PROJECT IMPLEMENTATION REPORT

Project ID:	11088
Project Name:	Accelerating the transition to a net-zero, nature-positive economy in Chile
Countr(ies):	Chile
Implementing Agency:	UNEP

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I. Overview

A. Description

Project name
Accelerating the transition to a net-zero, nature-positive economy in Chile

Country
Chile

GEF ID	Implementing Agency
11088	UNEP

Executing Entity
Fundación Chile (FCh)

Trust Fund	Project Type
GET	FSP

PIR Submission	Fiscal Year , PIR Number
8/28/2026	FY 2026 , 1st PIR

Objective
Strengthen Chilean institutions to accelerate nature positive, net-zero development pathways

B. Ratings and Disbursements

Implementation Progress	Development Objective
Satisfactory	Satisfactory

Overall risk
Low Risk

Project Financing	Cumulative Disbursement
5,257,032.00	653,296.00

C. Key Dates

CEO Endorsement/Approval	Agency Approval
12/10/2024	5/5/2025

Implementation Start	First Disbursement
5/5/2025	7/24/2025

Expected MTR	Actual MTR
Expected Completion 3/31/2029	Actual Completion

II. PROGRESS STATUS AND ISSUES

A. Progress: Information on progress and outcomes of project implementation activities

Results:

- During the reporting period, the project was launched (July 2, 2025), and the launch event brought together more than 319 people in person and more than 168 people who joined via Fundación Chile's (FCh) YouTube channel. The communications campaign associated with the launch event included 22 press articles, which contributed a value of 13,200 USD to the project (as estimated by the FCh communications team). Social media coverage included more than 10 posts on Fundación Chile's LinkedIn and Instagram accounts about Net-Zero and Nature-Positive, including graphics and videos (Reels). In terms of content, corporate social media accounts engaged with accounts related to the initiative, which also generated their own posts. Instagram recorded 339 interactions and 15,066 views. LinkedIn recorded 2,583 interactions and 8,055 impressions.
- Participation in the presentation of the global program in Washington (October 16, 2025), which was attended by Fundación Chile along with the Ministry of the Environment and the Ministry of Finance.
- Eight meetings of the project's Technical Committee have been held; this body has helped coordinate the technical counterparts from the three ministries and has also included the Biodiversity and Protected Areas Service in its membership further promoting policy coherence across ministries.
- We have held more than 50 meetings with various public and private organizations to identify their interests, assess their level of support, and take their opinions into account so that we can incorporate them into adjustments to the initiative, which will allow us to move forward with strategic collaboration with several of them.
- An interview was designed in collaboration with the Ministry of Finance to identify the gaps that need to be addressed in order to encourage private investment in nature. This interview has been conducted (under a confidentiality agreement) with companies, national and international banks, trade associations, state financial institutions, and national and international experts, among others. This has allowed us to engage with the productive sector and expand our working partnerships. It has also provided us with a clear vision of the path we must pursue to address the gaps in the Chilean market.
- In addition, the entire system was designed to issue the call for proposals for pilot projects on the decarbonization of energy demand (thermal). This call for proposals will be open from the first week of August 2026 through the end of October. We expect to receive the necessary proposals that will allow us to select the three pilot projects during November and December 2026. To ensure a successful call for proposals, we have met with more than 25 companies and trade associations, who are helping us identify applicants and disseminate information.
- Four Steering Committee meetings were held: two regular meetings and two special meetings. In May 2026, the Steering Committee was formed with the new government officials after the national election, and their participation was formalized.
- Eight reports have been submitted: 1) the report from the kickoff workshop, dated August 5, 2025; 2) four expense reports covering the periods from May to September 2025, October to December 2025, January to March 2026, and April to June 2026; 3) an audit covering the period from May to December 2025; 4) a Half-Yearly Progress

Report (HYPR) as of December 2025; 5) a co-financing report for USD 16,252,676, which includes the raising of USD 70,000 by private-sector companies to co-finance a study on energy use in the residential sector.

