Global Gateway

UNIÓN EUROPEA

#TEAMEUROPE

Team Europe Initiative for the Development of Renewable Hydrogen in Chile (TEI RH2)

It is a joint effort of the European Union and its Member States to promote cooperation with Chile for the development of its renewable hydrogen (RH2) economy.



Context

The European Green Deal represents the European Union's (EU) commitment to be the first climate-neutral continent. The EU Climate Law sets binding targets to achieve climate neutrality by mid-century and to reduce greenhouse gas emissions by 55% by 2030. The "Fit for 55" package covers policies ranging from renewable energy to energy efficiency.

Chile and the EU collaborate in the implementation of green agendas, with a focus on climate change adaptation and mitigation, renewable energy development and the promotion of the renewable hydrogen economy (RH2).

The TEI RH2 aligns with the EU's Global Gateway strategy, seeking to create sustainable links in key areas, including renewable energy, connectivity and cooperation. Team Europe Initiatives are flagship partnerships between the EU, Member States, the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD). These initiatives seek concrete results, open to all participants interested in maximising European expertise and resources.

Global Gateway

Global Gateway is the EU's new investment, connectivity and cooperation strategy that aims to create intelligent, sustainable and secure links with partners from all over the world in the digital, climate change and renewable energy, transport, health, education and research sectors, via the development of infrastructure throughout the world.

Team Europe Initiative for the Development of Renewable Hydrogen in Chile is part of this European Union strategy for green investments, as an example of cooperation that will facilitate the achievement of shared climate objectives as well as boost the development of the renewable hydrogen economy in Chile.

What is renewable hydrogen?

Also known as "Renewable H2" or "RH2", it is a clean and sustainable energy carrier that is produced from renewable sources, such as solar, wind or biomass.

Unlike fossil fuels, renewable hydrogen does not emit greenhouse gases or contribute to climate change.

Clean energy
It does not produce any polluting emissions during its use, making it an environmentally friendly option.

Versatility
It can be used in a wide range of applications, including electricity generation, transport and industry.

Efficient storage
It can be stored on a large scale and for long periods of time, making it a viable option to overcome the intermittency challenges of other renewable sources.

TEI RH2 Objectives

The TEI RH2 is a joint effort to foster cooperation with Chile in the development of the renewable hydrogen economy. It aims to decarbonise the Chilean economy, create jobs, generate business opportunities and meet European demand for renewable hydrogen imports.



Cooperation Areas

Technical and Technological Cooperation
Technical assistance programmes for the production of studies, policies and programmes in various areas.

Business Cooperation
Actions that promote commercial, technological and logistics cooperation for RH2 production and applications in Chile.

Financial Cooperation
Financing projects and technology for the production and/or application of RH2.

Technical and Technological Cooperation

This refers to co-operative actions for the creation of an environment conducive to the development of renewable hydrogen. This includes technical assistance programmes for the generation of studies, policies and programmes in various fields, with special emphasis on the development of the regulatory framework, certification, innovation and technology, training and capacity building, environmental and social studies, infrastructure, etc.

The "Team Europe RH2" Project is the key tool for the achievement of this area of cooperation.

Team Europe RH2 Project

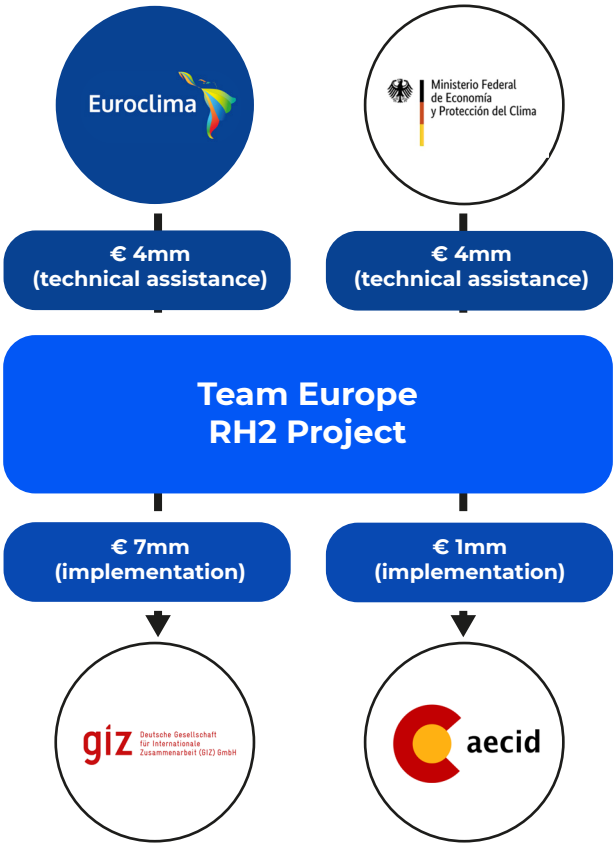
The project has a budget of €8 million, financed 50% by Euroclima and 50% by the German Federal Ministry for Economic Affairs and Climate Action (BMWK).

