

FP017 Climate action and solar energy development programme in the Tarapacá Region in Chile

Annual Performance Report CY2020

Section 1: General Information

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Please note that this is section 1 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

1.1 Please indicate if information provided in this APR is disclosable outside the Green Climate Fund. *

- Yes - The Accredited Entity agrees that the information reported is disclosable.
- No - The information reported is partly confidential. The disclosable version of the APR will be attached.

If you select the second option [No - The information reported is partly confidential. The disclosable version of the APR will be attached], please follow the below steps.

- Step 1: Fill in all the sections of the APR with disclosable information.
- Step 2: Save each section using the 'Open as PDF' function provided in the top-right corner. (Do NOT submit an APR at this step).
- Step 3: Attach all these disclosable six sections, including an additional section on COVID-19, to the attachment boxes below, which will be shown once you check the second option only.
- Step 4: Update all the sections of the APR below with non-disclosable information.
- Step 5: Submit the non-disclosable APR with an attachment of the disclosable APR in the PDF format.

1.2 Please indicate if this report has been shared with the relevant NDA(s) for this Funded Activity

Once the APR is created in the PPMS, please use the 'Open as PDF' function to download the report in PDF format and to share with relevant authorities (i.e. NDAs) before submission. Select 'Yes' only if shared to ALL the relevant NDA(s).

Please Indicate the date of submission to NDA(s)

If the APR is submitted to multiple NDAs, please indicate the latest date of submission to NDA, and provide the other dates per NDA in the further explanation box below.

Please provide further explanation, if any:

1.3 Funded Activity Title (Project/Programme Title)

(Information is locked for editing)

1.4 Funding Proposal Reference Number

(Information is locked for editing)

1.5 Board Meeting Number

(Information is locked for editing)

1.6 Accredited Entity contacts for this APR

Full Name	
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1.7 Executing Entity(ies)

Full Name of Executing Entity
Corporación Andina de Fomento

1.8 Project Duration

From	To
2019-10-11	2022-04-11

1.9 Current Year of Implementation

2

Indicate the year number, e.g., '2'

1.10 Annual reporting period covered in this report

From	To
2020-01-01	2020-12-31

Confirmation and Acknowledgement of Information *

* This is a required question to submit section 1 of the Annual Performance Report (APR).

 The accredited entity hereby confirms that the information provided in section 1 is complete and ready for submission.

Section 2: Implementation Progress

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Please note that this is section 2 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

2.1 Overall (summary) project progress

The Climate Action and Solar Energy Development Programme in the Tarapacá Region in Chile (hereinafter, Atacama Solar Project or the Project) is a 150 MW Photovoltaic (PV) project, located 12.5 km from the community of Pica in the Atacama Desert region of northern Chile. The total project budget is USD \$ 180,000,000. Forty-five percent, USD 81 Million (M), of this budget comes from shareholders' equity, and the remaining 55% comes from Green Climate Fund (GCF), CAF, Banco BICE and Banco Security loans (USD 39 M, 40 M, 10 M and 10 M, respectively), with CAF channelling the GCF funds. The executing entity is Atacama Solar S.A., a subsidiary of Sonnedix Power Holdings, Ltd.

According to the Logical Framework, the Project encompasses three (3) Components and six (6) Outputs. Component 1, Output 1 includes the design, financing, construction, testing, commissioning, operation and maintenance by Atacama Solar S.A. of the 150 MW PV plant. The two main activities completed during 2020 were the construction of the PV plant and execution of the logistics so that all the construction components arrived with the least possible delay amidst the impacts of COVID-19. The PV plant commissioning will be completed in the first semester of the next reporting period. With respect to Component 2, Output 2, the modelling, development, and construction of a 45.5 km transmission line to connect the Atacama Solar PV plant to the Lagunas Substation, the main subcontractor TRANSELEC reported progress of 97.44% against the 100% planned for this period. According to TRANSELEC, the main reason for this deviation was the COVID-19 pandemic, which delayed the supply of materials. To mitigate the impacts, a special program was created called the Impacted COVID Program, with the aim to accelerate the construction of the transmission line. Nevertheless, the commissioning date of the complete project was postponed about 1.5 months from December 2020 to January-February 2021.

