Public Disclosure Authorized

Chile Green Hydrogen Facility to Support a Green, Resilient and Inclusive Economic Development (P177533)

LATIN AMERICA AND CARIBBEAN | Chile | IBRD/IDA | Investment Project Financing (IPF) | FY 2023 | Seq No: 3 | Archived on 25-Dec-2024 | ISR02796

Implementing Agencies: Corporación de Fomento de la Producción - CORFO

1. OBJECTIVE

1.1 Development Objective

Original Development Objective (Approved as part of Approval package on 29-Jun-2023)

The Project Development Objective is to support the development of the green hydrogen industry in the Republic of Chile.

Has the Development Objective been changed since Board Approval of the Project Objective?

No

2. COMPONENTS

Name
Component 1: Green Hydrogen Investment Sub-loans and Risk-Mitigation Facility:(Cost 130,329,000.00)
Component 2: Capacity Building and Project Management:(Cost 18,073,000.00)
Project Financing Cost:(Cost 1,598,000.00)

3. OVERALL RATINGS

Name	Previous	Current
Progress towards achievement of PDO	Satisfactory	Moderately Satisfactory
Overall Implementation Progress (IP)	Moderately Satisfactory	Moderately Unsatisfactory
Overall Risk Rating	Substantial	Substantial

4. KEY ISSUES & STATUS

4.1 Implementation Status and Key Decisions

The Project was restructured to strengthen CORFO's capacities, through a collaboration agreement with the countries commercial bank, Banco Estado. this will help accelerate Project implementation and achieve its development objectives, CORFO, together with Banco Estado are working to reach the Project's effectiveness condition by January 30, 2025.

5. SYSTEMATIC OPERATIONS RISK-RATING TOOL

Risk Category	Rating at Approval Approval Package - 29 Jun 2023	Last Approved Rating ISR Seq. 02 - 08 Apr 2024	Proposed Rating
Political and Governance	Moderate	Moderate	Moderate
Macroeconomic	Moderate	Moderate	Moderate
Sector Strategies and Policies	Moderate	Moderate	Moderate
Technical Design of Project or Program	Moderate	Moderate	Moderate
Institutional Capacity for Implementation and Sustainability	Substantial	Substantial	Substantial
Fiduciary	Moderate	Moderate	Moderate
Environment and Social	Substantial	Substantial	Substantial
Stakeholders	Moderate	Moderate	Moderate
Overall	Substantial	Substantial	Substantial

6. RESULTS

6.1 PDO Indicators by PDO Outcomes

Support the development of the green hydrogen industry in Chile								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Renewable Energy Capacity Enabled (Megawatt)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	19-Dec-2024	380.00	Jun/2028
	Comments on achieving targets		The Project is not yet effective. However discussions with project developers and lenders will resume in February, once the project reaches effectiveness.					
Net greenhouse gas (GHG) emissions (Metric tons/year)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	19-Dec-2024	-130,000.00	Jun/2028

