



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: 2 | Archived on 08-Apr-2024 | ISR00154

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 141,790,000.00)

Component 2: Capacity Building and Project Management:(Cost 6,620,000.00)

Project Financing Cost:(Cost 1,590,000.00)

3. OVERALL RATINGS

Name	Previous	Current
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Moderately Satisfactory
Overall ESS Performance	---	● Satisfactory
Overall Risk Rating	● Substantial	● Substantial

4. KEY ISSUES & STATUS



4.1 Implementation Status and Key Decisions

Since WB Board approval in late June, the implementing agency, CORFO, has worked on the Project's effectiveness conditions, including environmental and social aspects as well as other regarding institutional arrangements and processes, and financial products..

5. SYSTEMATIC OPERATIONS RISK-RATING TOOL

Risk Category	Rating at Approval Approval Package - 29 Jun 2023	Last Approved Rating ISR Seq. 01 - 04 Oct 2023	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
Total capacity of electrolyzers supported under the GHF (Megawatt)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	22-Mar-2024	210.00	Jun/2028
	Comments on achieving targets		The Project is not effective and updated effectiveness date in July 2, 2024.					
Net greenhouse gas (GHG) emissions (Metric tons/year)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	22-Mar-2024	-141000.00	Jun/2028
	Comments on achieving targets		The Project is not effective and updated effectiveness date in July 2, 2024.					

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	22-Mar-2024	15.00	Jun/2028
	Comments on achieving targets		The Project is not effective and updated effectiveness date in July 2, 2024, and thus no project has been evaluated at this stage.					
Green hydrogen investment sub-loans provided (Number)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	22-Mar-2024	8.00	Jun/2028
	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	22-Mar-2024	281,000,000.00	Jun/2028
	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.					
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
Newly established credit risk unit and E&S unit within CORFO are operational (Text)	New credit risk unit and E&S risk unit within CORFO have not been set up.	Jul/2023	Relevant institutional arrangements are being set up.	22-Mar-2024	Relevant institutional arrangements are being set up.	22-Mar-2024	New credit and E&S risk units within CORFO have been established and are fully operational.	Jul/2028
	Comments on achieving targets		The E&S consultants are working on drafting the GHF ESMS and a final draft of the SEP is being processed internally within CORFO's management to get final approval/clearance. After this milestone, it would be shared with the Bank for its final approval. Adoption of SEP is expected by May 2024.					
Number of third-party experts available to assess subprojects and support CORFO's green hydrogen financing activities (Text)	No experts available	Jul/2023	CORFO - with support from the Bank - is working on detailing the profiles of key staff needed for the operation of the Facility.	22-Mar-2024	CORFO - with support from the Bank - is working on detailing the profiles of key staff needed for the operation of the Facility.	22-Mar-2024	At least 3 firms or framework contracts have been contracted/established and are available	Jun/2028
	Comments on achieving targets		Given the institutional arrangement changes, to incorporate BE and a PIU, the third party experts will be hired after the Project has been restructured.					
Full-time equivalent (FTE)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	22-Mar-2024	14,400.00	Jun/2028