Component 3, Implementation of the Stakeholder Engagement Plan, also continued. Under Output 3, no public meetings were held after March 2020 due to COVID-19 related restrictions in Chile; however, quarterly online meetings were held with the municipal representatives to coordinate different activities to help the communities to deal with the struggles faced due to COVID-19. The grievance mechanism was enabled during the entire year, with two grievances registered during the reporting period and described in detail in this report. Through the Gender Mainstreaming Plan, Output 4, meetings and activities were implemented as planned in the first three months of the year. After March, activities continued, respecting the COVID-19 restrictions. Three women out of the six chosen in the previous reporting period received technical training in Health, Safety and Environment (HSE). Procurement took place from local, women-owned enterprises, and local female labour force identified in the previous reporting period continued working in the project. Concerning the Capacity Building Approach, Output 5, 20 local employees were trained in a 16 hour course on electricity, elements and equipment of photovoltaic systems, system designs, instrumentation, operation and commissioning of low power photovoltaic plants. Some partnerships with educational institutions were paused due to COVID-19, and partnership activities are expected to continue in the next reporting period. The Local Hiring and Procurement strategy, Output 6, was managed through the engineering, procurement and construction (EPC) contractor and the local community development institution. During the reporting period, 57% of the work force, on average, were from nearby communities. Additionally, local labour, goods and services were procured from local individuals and enterprises for around USD 800,700 during the calendar year.

With respect to financing and disbursements, 98.6% of the resources have been disbursed. The following table presents the commitments stated in the Credit Agreement, as well as the amount disbursed and the percentage disbursed.

Project financier	Disbursement commitment (USD '000)	Disbursed as of December 31, 2020 (USD '000)	Percentage disbursed / commitment (%)
CAF and GCF	79,000	78,610	99%
Banco BICE	10,000	9,951	99%
Banco Security	10,000	9,951	99%
Sonnex Holdings	81,000	78,999	97.5%

Provide a narrative report describing the overall progress on the implementation of the funded activity, focusing on implementation achievements, delays, and challenges according to the planned activities. As relevant, include references to other sections of this report (including Annexes or Attachments). Include a description of key milestones of the funded activity achieved during this reporting period including any deviations from original expectations. Also, describe challenges encountered and actions undertaken to resolve these challenges, and lessons learned during the implementation, including issues related to non-compliance with GCF standards or conditions, if any. In parallel, include positive achievements and better-than-expected results. If any issues have arisen in the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project, please provide a description of those items and how they have impacted the implementation period and final targets. Kindly make sure that this section just gives an overall summary and doesn't have overlap with other sections.

2.2 Performance against the GCF investment criteria (summary)

The Atacama Solar Project's performance against the investment criteria was monitored against the agreed indicators since the beginning of the Project, taking into account the impact potential, paradigm shift potential, sustainable development potential, needs of the recipient, country ownership,