- During the reporting period, the initiative received two awards: an award from HuellaChile for its support of the program and an award from Fundación Chile for winning the 2025 "Strategic Guidance on Climate Change" award.
- We were invited to join the public-private working group of Chile's Scientific Committee on Climate Change, whose first official meeting will take place on July 9, 2026.
- The Ministry of Finance invited us to bring together stakeholders from the financial sector through its Green Finance Working Group, which we will begin convening during the second half of 2026. They also invited us to participate in the Natural Capital Working Group, which is coordinated by the Ministry of the Environment.
- A workshop was held between the Ozone Unit of the Ministry of the Environment and the Ministry of Energy, which helped bring the two institutions closer together toward collaboration on issues related to FCVC and thermal applications (primarily cooling).
- A PMO system has been established specifically to manage the project efficiently within FCh. In addition, a SharePoint site has been created to enable the secure sharing of documents with our stakeholders.
- As of June 2026, the website is up and running www.convergEN.cl active, as well as LinkedIn and Instagram. It also features the design and branding for the "ConvergEN+: Energy and Positive Nature" initiative.
- As of June 2026, the full ConvergEN+ team is in place: Fernanda Valdés, Climate Change Specialist, counterpart at the Ministry of the Environment (since January 2026); Serguey Maximov, Energy and Decarbonization Specialist, counterpart at the Ministry of Energy (since March 2026); and Carolina Olcay, Economics and Finance Specialist, counterpart at the Ministry of Finance (since May 2026).

Updates:

Considering an adaptive management approach, adjustments were made to the timelines for the deliverables and, in some cases, to the approach taken for the deliverables, so as not to duplicate efforts already being carried out by other agencies in Chile. These adjustments have been agreed upon with the three ministerial partners in PSCs and will be formally adjusted with UNEP in August 2026.

Output 1.1

1.1.1 and 1.1.2 On May 11, the consulting project for the study titled "Assessment of Coherence Among Climate Change Instruments" begun. The project involves developing a methodology to align and improve coordination among the climate change instruments promoted by the Ministry of the Environment. This consulting project was put out to bid through the Public Procurement Portal, and a total of 17 proposals were received, which were evaluated by two representatives from FCh and two from the MMA. The contract was awarded to the company E2Biz for 97,000, resulting in savings of USD 91,567 respect to the planned budget.

1.1.3 On August 1, 2025, the consultant who provides support for the LTS 2.0 review process was hired. In December 2025, the preliminary draft of the new LTS was published. It is currently open for public comment through September. The project is drafting a technical document to incorporate a full chapter on MRV into the LTS, to facilitate reporting on Chile's NDC by the public and private sectors. The consultant's contract was extended through March 2027, by which time the final draft must be ready. Previously, our project submitted an initial proposal on December 19, 2025.

Output 1.3

1.1.3 and 1.3.2 The HuellaChile assistant was hired in July 2025 and made progress on the design of an information and certification system that integrates mitigation (carbon and short-term climate factors) with adaptation (water and nature). As of June 2026, the transfer of the water certification system from the Agency for Sustainability and Climate Change to the HuellaChile Program within the Ministry of the Environment was formalized. A preliminary design for the integrated platform is now available, and work on the Ministry of the Environment's (MMA) IT system began in June 2026. To incorporate the nature dimension into this HuellaChile Integrated System, nature reporting indicators used in various international certification systems have been compiled and linked to Chile's NDC targets. This is the first analysis to begin

the design of the nature report that will be hosted within this HuellaChile Integrated System. To date, there are seven reports on the HuellaChile program and its progress.

1.3.3 As of June 2026, approval has been granted by FCh to directly contract the company DYATEC, as requested by the Ministry of the Environment, to develop the IT system for the Integrated Chilean Carbon Footprint Program. This consulting project will begin in July 2026.

Output 1.4

1.4.1; 1.4.4 and 1.4.5 The Terms of Reference (TDR) have been approved by the Ministry of Finance, allowing for the start of consulting contract ID 110407. At the end of June, an open bidding process was launched through the Public Procurement Portal; the contract will be awarded at the end of July, with work set to begin the first week of August 2026.

Output 2.1

2.1.1 The membership drive for the thermal energy sector has begun, with meetings being held with various companies in the industry. This drive will intensify with the arrival of the Gender Specialist, who will assist in the implementation of this initiative. The search for this professional will begin in August 2026. Among the companies and trade associations with which we have held meetings, the following stand out: Thenergy, ASCC, EPTA, Hinicio, Bosch, ANWO, Uría Ingeniería, Cencosud, Enercom, ANESCO, AFRISAN, Cámara Chilena de Refrigeración y Climatización AG, Consorcio Lechero, Chilealimentos, Asociación de Gas Natural, Midea – Carrier, Asociación de Empresas Eléctricas, GASCO, Abastible, Lipigas, Metrogas, ACESOL, ACERA, Uno Punto Cinco, CGE, Enel Distribución, SAESA, Walmart, Abastible Tech, Ener, Mayekawa, Clima Biobio, Clauger, entre otros.

