information about AI system interactions prior to their use, the right to an explanation of an AI system's prediction or forecast within 15 days upon request, the right to non-discrimination, as well as the right to privacy and protection of personal data.

The draft requires providers and users of AI systems to conduct and document a risk assessment prior to placing any AI system on the market. These assessments will be protected under applicable intellectual property and trade secret laws.

Additionally, it obliges providers and users of AI systems to report serious security incidents, such as the interruption of critical infrastructure operations or environmental damage, to the competent authority. The bill does address intellectual property issues, such as the patentability of AI-implemented inventions or authorship of AI-generated inventions. With regards to copyright, the proposal suggests that using works in the data collection process through AI does not violate copyright law.

In Brazil, AI systems are not recognized as inventors in patent applications and creations, as copyrights require natural persons as authors.





## Colombia

### Overview

- The country's AI-specific regulations, along with international cooperation, are positive for the responsible application of AI. Colombia authorities presented a bill to establish policy guidelines for AI development.
- The AI agenda and policies, which have lasted multiple presidential terms, are under the umbrella of the Office of the President.
- The AI agenda has three main objectives: 1) increase connectivity, 2) transform Colombia into an AI-based innovation hub, and 3) promote digital education. To achieve these goals, the government is working with companies and startups.



**Government AI Readiness Index 2022**  
Colombia stands out in the government pillar of this index.



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### Public debate

In November 2019, Colombia developed its [Digital Transformation and Artificial Intelligence Policy](#) (Conpes 3975), which, while not currently in force, sets a precedent for a framework for AI development in the country. The policy was initially tied to Colombia's 2018-22 National Development Plan, and was supported by a high-level task within the Office of the President. The document stipulated the creation of regulatory testing environments, such as sandboxes and regulatory breaches, to enable innovation while mitigating risks. According to the LAVCA, Colombia ranked second in South America for tech-focused investments in 2020, an investment that has helped to position the country as an attractive place for AI companies to invest.

In 2021, Colombia launched an [AI Expert Mission](#) to provide technical guidance for the adoption of AI in government projects. The mission aimed to create a roadmap for the design and implementation of an AI Policy, provide updated recommendations to remain abreast of AI developments, and provide [inputs to advance strategic interests](#) regarding AI within Colombia's 2022-2026 National Development. The Mission ended on July 19, 2022 with the implementation of three main outcomes: the AI Public Policy Lab: Future of Work and Gender; the Empowerment Platform: AprendeIA; and a document on the sustainable use of AI.

In 2023, with the goal of transforming the country into an AI innovation hub, Colombian authorities launched an [AI public policy lab](#), announced the creation of two AI centers, and initiated a series of roundtables for the ethical implementation of AI in the country.

Colombia is also making efforts to build human capital by promoting the creation of institutions, like the Center for Research and Formulation in Artificial Intelligence (CINFONIA) at the Universidad de los Andes. This is the most advanced research center in Latin America dedicated exclusively to the study of AI. It also partnered with the National Learning Service (SENA) to boost digital education, AI connectivity infrastructure, and cybersecurity throughout the country.

### **Regulatory and legal frameworks**

In May 2021, the Colombian government published the [Ethical Framework for Artificial Intelligence](#). The document is the first in the region to provide recommendations for the ethical use of AI in public sector projects. The framework recommends the adoption of a risk-based approach for AI projects; distinguishes between private sector ethics and public sector ethics, calls for AI applications to be citizen-centered, and consider diverse populations and citizen needs, recognizes cybersecurity as fundamental to security and stability, and proposes the creation of a body responsible for measuring the implementation of the ethical framework.

The Minister of Technology, Information, and Communications (MinTIC), Mauricio Lizcano, presented a [bill](#) in the Senate to establish policy guidelines for AI development in the country. The document proposes the creation of a Data Processing and AI Development Committee to address bills related to AI. It also states that human intelligence will prevail over AI.