efficiency and effectiveness. The Project was designed because of the high potential of the Atacama Desert, as the driest desert in the world with a vast area of the highest levels of solar radiation regionally. Its attractive characteristics could provide not only clean energy to the main electrical system of the country, but also the development of the economy in the area through the participation of the local communities and by generating tourism. This project represents a clean, sustainable solution to Chilean energy challenges, since the country is still heavily dependent on fossil fuels, which are mostly imported, and hydrological sources, which are becoming less reliable. The national electricity system (SEN, for its name in Spanish) includes over 56% of total energy generation from thermal sources, namely coal and natural gas (2019 data), up from 54% the previous year. With Chile's commitment to 20% of generation by non-conventional renewable sources by 2025, this project contributes to the transition to an energy system based on renewables. As stated in the Funding Proposal, initially the Atacama Solar Project consisted of a 143 MW solar photovoltaic plant, with potential for a second expansion phase of 107 MW, ending as a 250 MW project. The cost structure was around USD 265 million. Nevertheless, the project underwent various changes regarding its power capacity and cost structure. Now, the project consists of a 150 MW solar photovoltaic plant with a financing of USD 180 million. Its expected competitive cost and favorable debt-equity ratio were borne out by the construction phase. The impact potential of the project will contribute to the country's commitments of reducing CO₂ emissions, since it will reduce 190,820 tCO₂ per year and 3,816,400 tCO₂ in a 20-year period, taking into account that the expected power generation of the project is 470 GWh per year from its 150 MW installed capacity. It will replace generation from fossil fuels, the majority imported, and help make up for increasingly unreliable hydro generation. It still aims to contribute to Chile's stated and quantified policy goals of shifting towards a low emission sustainable development pathway by developing and connecting large-scale clean energy power generation. The construction phase of the project has brought a paradigm shift in Chile due to its large-scale construction of a type that had never been carried out in the region. It has shifted the paradigm by demonstrating that renewable energy projects, with high upfront capital costs and long repayment tenors, are financially sustainable and can access loans and investments. Several photovoltaic projects are now being constructed in the region because of the declining cost structure. Also, the project has demonstrated that municipal stakeholders can be part of engineering works through training to create local capacity and opportunities to provide services during the construction of the project. Community members have been part of the project, shifting the paradigm of having only specialized professionals working on such projects. Lastly, the paradigm concerning project permitting has been shifting, since the project has gone beyond national permitting requirements and implemented external environmental and social impact evaluation based on the IFC Performance Standards (also adopted by the GCF) and the social and environmental safeguards of CAF. Also, the participation of local institutions Banco BICE and Banco Security, with little previous financial and risk exposure in this type of project, is helping in the diversification of project types and financial sources. Regarding the sustainable development potential, which covers the economic, social, environmental and gender benefits, the Atacama Solar Project has brought about diverse benefits throughout the construction phase. Throughout 2020, the average labour force consisted of 220 people per month, of whom 57% were from nearby communities and 9.9% were women. Six of these women were selected for a training course, along with 14 local men, to improve their knowledge and abilities in the solar photovoltaic industry. Due to COVID-19, the course was delayed, but nevertheless carried out in November 2020 as a 16-hour training. High standards for health and safety have been instilled in the workers and communities through different HSE training courses, thereby contributing to a high standard within the communities. The project has had an impact on the role of women due to the different mechanisms that were created for them to have the same opportunities as men with the Gender Mainstreaming Plan. Specifically, the project had had a positive impact on the role of women via the different mechanisms that were executed under the Gender Mainstreaming Plan that enable women to benefit from the project interventions (technical trainings, non-discriminatory policies, social activities, and procurement of goods, among others). These actions were planned and executed with the Women's Champion and including the participation of local municipal agencies, such as DIDECO, OMIL and Women's House for Pica, Alto Hospicio, Pozo Almonte and Iquique. This resulted in women having a larger role as workers in this electricity sector project than compared to the background conditions. As noted in the **updated Gender Action Plan**, in the electricity, gas, steam and air conditioning sector of Chile, only 1.6% of job positions are occupied by women at national level. Whereas in the project, during 2020, 57 women were hired and the construction and operations labor force, on average, was 9.94% women. As further contributions to strengthening the role of women as workers in the sector, three women were selected for a HSE local labor training course, and three women attended a 16-hour training on photovoltaic power. In addition, during 2020, 5 of the 9 contracted enterprises for local services were women owned enterprises; these were:

- **Service, Total (USD)**

- Food, \$156,380
- Water, \$7,490
- Fuel, \$152,600
- Surface humidification, \$23,940
- Supplies, \$8,498
- Generator, \$35,490
- **Total, \$384,398**

The project is built in a desert ecosystem and as such has had few environmental impacts. In 2020, about 800,700 USD were invested in local companies through the local hiring and procurement strategy. Additionally, significant efforts were made to build capacities in the community, working closely with educational institutions to have internships and to implement a specific program about solar power plants for 20 of the local workers, as mentioned

above. All of these results are consistent with the Funding Proposal statements. Regarding the needs of the recipient, the example of the project has spurred advances in this field. Chile has managed to attract investment in renewable energies, due to its power market structure and the early adoption of clean energy auctions. Continued investment in new generation sources and grid connection will be required to complete the transformation to reach a cleaner electricity matrix in Chile. Country Ownership is still evident from the ambitious goals the country has set to reduce greenhouse gas emissions by increasing renewable energy generation, and the serious commitments to phase out coal generation stated by the government and utilities, for example, the goal to withdraw 5,500 MW of thermal capacity by 2040 on the path to GHG neutrality from the 2020 NDC update. Also, the close interaction and follow-up on the project by the national institutions, namely the Ministry of Energy and the Ministry of Finance (the National Designated Authority, NDA), evidence the active country ownership. The Cost-effectiveness and efficiency of the Atacama Solar Project have improved from the values presented at the Funding Proposal stage for energy generation, emissions reductions and cost per tCO₂ reduced. The indicators of the cost of the mitigation impact have improved, the Power Purchase Agreement was signed, and local financing was leveraged.