Output 2.2

2.2.2; 2.2.4 and 2.2.6 The contract awarded directly to Carbon Trust has begun, following approval by the Steering Committee at its special meeting on January 26, 2026. Carbon Trust is working with the local partner E2Biz. The contract began on June 8, 2026, and will run through April 30, 2027, for USD 100,000.

2.2.3 Throughout 2026, we have worked alongside InData to raise private-sector matching funds to co-finance the study on Energy Use in the Residential Sector, for which a direct contract was approved by the Steering Committee in March 2026, subject to the private sector raising USD 70,000. InData successfully met this challenge, and the contract therefore began on June 15, 2026, and will run through June 14, 2027. ConvergEN+ is contributing USD 90,000 and the private sector USD 70,000 to carry out this study.

Furthermore, the Steering Committee meeting held on January 26, 2026, approved dividing this deliverable into three studies: residential, industrial, and public buildings, which will be detailed in a report on budget adjustments submitted to UNEP in August 2026.

2.2.5 Contract 110602, directly awarded to E2Biz as stipulated in Prodoc (USD 150,000), begun on January 30, 2026. As of June 2026, the evaluation of the Energy Efficiency Plan is already available. The contract has a duration of 24 months, ending on January 28, 2028. It includes a public participation process.

Output 3.1

3.1.2 A company was hired to develop the project's communication strategy, including gender issues and positioning among the target stakeholders. The brand image, website, and social media are now 100% up and running. In addition, a journalist is on board to assist with press relations and social media content.

In terms of media relations, ConvergEN+ has continued to strengthen its position since its launch through a communications strategy focused on project milestones and technical content of public interest. During the period, there were 35 media appearances—including news articles, interviews, and specialized publications—covering topics such as the launch of the initiative, the energy transition, positive nature, and the Household Energy Use Study. The coverage spanned national, regional, and specialized media outlets, helping to increase the project's visibility and position its spokespersons in the public discourse.

On social media, prior to the launch of ConvergEN+'s official platforms, Fundación Chile shared three posts to begin raising awareness of the initiative and its key milestones, which garnered 4,762 impressions, 1,399 interactions, and 1,291 clicks on LinkedIn. Subsequently, between June and July, with the official channels already up and running, ConvergEN+ published 11 pieces of content—including 2 graphics, 8 carousels, and 1 Reel—reaching 9,840 people on Instagram, 16,366 impressions on LinkedIn, 626 interactions, and 5,577 video views, while also gaining 339 new followers on LinkedIn and 69 on Instagram.

Overall, the digital strategy has generated 14 posts, 21,128 impressions on LinkedIn, 2,025 interactions, 9,840 accounts reached on Instagram, 5,577 video views, 1,291 clicks, and 408 new followers on the official accounts, solidifying ConvergEN+'s establishment and initial positioning on its digital channels.

3.1.5 The website is 100% operational www.convergen.cl

At the request of the Steering Committee, specifically from the GEF representative in Chile, steps were taken to secure trademark protection for the ConvergEN+ project.

Output 3.2

3.2.2 The leadership program for women in the energy sector has held discussions with the Transforma Climate Change program and three Chilean universities (Catholic University of Temuco, University of Development, and University of Santiago de Chile) to implement a certificate program on Energy and Positive Nature. Throughout 2026, work will focus on developing a management model to evaluate the best available options. This design proposes an opportunity to promote gender equity by empowering women in the energy sector and men in the nature sector, given that both sectors currently face an imbalance in this regard.

Output 3.3

3.3.1 and 3.3.2. As of June 2026, the scope of work for the pilot project has been defined, and the call for pilot proposals has been prepared. In July, a "save the date" notice will be issued, announcing the opening of the pilot application period and establishing a window for companies to submit inquiries. This phase will allow us to meet with interested companies and identify stakeholders to participate in the thermal energy roundtable. Applications for pilot projects will open during the first week of August.

The documentation that has been developed includes the basic criteria for selecting pilots, the application guidelines, the call for applications (save the date), the application form, and the templates for application attachments.