## Uruguay

### Overview

- Uruguay's AI strategy differs from the more common macro-strategic approach to AI in other countries. It focuses on AI adoption and innovation in the public sector, and includes actions to train public servants in AI-related issues.
- The AI strategy includes active communication with all sectors of society about the government's AI projects and initiatives. Uruguay's main policy reference is Canada's application of AI systems to improve public services.
- Uruguayan policymakers and institutions have not announced the intention to draft or pass an AI law. However, ethical considerations and regulations are embedded in the country's AI policy. With the support of CAF and UNESCO, Uruguay is currently developing a new National AI Strategy.



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### Public debate

In January 2020, Uruguay released its [Artificial Intelligence for a Digital Government Strategy](#), which outlines the country's vision for the use of AI in four main pillars: 1) governance, 2) responsible use of AI, 3) citizens and AI, and 4) capacity-building. It believes that four dimensions should be considered from the design to the implementation of various AI applications: ethical, normative (legal), technical, and social.

The strategy includes awareness-raising campaigns aimed at informing Uruguayan citizens about how AI is being used in public administration. The strategy also differs from others in the region because it defines a strategy for AI applications, especially in government projects, with special attention to AI governance in the public administration. It's based on the [principles](#) of: purpose, public interest, human rights, transparency, accountability, ethics, added value, privacy by design, and security.

Despite changes in the country's administration in 2020, public officials have expressed optimism that the strategy will continue to be a priority for political leaders despite changes in government. The Agency for E-government and the Information and Knowledge Society (Agesic) offers AI-related courses for civil servants.

Since 2022, Uruguay has been working to build an AI observatory, with the goal of creating a multidisciplinary dialogue, generating recommendations, criteria, and principles for transparent and responsible AI, and informing citizens about the use of AI in public administration. In June 2022, Microsoft [announced](#) that Uruguay will host the AI & IoT Insider Lab. This will be the first lab of its kind in Latin America, and the third outside of the United States. It will facilitate R&D in AI, the Internet of Things (IoT), and cloud computing.

In November 2022, Minister of Industry, Energy and Mining of Uruguay Omar Paganini presented the [Uruguay Innovation Hub](#), a public-private inter-institutional program that seeks to position the country as an innovation hub, with the support of the Inter-American Development Bank (IADB). In March 2023, the Latin American Meeting on Artificial Intelligence (Khipu) took place in Montevideo. Attendees signed the Montevideo Declaration calling for the regulation of AI and its ethical development, centered on the rights of the individual.

## **Regulatory and legal frameworks**

Uruguayan policymakers and institutions have not announced their intention to draft or pass an AI law. However, ethical considerations and regulations are embedded in the country's AI policy.

In July 2023, the process of drafting a new National AI Strategy began. This initiative is led by Agesic, and has the technical support of CAF and UNESCO. The process will be developed in 5 stages, including a public consultation before the final publication in 2024. The initial strategy was analyzed by OECD in 2022 and stated that it lacked responsible actors, time frames, funding mechanisms, and monitoring instruments.





## Argentina

### Overview

- Argentina does not have a national AI strategy, but due to its high level of governance on AI, it welcomes the adoption of AI technologies and advocates for their regulated use, prioritizing social improvement over economic gain.
- It has a solid connectivity infrastructure, except for the low number of data centers, and a strong potential for talent and technical skills development, which is already integrated in all sectors.
- This context, along with its international participation, provides Argentina with an opportunity to grow in terms of developing AI-specific regulations.



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### Public debate

In 2019, during Mauricio Macri’s administration, Argentina launched an AI strategy called the [Plan Nacional de Inteligencia Artificial](#). The strategy was created within the framework of [Argentina’s 2030 Digital Agenda](#), which aims to coordinate government initiatives related to the use of digital technologies.

Since the election of Alberto Fernández as president in late 2019, the AI strategy adopted during the previous administration has been removed and used as a reference document. However, the government has continued to promote actions aimed at adapting government initiatives to the use of new technologies, for which Argentina continues to participate in international events focused on AI.