Provide a narrative report describing the progress on the funded activity's performance against the GCF investment criteria framework. The performance should be compared against the initial assessment provided in the Board-approved Funding Proposal (section E). The list of the investment criteria as per the current framework is provided below. For each investment criteria outlined below, please include an assessment of current status, changes, progress and impact of the project as well as any impact of project context on the project during this reporting period against the initial baseline scenario and planned activities as per the assessment presented in the approved Funding Proposal. This sub-section 2.2 is not applicable for REDD+ Results-Based Payments Projects. Please write 'Not Applicable' as the response.

Relevant Links

[The GCF investment criteria framework](#)

2.2.1 Impact Potential

The implementation of the Atacama Solar Project adds a large-scale clean power generation facility to the national electricity system (SEN, for its name in Spanish), which corresponds to a single system since the connection of Chile's northern SING electric system and the central interconnected system (SIC), completed in 2019. At the time of the presentation of the Funding Proposal, the Atacama Solar Project was going to connect to the SING, which was dominated (>94%) by fossil-fuel based thermal power generation and served the energy intensive and nationally important copper mining sector. The Funding Proposal determined the mitigation impact potential would be: • Annual tons of CO₂ equivalent to be avoided or reduced: 184,872 tCO₂e/year • Lifetime tons of CO₂ equivalent to be avoided or reduced: 3,697,442 tCO₂e (20-year life, 0.98% annual efficiency loss) Based on the installed capacity planned initially of 143 MW with generation of 412 GWh, the cost of the mitigation impact was 71.67 tCO₂e/USD over the lifespan in general, and 13.25 tCO₂e/USD for the GCF, as stated in the Funding Proposal. The investment over the lifespan of the project was benchmarked in the Funding Proposal against a selection of peers located in the Atacama Desert region having different approaches and assumptions. However, as stated in the previous reporting period, the project phases and power generation changed. Currently, The Atacama Solar Project has a nominal power capacity of 150 MW with an annual energy generation of 470 GWh, both greater than initially planned; these increases do not occupy larger areas and do not cause more environmental impacts. Furthermore, the project now will connect to the combined SEN electric system. The emission factor of the SEN is 0.406 tCO₂/MWh (2019 Statistical Yearbook of Energy, National Energy Commission of Chile). Taking into account these changes, the mitigation impact potential is the following: • Annual tons of CO₂ equivalent to be avoided or reduced: 190,820 tCO₂e/year • Lifetime tons of CO₂ equivalent to be avoided or reduced: 3,816,400 tCO₂e (20-year life) The annual and lifetime mitigation increased by 3.2% (+5,948 tCO₂e/year mitigation). The estimated cost of mitigation impact was reduced by 34% and now is estimated in 47.16 tCO₂e/USD, and the estimated GCF cost per tCO₂e has reduced by 23% and now is estimated in 10.22 USD/tCO₂e. Parameter description Value Units Comments/ Source Annual energy generation 470 GWh/year Emission factor 0.406 tCO₂/MWh Emissions reductions per year 190,820 tCO₂/year Lifespan 20 years (a) Total project financing 180,000,000 USD (b) Requested GCF amount 39,000,000 USD (c) Expected lifetime emission reductions overtime 3,816,400 Total tCO₂ (d) Estimated cost per tCO₂e 47.16 USD/ tCO₂ e=a/c (e) Estimated GCF cost per tCO₂e reduced 10.22 USD/ tCO₂ e=b/c

2.2.2 Paradigm shift potential

The Atacama Solar Project acts as and enables a paradigm shift to renewable energy, mobilizing private sector developers and financing, in the energy intensive north of Chile.

Regarding the potential for scaling up and replication, 2020 was a year of scaling up of solar photovoltaic projects. Along with the Project, two more projects were launched, summing 737 MW of total capacity from these three projects for Chile. According to the National Energy Commission (CNE), June 2020 finalized with 98 small and medium renewable energy projects under construction, of which nearly 50% are solar photovoltaic projects. The economic and financial market conditions that previously restricted the participation of commercial banks (local and international) and other development agencies in Chile in renewable energy development largely have been overcome. Availability of countercyclical and patient capital for sound projects will continue to promote and enable a paradigm shift in Chile and beyond, and local commercial banks have been co-financers of the Project:

(i) Banco BICE for an amount of ten million US Dollars (USD 10,000,000)

(ii) Banco Security for an amount of ten million US Dollars (USD 10,000,000)

(iii) GCF and CAF act as countercyclical and patient financial institutions, for sound projects like this one, which achieve fast, quantifiable results (CO₂ displacement), and enable a paradigm shift in Chile.

Being able to take electricity spot-market risk will be a step forward in promoting sustainable green energy projects in Chile. Many countries can learn from the Chilean experience in the electricity generation market.

The Atacama Desert provides ideal solar radiation, low population density, lack of competing land use, and otherwise suitable environmental and social conditions, so could host many more large-scale solar PV projects. In 2019, there were 21 other solar PV projects under construction in the Atacama Desert, in the regions of Tarapacá, Antofagasta, Atacama and the north of Coquimbo, with a planned installed capacity of 1.6 GW. The Project demonstrates the declining cost structure of solar PV projects associated with adoption of technological improvement, and appropriate project siting in low environmental and social risk area. Since the interconnection of the grid systems, the increasing number of projects from Non-Conventional Renewable Sources in the northern part of the country has allowed the reduction of coal fired power plants nationally.

Regarding the contribution to the creation of an enabling environment, stated in the Funding Proposal, the paradigm shift potential is accurate and still fits in the current reporting period. The project has demonstrated that renewable energy projects are financially sustainable and can access loans and investment with high upfront capital costs and long repayment tenors. The project's impending power generation may have provided incentive to the government to pursue the interconnection and reinforcement of the north-south grid systems, finalized in May 2019, and thus encourage access for more renewable projects.

Assessing the potential for knowledge and learning stated in the Funding Proposal, the Atacama Solar Project has demonstrated the technical and financial viability of large-scale operations, the crowd-in of private sector funding from various sources at scale, and the effectiveness of taking advantage of the regional natural resources (irradiation) to generate power through renewable sources. As expected in the Funding Proposal, significant learning has emerged from this Project for CAF and GCF, since it is CAF's first major direct project finance deal in Chile, CAF's first major direct investment in Chile's renewable energy generation sector, as well as CAF's first co-financing with the GCF. At the same time, this Project was also Chile and CGF's first collaboration, aligned with COP21/Paris Agreement.

As stated in the Funding Proposal with respect to contribution to regulatory framework and policies, the project is contributing to achieving the binding renewable energy mandate of October 2013, when Chile approved the mandated increase to 20% renewable electricity generation goal by 2025. According to Climatescope 2020, the country has already met its 2025 clean energy mandate target of 20% of generation for utilities and aims for 60% of its power generation to come from clean sources by 2035. The Project has gone beyond national permitting requirements as it has implemented external environmental and social impact evaluation based on the IFC Performance Standards (also adopted by the GCF) and the social and environmental safeguards of CAF. The participation of institutions with little previous financial and risk exposure in Chile is helping in the diversification of project types and financial sources, as, effectively, GCF and CAF are now financing this large scale solar photovoltaic project in Chile. Additionally, local banks have participated in the financing of merchant generators. This specific Project has a financing structure more flexible to face spot-price risk and promotes the participation of institutions with little financial and risk exposure to Chile, helping in the diversification of projects and financial sources.

References for included figures on the energy sector of Chile:

<https://www.bnamericas.com/es/noticias/chile-suma-tres-proyectos-a-gran-escala-a-cartera-de-renovables>

<https://energia.gob.cl/noticias/atacama/atacama-representa-mas-del-17-de-la-capacidad-instalada-solar-fotovoltaica-de-sudamerica>

<https://global-climatescope.org/assets/data/reports/climatescope-2020-report-en.pdf>

2.2.3 Sustainable development potential

The environmental, social and economic co-benefits, including gender-sensitive development impacts, were described in the Funding Proposal and the assessment of each of the subsections of this potential is described here.