Implemented by GIZ (Germany) and AECID (Spain)

Strengthens conditions for the renewable hydrogen economy in Chile in areas such as: environment, capacity building, support for technology development, impact assessments, market, international cooperation, financing, etc.

Actions in the following areas:

- Strengthening of a favourable environment for renewable hydrogen projects
- Support technological development
- Infrastructure and impact and sustainability assessments
- Market, project development, corporate cooperation and finance
- Capacity development and knowledge transfer



Other technical and technological cooperation programmes

- Pre-investment studies financed through EU-Chile Development in Transition Bilateral Fund
- Euroclima+ (climate action regional plans in Magallanes and Antofagasta)
- European Clean Hydrogen Alliance
- Copernicus: EU Earth observation programme
- European R&D Institutes (e.g. Fraunhofer from Germany, CEA Liten from France)

Business Cooperation

EU Member States participate in the TEI RH2 initiative via various courses of action, mainly via the private sector.

Trade Missions

- Promotion of cooperation between Chilean and EU companies in the RH2 industry.
- Exchange activities promoted by member states (e.g. Spain, Germany, the Netherlands, France and Austria).

Memoranda of Understanding

- RH2's import/export agreements with the main European ports (Rotterdam, Antwerp-Zeebrugge, Hamburg) and the establishment of an international supply chain.

Other relevant initiatives in energy

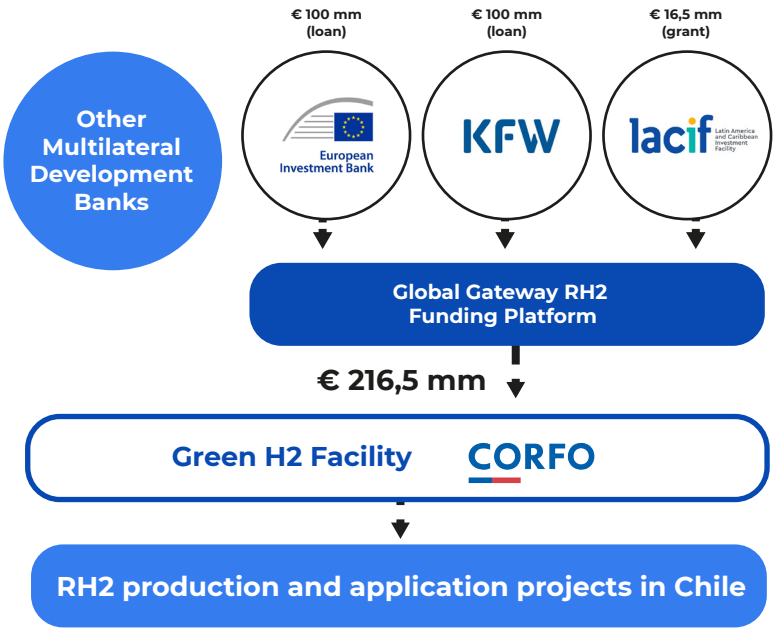
- Cerro Dominador, the first concentrated solar power (CSP) plant in Latin America
- Latin America Geothermal Development Facility
- Mitigation Action Facility (ex-NAMA)
- Other initiatives supported by the European Investment Bank (EIB) in Chile (e.g. investments in large-scale solar photovoltaic power plants and wind energy.)

Financial Cooperation

Global Gateway RH2 Funding Platform

The Global Gateway RH2 Financing Platform, led by the Delegation of the European Union to Chile, and supported by the European Investment Bank (EIB) and the German KfW, is earmarking €216.5 million to boost renewable hydrogen projects in Chile. It aims to strengthen the domestic renewable hydrogen industry, foster local supply chains and promote a just energy transition. With a combination of €16.5 million in EU LACIF grants and €200 million in EIB and KfW debt (all managed by CORFO), specific renewable hydrogen production and application projects will be financed.

The platform ensures compliance with the environmental and social safeguards of the development banks involved. Set to operate in 2024, the platform is part of a broader CORFO initiative for green hydrogen projects in Chile, with the aim of attracting more public and private financing in this area.



Other financial instruments

- European Fund for Sustainable Development (EFSD+)
- The Latin America and Caribbean Investment Facility (LACIF)
- H2 Global, supported by Germany and the Netherlands
- European Export Credit Agencies (ECA)
- European Hydrogen Bank (EHB)

Expected Results

TEI RH2 seeks to boost investment opportunities in the field of renewable hydrogen in Chile by supporting the creation of an attractive enabling environment, providing concessional financing, promoting collaboration in R&D and fostering business cooperation, thus contributing to the European Green Deal and strengthening relations between the EU and Chile in the field of renewable energy.

Visit our website: