

Green Hydrogen Action Plan 2023-2030

The last Thursday, the Ministry of Energy published the **Green Hydrogen Action Plan 2023-2030** (hereinafter the "Plan").

Relationship of the Plan with the National Green Hydrogen Strategy

The National Green Hydrogen Strategy, published at the end of 2020, defined the first guidelines for boosting the green hydrogen industry and its derivatives in the country. Furthermore, at the beginning of 2022, the National Energy Policy was updated, with changes focused on accompanying the transition process to carbon neutrality by 2050. In this context, green hydrogen emerges as an opportunity for Chile.

To materialize the aforementioned strategy and Energy Policy, it is necessary to have an action plan that focuses on and prioritizes the actions and measures that must be developed in the coming years to ensure the sustainable deployment of green hydrogen and its derivatives.

Plan Development Process

The Plan was developed through a participatory process that included the participation of citizens, inter-ministerial working groups, the Green Hydrogen Advisory Council, the Strategic Committee, and Public Consultation.

The objective of the Plan is to define a roadmap to be developed between 2023 and 2030 that allows for the deployment of a sustainable industry, with coordinated actions among the various government departments and related organizations, in line with regional and local initiatives.

The Plan includes the following Specific Objectives:

- Ensure the incorporation of sustainability dimensions, through an "Sustainability Analysis" integrated into its development methodology.
- Organize the actions of state agencies that have an impact on the development of the industry.
- · Prioritize actions that require continuity to implement the Plan.
- Identify new actions necessary for the deployment of the industry.
- Define roles and responsibilities of state agencies with competence, to facilitate the programming and financing of their actions.

As a result of the Plan development process, 81 specific actions are proposed through 18 lines of action, distributed in two implementation windows. The first one (2023-2026) is designed to achieve the appropriate investment signals, necessary regulation, and to strengthen relationships with potential buyers. The second window (2026-2030) is designed to begin concrete productive development and decarbonization with an emphasis on regional and local development.

Lines of Action and Actions contained in the Plan

The 18 Lines of Action consist of:

- Governance and multi-actor participation
- Information, dissemination, and citizen education
- · Economic and financial mechanisms to boost the industry
- Environmental management
- Industry sustainability
- Regulatory Enablement
- Permit system
- Territorial compatibility and insertion for projects
- · Development of enabling infrastructure
- Demographic challenge of the energy transition
- · Electric transmission and energy costs
- Uses to decarbonize the national economy
- Demonstrative Projects
- · Promotion of productive linkages
- · Strengthening and development of human capital
- Gender perspective in the industry
- · Promotion of research, development, and innovation
- Opening of international markets

Each of the Actions contains a specific objective, an established deadline associated with execution milestones, and institutions responsible for their implementation. Some of them are:

- Action 11. Allocate state lands for the green hydrogen and derivatives industry. Closure of the current process and new processes for initial projects.
- Action 13. Boost internal/national demand for hydrogen in key sectors through an Emissions
 Trading System.
- Action 18. Implement a project financing facility for green hydrogen projects and its value chain, with state support and assistance from multilateral banks.
- Action 21. Develop public environmental baseline and monitoring proposals in prioritized regions.
- Action 23. Adopt international reference standards in the absence of regulations in the country for the environmental evaluation of projects.
- Action 28. Launch and implement the enabling regulations work plan for the hydrogen industry and derivatives.
- Action 30. Strengthen the services that provide critical permits for the proper development of a green hydrogen industry in Chile and establish an implementation route with regional focus.

- Action 35. Update regulations related to territorial compatibility with an impact on the green hydrogen industry in Chile.
- Action 40. Plan the development of enabling infrastructure for the green hydrogen industry and its derivatives.
- Action 46. Modify regulatory bodies to address the operation of generation-consumption systems defined in Article 225 of the General Electricity Services Law.
- Action 53. Promote the conversion of thermoelectric power plants, using alternatives with hydrogen-based fuels.
- Action 59. Encourage the installation of electrolyzer factories in Chile.
- Action 75. Position the country's green hydrogen industry abroad.
- Action 76. Attract foreign investment for the green hydrogen and derivatives industry in Chile.

For more details regarding the Plan, you can visit the following link

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