B. Challenges: Information on challenges of project implementation activities

The main challenge during the reporting period was hiring the NZNP team. During the search for an energy professional, more than 60 people applied for the position, but only three met the required technical qualifications (thermal energy specialist). Of the three shortlisted candidates, none received final approval for hire for various reasons. This experience forced us to seek solutions, and FCh hired a headhunter, contributing 1,235 U.S. dollars to the project (a contribution provided by FCh's talent acquisition department, Human Resources). This allowed us to implement a specialized selection process to ensure the successful completion of the hire and technical and budgetary compatibility, thereby stabilizing the hiring process for the NZNP team.

This risk highlights that there is a CRITICAL TALENT SHORTAGE IN CHILE, given that highly specialized professionals were scarce, with limited availability in Chile, intense competition, and budgetary constraints on hiring them. This risk presents an opportunity for ConvergEN+, where we can have a significant impact on capacity building for the ecosystem and new emerging markets.

Another challenge we have faced is the change in government and authorities, which has delayed some activities and decision-making by certain partners. To address these potential delays, we have reevaluated the deliverables and activities to ensure they are consistent and can be completed within the project's established timelines, with the aim of maximizing impact.

The change in administration has led to a reorientation of priorities and changes in leadership and institutional partners, which has partially affected the pace of progress on the project. However, the mitigation measures implemented have made it possible to maintain active coordination with the ministries, harmonize technical scopes, and ensure the project's continuity, while also promoting the integration of new representatives into the Steering Committee.

This factor continues to pose a risk, given that further changes could occur that affect the stability of the technical counterparts within the relevant ministries and, consequently, the continuity of coordination and decision-making processes.

Currently, the climate change and nature agenda is being advanced through multiple institutions, initiatives, and stakeholders, without sufficiently coordinated governance to organize efforts, establish clear roles, and foster a shared vision. In the realm of nature, this fragmentation is exacerbated by the coexistence of concepts such as biodiversity, natural capital, nature-based solutions, and green finance, which are often used interchangeably, even though they represent different dimensions of a broader agenda. This lack of conceptual clarity, combined with the existence of previously established institutional structures and differing positions within the ecosystem, can hinder collaboration and lead to duplication of efforts. To address this, we propose strengthening the capacities of the Ministry of the Environment by establishing a common conceptual framework for nature and fostering a shared understanding among its teams. Building on this foundation, the Ministry will be able to serve as a coordinating body, facilitate coordination among stakeholders, and help ensure that the concept of nature is incorporated in a coherent and cross-cutting manner throughout the public and private sectors.

C. Stakeholder Engagement

The three participating ministries (Energy—MEN, Environment—MMA, and Finance—MH) have gradually increased their involvement. Initially, there were changes in the technical representatives from the Ministry of the Environment and the Ministry of Finance, which required us to request the appointment of new technical representatives in those cases.

Subsequently, there was a change in government, which led to a change in leadership and strategic guidelines that have been taking shape over the past few months. Currently, coordination, collaboration, and trust have been developing among the ministries, which have agreed to work together on certain related issues. E.g., FCVC between MMA and MEN; Nature between MH and MMA. Furthermore, MEN agreed to include the application of nature-based criteria in its portfolio of projects to decarbonize thermal demand, which will directly link MEN with MH.

Eight Technical Committee meetings have been held, with participation from the Ministry of Education (MEN), the Ministry of the Environment (MMA), the Ministry of Finance, the Biodiversity and Protected Areas Service (SBAP), UNEP, and FCh. These meetings take place on the last Friday of each month via video conference to discuss progress, challenges, and opportunities that can be addressed collaboratively within the framework of ConvergEN+.

In addition, meetings and interviews have been held with a diverse range of stakeholders in the fields of thermal energy (heating and cooling) and the natural environment, creating opportunities for collaboration among the public, private, and financial sectors.

The private sector has shown great interest in participating in and contributing to the project, given that several companies are already working on decarbonization efforts and, on the other hand, a small group of companies has made progress on environmental issues.

D. Gender Equality

The main gender indicator is the number of project beneficiaries, which will reach 960 people (480 women and 480 men) by the end of the project. Updates on this indicator will be provided as the project progresses.

For this period, it is possible to report on the formation of the core team with gender parity, as well as the formation of the Technical Committee and the Steering Committee.