In the International [Seminar “Strengthening Democracy: Transparency Policies, Social Participation, and Human Rights,”](#) Argentine leaders [discussed](#) the need to establish criteria and standards that allow AI technologies to be categorized according to the risks they pose. Similarly, at the roundtable [“Artificial Intelligence: Public Policy for the Americas,”](#) organized by the OAS and the US National Academy of Sciences, Undersecretary for Science, Technology and Innovation Policy Cecilia Sleiman said that developing countries need to set standards that define what they want and don’t want from this technology.

UNESCO's specialist at the Digital Transformation Office, María Isabel Mejía Jaramillo, has commented on the Argentine government's willingness to apply AI methods to the public policy process, in line with international standards guided by the OECD and UNESCO [recommendations](#). While Argentine officials participate of these events, they are often mid-level government officials and there is no follow-up to a concrete roadmap for nationwide AI adoption. Other Argentine stakeholders also consider relevant the role of government institutions in channeling AI efforts to improve social conditions.

Public-private institutions consider changes in to the labor market as a priority issue in the debate an AI adoption. In this context, Fernando Schapachnik of the Sadosky Foundation urges authorities to discuss the ethics of automating jobs, even if the machines achieve levels of performance comparable to that of humans.

## Regulatory and legal frameworks

In June 2023, deputies from the governing coalition *Frente de Todos* participated in a debate entitled "Regulation and Legislation of Artificial Intelligence: Generative AI and International Trends." There, participants acknowledge the lack of presence of AI regulation in the legislative agenda. Argentine leaders have eagerly embraced AI in government-led initiatives and projects:



### Government services digitization

[Tina](#) is the first government virtual assistant in the region tasked with [provide](#) citizens with reliable information to exercise their rights and access government services. Tina is available 24/7 via WhatsApp and provides support for more than 250 procedures. Tina is the first government chatbot to centralize all information.

Similarly, the Secretary of Innovation and Digital Transformation in Buenos Aires presented [Boti](#), a conversational chatbot that already centralizes 18% of citizen-government interactions.



### Public health

Argentina [launched](#) the Artificial Intelligence and Data Science-based Epidemiological Management (ARPHAI) project. Funded by Canada's International Development Research Centre and the Swedish International Development Cooperation Agency, the project aims to facilitate public health decision-making. The project analyzes data to predict and detect potential epidemic outbreaks under strict security and access rules.



### Elections

In the elections in the province of Corrientes, AI models were used to [speed up](#) the reading of telegrams during the audit of votes. This was an exercise without legal validity.



In the same month, the Undersecretariat for Information Technologies published the [Recommendations for a Reliable AI](#). The document is based on the UNESCO, OECD and G20 frameworks. The framework promotes an innovative ecosystem that respects human rights and democracy while fostering close collaboration with the private sector and academia. Among its recommendations is the importance of [not imposing AI](#) as the best tool to solve a specific problem.

More recently, the Agency for Access to Public Information (AAIP), Argentina's DPA, established a Program for Transparency and Personal Data Protection regarding AI usage through a non-binding resolution. The main objectives are to enhance regulatory proposals and improve government capabilities in ensuring transparency and data protection for AI development across public and private sectors. The program, based on AI ethical principles published by UNESCO and OECD, proposes the establishment of an AI Observatory and a multidisciplinary advisory board comprised of experts aimed at consensus-building and policy coordination.

In September, the Chief of Cabinet and the Interior Ministry created an Inter-ministerial Working Group on Artificial Intelligence to investigate AI developments. The working group will be responsible for establishing an ethical framework for using AI, with a focus on sustainable development and digital transformation, and for developing a strategy to be used by the government in policy-making, the private sector, and civil society. Earlier this year, the Argentine Chamber of Deputies introduced a bill that offers a legal framework for regulating the development and use of AI and the establishment of committees and bodies responsible for reviewing the ethical dimension of AI systems to ensure their compliance with established principles. It also proposes the categorization of AI systems according to their risks, using the following classifications: unacceptable risks, high risks, limited risks, and insignificant risks. This bill has not progressed.



## Peru

### Overview

- Peru released their National Strategy for Artificial Intelligence in 2021, outlining its vision for the country's development, use, and regulation of AI.
- The Strategy includes strategic goals to become a leader among Latin American countries in the development and use of AI. However, it lacks clear and measurable objectives, funding mechanisms, and monitoring instruments, among others; according to the OECD.
- In July 2023, Peru passed a law declaring AI of national interest and providing a pathway for the development, use, and regulation of AI moving forward.



Government AI  
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### Public debate

Peru published their [National Strategy for Artificial Intelligence \(ENIA\)](#) on May 18, 2021, outlining their vision for the future and detailing an analysis of the current context of AI in the country. The country's vision is to be recognized as a leader in Latin America "in research, development, innovation, deployment, use, adoption of AI, and in its ethical and responsible use in the production of public and private goods and services." The current Strategy is for 2021-2026 and can be updated every two years as progress is made and the global context changes. The National Strategy identifies the country's strengths, weaknesses, and opportunities. Among its strengths are the current large companies and a small sector of academia currently employing AI and the country's potential talent pool. Its weaknesses are its lack of high-level education opportunities, low use of data among private and public sectors, and lack of salary incentives for academic research in AI. The Strategy acknowledges many opportunities to capitalize on the growing labor demand, increasing interest in AI, and the number of Peruvian nationals studying AI abroad. The National Strategy considered all of these factors when creating its strategic objectives.

Peru has historically prioritized AI development for use in the public sector. The country currently utilizes AI in two public programs: the Ministry of Labor and Employment Promotion's job board which uses AI to improve the labor intermediation processes and a program run by the Road Safety Directorate that uses AI to reduce the number of accidents.

Additionally, its National Strategy analyzes examples of how other countries in the region have utilized AI in the public sector successfully as a guide for developing its objectives, highlighting the need to meet the demands of digital citizenship. The National Strategy emphasizes the need to collaborate internationally to achieve its objectives. Peru recently joined Uruguay's regional hackathon, IA-CKATÓN, to generate innovative ideas on how to use AI to improve public services. It also adhered to the OECD AI Principles to align with international trends.

In 2022, the [OECD analyzed the use of AI in the public sector](#) in Latin America and the Caribbean. It characterized Peru's National Strategy as lacking measurements of progress of success, responsible actors (2023 Law addressed this), time frames, funding mechanisms, and monitoring instruments, which are all necessary factors that drive the implementation of a national strategy.

### **Regulatory and legal frameworks**

On July 5, 2023, Peru published a [law to promote the use of AI](#) for the social and economic development of the country. The law includes six principles to guide the development and use of AI: supervised security, multi-stakeholder approach, internet governance, digital society, ethical development of a responsible AI, and artificial intelligence privacy. The law declares AI's development and use to be of national interest for enhancing public services, education, health, justice, inclusion, security, and the economy. As written, the law seeks to guarantee human rights in the development and use of AI.

The law designates the Presidency of the Council of Ministers under the Secretariat of Government and Digital Transformation as responsible for directing, evaluating, and supervising the development of AI.





## Mexico

### Overview

- Mexico lacks a national AI strategy. However, UNESCO will partner with the National Artificial Intelligence Alliance (ANIA) to create a strategy for the adoption of AI in the country. At the same time, the government has advanced some policies to promote the development of emerging technologies.
- The private sector is the most active stakeholder in the conversation about how Mexico can benefit from the adoption of AI-based technologies in various sectors.
- Civil society organizations are following, seeking to establish standards for its ethical development and compliance with personal data protection.



### Government AI Readiness Index 2022

Despite having the second largest GDP in Latin America, Mexico lags in AI readiness, with a notable lack of a national AI strategy and regulatory framework.