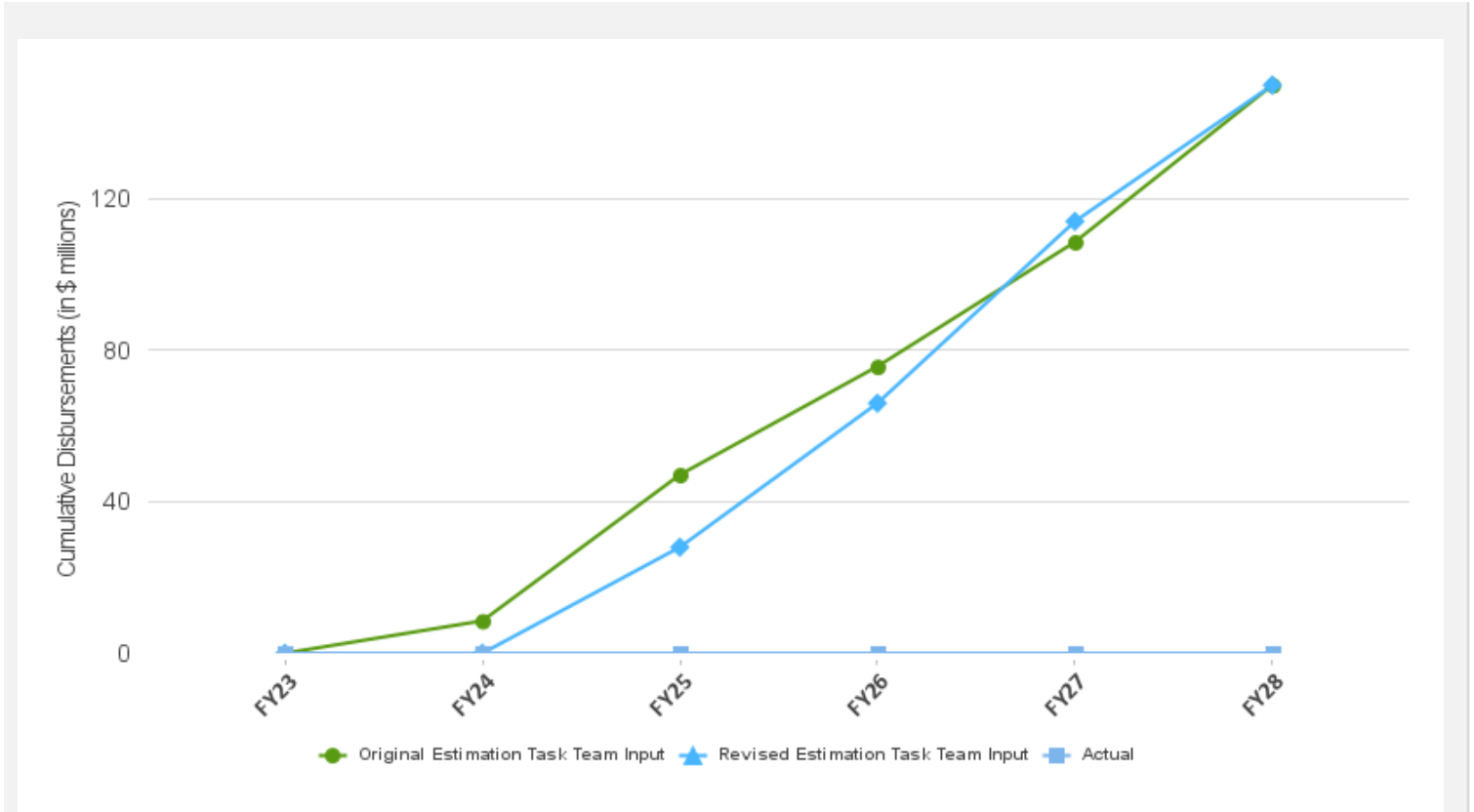


jobs created by sub-projects supported by the Project (Number)	Comments on achieving targets		The Project is not effective and updated effectiveness date in July 2, 2024, thus no jobs can be attributed at this stage.					
Of which women (Number)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	22-Mar-2024	2,100.00	Jun/2028
	Comments on achieving targets		The Project is not effective and updated effectiveness date in July 2, 2024, thus no job can be attributed to the Project.					
Share of senior management positions that are occupied by women within green hydrogen subprojects supported by the Project (Percentage)	0.00	Jul/2023	0.00	22-Mar-2024	0.00	22-Mar-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.					
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	22-Mar-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
IBRD-95590	Not Effective	150.00	150.00	0.00	0.00	150.00	0%

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	02-Jul-2024	
Mid-Term Review No. 01	31-Aug-2026	
Operation Closing/Cancellation	30-Jun-2028	

9. RESTRUCTURING HISTORY

There has been no restructuring to date

10. ASSOCIATED OPERATION(S)

There are no associated operations