6.2 Intermediate Results Indicators by Components

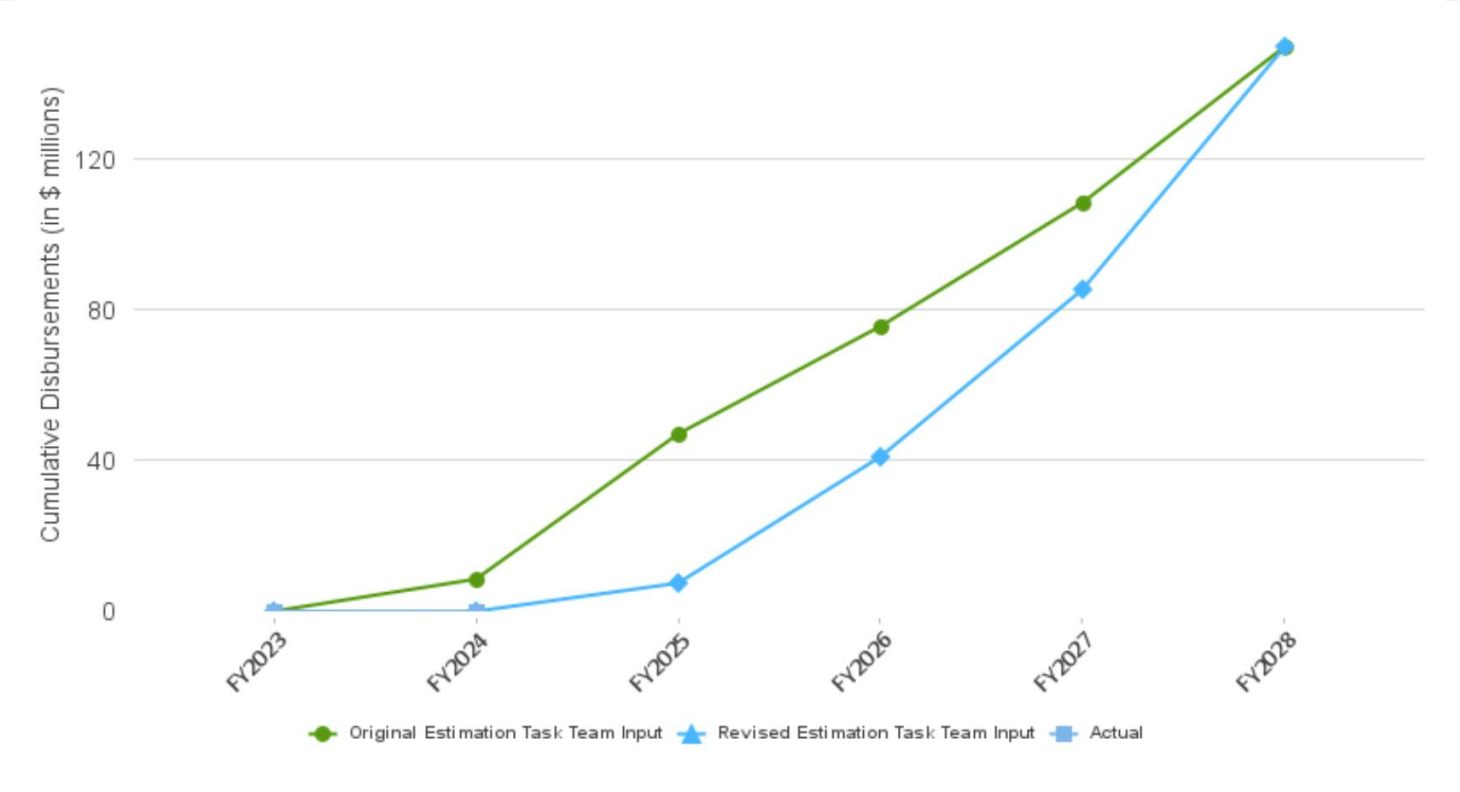
Component 1: Green Hydrogen Investment Sub-loans and Risk-Mitigation Facility								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Sub-projects assessed by CORFO (Number)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	19-Dec-2024	15.00	Jun/2028
	Comments on achieving targets		The Project is not effective					
Green hydrogen investment	0.00	Jul/2023	0.00	22-Mar-2024	0.00	19-Dec-2024	8.00	Jun/2028

sub-loans provided (Number)	Comments on achieving targets		The Project is not effective and updated effectiveness date in July 2, 2024, and thus this indicator cannot be measured at this stage.					
Total private co-financing (Amount(USD))	0.00	Jul/2023	0.00	22-Mar-2024	0.00	19-Dec-2024	260,000,000.00	Jun/2028
	Comments on achieving targets		The Project is not effective yet.					
Component 2: Capacity Building and Project Management								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Establishment and operationalization of the Implementation Support Unit (ISU) to support and transfer capacities to CORFO (Text)	ISU has not been set up	Jul/2023	Relevant institutional arrangements are being set up.	22-Mar-2024	Relevant institutional arrangements are being set up.	19-Dec-2024	ISU has transferred capacities to CORFO to assess the financial and technical risks of sub-projects	Jul/2028
	Comments on achieving targets		It is expected by the end of February 2025					
Full-time equivalent (FTE) jobs created by sub-projects supported by the Project (Number)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	19-Dec-2024	12,500.00	Jun/2028
Of which women (Number)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	19-Dec-2024	1,500.00	Jun/2028
Share of senior management positions that are occupied by women within green hydrogen subprojects supported by the Project	0.00	Jul/2023	0.00	22-Mar-2024	0.00	19-Dec-2024	30.00	Jun/2028
	Comments on achieving targets		The Project is not effective and updated effectiveness date in July 2, 2024, thus no attribution of senior management positions occupied by women in projects supported by the Facility is possible at this stage.					

(Percentage)								
Level of satisfaction of stakeholders with the consultation and engagement process done by green hydrogen sub-projects financed by the Project. (Percentage)	0.00	Jun/2023	35.00	22-Mar-2024	35.00	19-Dec-2024	60.00	Jun/2028
	Comments on achieving targets		The Project is not effective and updated effectiveness date in July 2, 2024, and thus the level of satisfaction can be measured at this stage.					

7. DATA ON FINANCIAL PERFORMANCE

7.1 Cumulative Disbursements



7.2 Disbursements (by loan)

Loan/Credit/TF	Status	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed	Historical Disbursed
IBRD-95590	Not Effective	150.00	150.00	0.00	0.00	150.00	0%	150.00

7.3 Key Dates (by loan)

Loan/Credit/TF	Status	Approval	Signing	Effectiveness	Orig. Closing	Rev. Closing
IBRD-95590	Not Effective	28-Jun-2023	06-Jul-2023		30-Jun-2028	30-Jun-2028

8. KEY DATES

Key Events	Planned	Actual
Approval	28-Jun-2023	28-Jun-2023
Effectiveness	30-Jan-2025	
Mid-Term Review No. 01	31-Aug-2026	
Operation Closing/Cancellation	30-Jun-2028	

9. RESTRUCTURING HISTORY

Restructuring Level 2 Approved on 25-Oct-2024

10. ASSOCIATED OPERATION(S)

There are no associated operations