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### Public debate

In 2018, the Mexican Congress released an AI strategy (*Estrategia IA-MX 2018*) aimed at increasing the adoption of AI systems in the public and private sectors. However, due to change of government in 2019, there was no follow-up to the strategy. Despite this, in June 2020, Mexico [joined](#) the G7 countries in the creation of the Global Partnership on Artificial Intelligence (GPAI) to create a framework for the transparent use of AI and economic recovery after the Covid-19 pandemic. Beyond these efforts, the government's narrative on AI focuses on reducing the country's digital divides, rather than regulating AI in light of its latest developments.

The private sector, on the other hand, is more active in promoting the debate on the various aspects of the current expansion of AI. In August 2022, Huawei organized an event that brought together representatives from academia, government agencies, and research-oriented organizations to talk about AI applications. At the event, Mexico's Federal Institute of Telecommunications (IFT) [called](#) for a national strategy to promote the development of AI that persists through leadership change. Similarly, Salma Jalife, of Centro México Digital, called for a policy that articulates and regulates innovation, connectivity, data and cybersecurity taking into account ethics and personal data protection.

In 2022, the National Autonomous University of Mexico (UNAM) joined Huawei in the [Alliance to Promote the Development of Digital Capabilities in Mexico](#). The Alliance has selected projects in agriculture, video surveillance, environment, and healthcare with hardware to implement these projects.

Specific projects led by individual actors or companies have brought AI discussions into the public sphere. For example, former Minister of Foreign Affairs Marcelo Ebrard, who is now seeking the Mexican presidency in 2024, announced his [Plan Angel](#), which considers the use of AI and biometric data technology to strengthen public security sparking public discussions around it. Similarly, the *Grupo Radio Fórmula* news chain has created [NAT](#), the first AI-powered news anchor that will soon participate in morning and evening news programs.

### Regulatory and legal frameworks

The most relevant attempt to regulate AI is the [proposal](#) of Deputy Ignacio Loyola Vera to create a “Law for the Ethical Regulation of AI and Robotics.” In the same period, a research team at the Mexican Senate published the document “[The Use of Artificial Intelligence in the Legislative Power](#)” and [urging](#) the legislative body to regulate AI technology amid expectations that it will soon impact the labor market. Although Mexico has regulations on data protection and cybersecurity, the new Mexican General Law on Humanities, Science, Technology, and Innovation, passed in May 2023, does not include any AI regulations.

In August, Gabriela Ramos, Assistant Director-General for Unesco, announced that the organization will work with the National Artificial Intelligence Alliance (ANIA) to create a strategy for the adoption of AI in Mexico. ANIA was founded by the Senate in early 2023 with the purpose of creating the regulatory frameworks that allow the use of Artificial Intelligence in favor of social welfare.





Chapter 4

Conclusions



## Conclusions

### The challenge ahead

This report provides a comprehensive overview of the state of AI technologies in Latin America. It examines how Chile, Brazil, Colombia, Uruguay, Argentina, Peru and Mexico are approaching the current debate on the development, adoption and regulation of this technology.

From this analysis, it was found that the main initiatives regarding AI developments and regulations in Latin America follow the AI frameworks and standards set by the OECD, UNESCO and the G20. The initiatives generally prioritize data privacy, algorithm transparency, awareness of AI interactions, and labor market readiness in their national AI agendas.

Among the countries analyzed, the report finds that all are currently engaged, to some extent, in public debates about the development of artificial intelligence and have existing ethical frameworks. More than half of the countries analyzed have published a national AI strategy (Chile, Brazil, Uruguay, Peru), an important step in the development and use of AI. Three countries have made progress toward a regulatory framework (Chile, Brazil, and Argentina), but none of the countries have fully implemented a framework.

The experience of the countries analyzed shows that governments are interested in debating the regulation and implementation of AI. However, this debate in Latin America is mainly state-centered. In order to take full advantage of the opportunities offered by AI, joint efforts are needed between the public and private sectors, including civil society and academia, to address the common challenges of AI and prevent negative outcomes for society as a whole.

The following map provides a general overview of the state of AI in the countries analyzed, according to each country's progress on national policy strategies, regulations, and ethical frameworks.



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National AI  
Strategy



Ethical  
Framework



Regulatory  
Framework



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