Core team:

5 women: Karien Volker of Fundación Chile; Claudia Galleguillos, Director of ConvergEN+; Fernanda Valdés, Climate Change Specialist; Carolina Olcay, Economics and Finance Specialist; and Nataly Moyano, assistant at HuellaChile.

4 men: Ignacio Santelices, from Fundación Chile; Serguey Maximov, Energy and Decarbonization Specialist; Jorge Alarcón, administrative assistant; Felipe Cortés, LTS 2.0 assistant.

Technical Committee:

The technical committee is composed of 7 women and 5 men to ensure representativeness; other stakeholders may attend if invited by the ministries themselves.

The individuals appointed to the Steering Committee in May 2026 include 3 women and 5 men.

The project includes criteria used to identify gender-related issues, which will be incorporated into the Gender Action Plan—revised for the end of 2026—and fully implemented in the coming periods.
Among the gender criteria applied, the following stand out:

- In the bidding processes conducted, the criterion of gender equity in work teams is taken into account.
- The calls for proposals were written using inclusive language.
- Attendance at events is tracked separately by gender.
- We encourage gender equality in work teams.
- Gender equality is promoted during panel discussions.
- The project's CTA is a woman.

E. Knowledge Management

ConvergEN: Energy and Positive Nature has assembled a highly specialized multidisciplinary team capable of integrating expertise in climate, energy, the environment, finance, and management. The goal is to develop technical and management capabilities to drive two emerging markets: the decarbonization of thermal energy and positive nature in Chile.

The initiative's brand identity and communication strategy were also developed, including its name, visual identity, website (www.convergen.cl), and social media accounts on LinkedIn and Instagram. These platforms enable the dissemination of information, news, announcements, and insights generated by the project. The Convergen concept seeks to express the integration of different agendas, knowledge, and stakeholders, particularly regarding the challenges associated with energy, climate change, nature, and productive development.
Among the main communication products developed are:

- The name and visual identity of the initiative.
- The Communication Strategy.
- The website **www.convergen.cl**, which provides information about the project, its activities, progress, calls for proposals, and news. All knowledge products developed by the project will be published to the website.
- The creation and launch of the organization's social media accounts on LinkedIn and Instagram.
- The creation of content designed to communicate the initiative's objectives, progress, and opportunities.

These tools make it possible to make the knowledge generated available to companies, public institutions, technical agencies, potential beneficiaries, and other interested parties.

To organize and support the work, a PMO IT system was established, which enables the integrated planning of activities, assigns responsibilities, sets deadlines, identifies dependencies, and defines critical tasks. This process is complemented by a SharePoint site that centralizes documentation and facilitates the exchange and review of information with participating institutions and stakeholders.

Among the key technical outputs, the initial design of the HuellaChile Integrated Certification System stands out; it integrates mitigation (CO_2 and short-lived climate forcers) with adaptation (water and nature). The general model has already been adopted by HuellaChile, and the IT platform and technical content related to FCVC and nature—which will enable its implementation—are currently being developed.

We have also supported the process of updating Chile's Long-Term Climate Strategy, the primary national instrument for guiding the transition toward low-emission and climate-resilient development. Currently, the draft is available for public review. In this context, the team is developing proposals and recommendations to strengthen the integration of positive nature into the Strategy, ensuring that these aspects are considered across the board in its long-term objectives, guidelines, and actions.

The initiative has also created opportunities for dialogue with companies, public agencies, financial institutions, and specialized stakeholders. These include participation in the public-private roundtable of the Scientific Committee on Climate Change, collaboration with Transforma Cambio Climático, and meetings aimed at identifying barriers, investment opportunities, and financing mechanisms.

III: Minor Amendments

CONTEXT	
Result Framework	
Components and Cost	
Institutional And Implementation Arrangements	
Financial Management	
Implementation Schedule	
Executing Entity	
Executing Entity Category	
Minor Project Objective Change	
Safeguards	
Risk Analysis	
Increase of GEF Financing up to 5%	
Co-Financing	
Location of Project Activity	
others	

IV: Geographic Coordinates of Project Activities

Location Name	Latitude	Longitude	GeoName ID
Chile	-30	-71	3,895,114

Location Description:

Activity Description:

V. ANNEX

Uploaded Document

Document Category	Title
M and E Document	11088_PIR_UNEP_NZNP_Chile_FY26_Final