



# **PROMOTION FOR INVESTMENTS IN NON- CONVENTIONAL RENEWABLE ENERGY PROJECTS**

## **CORFO - CNE**

Investment Promotion Division  
April 2009



## ■ Installation Phase and expansion of NCRE´s (2004-2008) (1)

- Promulgation of the “Short Law I” in March 2004 (Nº 19.940) that insures access to the electricity markets for small generators, based on Non Conventional Renewable Energies.
- Government promotion of NCRE projects (National Energy Commission and CORFO’s Investment Division): Three calls for projects, that need to co-finance their pre-investment studies. Results since 2005:
  - 132 project profiles; small hydro (58), wind (46), biomass and biogas (21), solar (1) y geothermal (6).
  - Total estimated investment at 2.200 million dollars, if all were built.
  - Total estimated power at 1.105 MW
  - 6 projects in operation (Puclaro 6 MW; Lircay 19 MW; Estancia Flora 0,2 MW; Lebu 3 MW; El Manzano 4,8 MW and Cuchildeo 0,8 MW),
  - 9 projects in construction, for 154 MW and an estimated investment of US \$300 million



## ■ Installation Phase and expansion of NCRE´s (2004-2008) (2)

- Three International Investment Conferences for NCRE and CDM (2006-2008) with more than 2000 participants and more than 100 projects presented in 3 years.
- Regulatory consolidation; Law for NCRE´s promotion in April of 2008 (N° 20.257): 5% of the electricity coming from NCRE´s by 2010 and an increase of 0,5% annually as of 2015, to reach 10% by 2024.
- Support instruments from CORFO, in the major parts of the project, for electrical generation development:
  - Feasibility (Investment Promotion Division) with Todo-Chile grant, for initial stages and the KfW & CNE grant for advanced stages
    - Up to US 60,000 grant for initial studies
    - UP to US 160,000 grant for advanced stage studies
  - Financing (Financing Division) for long term credit lines (financed by KfW and CORFO) for NCRE and EE.
    - Up to US 15,000,000 per project

## 3 International Meetings with Match-Making Sessions Held in Santiago

### 1st International NCRE Meeting, 5-6 October, 2006.

500  
participants

140  
Investment  
Companies

50 project  
developers

400  
business  
rounds

Directory with  
information  
on 40 projects

### 2nd International NCRE Meeting, 14-16 November, 2007.

700  
participants

250  
companies  
from 45  
countries

1000  
business  
rounds

Publication  
of the 2nd  
Directory

Special space for the  
promotion of NCRE  
projects, under the  
CDM.

### 3rd Meeting International Summit on Climate Change and Renewable Energy, October 28-31, 2008.

1200  
participants

Opportunity to  
learn about the  
Latin American  
CDM and  
NCRE markets.

Portfolio of more  
than 60 projects  
3rd Directory of  
projects: being  
implemented

7 organizing institutions:  
World Bank, UNFCCC,  
PROCHILE, CONAMA,  
CORFO, IETA, UNEP-  
RISO



- Consolidation Phase (2009 onwards)
  
- Needs to improve institutionalism and support instruments for projects.
  - Inauguration of the Renewable Energy Center.
  - Support for the transmission infrastructure development for NCRE projects.
  - Support for geothermal projects, in deep wells exploration phase.
  - Initiative to transfer technology associated to Solar Energy: a CSP and PV plant.
  - Guarantees for NRCE and EE credit lines.

# Renewable Energy Center:

- Establish an antenna for diffusion of technology in order to evaluate the development of new technologies associated to NCRE´s and their applicability in Chile
- Constitute a focal point in Chile, for cooperation with other international NCRE centers and with the International Renewable Energy Association
- Orientation for investors and grants applicability
- Generate base information for development of NCRE´s on the basis of Natural Resources
- Support the development of technical capacities, for the the growth of NCRE´s in Chile

# SUPPORT FOR ANCILLARY SERVICES IN THE NCRE INDUSTRY

- The NCRE industry requires a series of services for its consolidation ; including consulting services, engineering and assembly, equipment, maintenance and operation services.
- We will promote Chile, as a country where International companies can consolidate the industry of NCRE´s.
- This will happen with the support of the High Technology Program.
  - Subsidies up to US 2,000,000 for fixed assets and US 25,000 per trainee for capacity building.

# IV International Conference on NCRE's & CDM

- 7th and 8th of September, 2009
- Hotel Crowne Plaza Santiago
- 1000 participants expected
- 200 international investors
- 40 NCRE projects

# CONCLUSIONS

- A stable country and a good environment to do business
- A new and dynamic market offers investment opportunities
- A more than 130 project portfolio on small hydro (run-of-river), wind, biomass and geothermal power
- A strong commitment of the Government helps project's development

# THANK YOU FOR YOUR ATTENTION



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