With respect to economic impact in the vicinity of the Project, the total number of jobs created is related to the workers contracted by the EPC company, for which a variety of skilled, semi-skilled and unskilled laborers worked during the construction. The following table shows the number of employees contracted in the current reporting period and the percentage of which were from communities in the vicinity of the project:

Per Month of 2020

Average total workers: 220

Average % female - % male: 9.9% - 90.1%

Average % Local - 57.1%

The local procurement strategy has had positive impacts in the community, as it stimulated the offer of products and services for infrastructure projects related to renewable energies and diversified the sources of income for the community. At the same time, as the project fulfills high quality standards, all companies contracted were required to comply with all legal requirements, thereby promoting the formalization of local companies. Given the presence of a developed tourism infrastructure, the population centres near the Project, particularly Matilla and Pica (population circa 5,000), and Pozo Almonte (circa 10,000), have benefited from the provision of goods and services, including accommodation, to the Project during the construction period. During the calendar year, the amount of spending on procurement of local labour, goods and services from local individuals and enterprises was around USD 800,700, divided among USD 577,318 on procurement, USD 195,405 on salaries and a donation of 28,000 for COVID-19 relief. The Atacama Solar Project is being recognized worldwide for its large-scale power generation via different media channels, and it may yet be an opportunity to expand tourism.

Social co-benefits were also foreseen. Regarding improved access to education, the project has sought collaboration opportunities with academic and vocational centres to promote renewable energy opportunities. There are plans to start professional internships in the project with individuals from local educational institutions. Also, twenty local workers, of whom six were women, had the opportunity to undertake a 16-hour course called "Techniques for Operation and Maintenance of Photovoltaic Plants". The course included basic electrical knowledge; elements and equipment of photovoltaic systems; basic system designs; and instrumentation, operation and commissioning of low-power photovoltaic plants. Likewise, participants learned about risk prevention in installations, and operation and maintenance of photovoltaic plants. The results of the 16-hour course were for participants to recognize, operate, maintain and design systems, under own- and third-party security standards, in agreement with the Funding Proposal. Finally, the practices for workplace health and safety that have been provided to the workers and communities through different HSE training courses and on-site work experience have contributed to a high standard within the communities. It has been demonstrated that the EPC contractors are following all the HSE requirements, as shown by the monitoring and construction reports.

Also, the Stakeholder Engagement Plan, Output 3, was developed based on an initial identification and analysis of stakeholders during the first reporting period, and all the relationship activities planned have been carried out, as much as possible due to COVID-19, by specialized professionals in the local language, Spanish, including the grievance mechanism.

As stated in the Funding Proposal regarding environmental co-benefits, the Atacama Solar Project has limited adverse environmental impacts. These are few in number, generally site-specific, largely reversible and readily addressed through standard mitigation measures. Given the site characteristics, including lack of competing land use in desert flats largely devoid of population and biological resources, no major or unique environmental risks were identified. EPC contractors have been required to follow international industry good practice. The impact of noise and waste management on flora and fauna is low due to the isolated location of the project. Its closest community is located 12.5 km away, which has little impact in the project area. The Atacama Solar Plant is visible from some areas of the communities in Pica and Matilla and transforms part of the natural desert landscape, with a moderate visual impact. The project has not presented major environmental impacts during its execution, fulfilling the expectations based on the inspections of flora, fauna and archaeology that were carried out in 2015 and 2016. The information collected at that time improved the knowledge of biodiversity of this region, as demonstrated in the previous reporting period.

In line with the Funding Proposal on gender-sensitive development impact, a non-discrimination policy was published that prohibits gender discrimination and demonstrates that discrimination in hiring is not permitted (Attachment 27). The Project has integrated a gender mainstreaming effort into its Stakeholder Engagement Plan (Output 3 and 4). The women's champion has an office in the nearest community to improve understanding of project benefits (procurement, temporary employment, and access to grievance mechanism), and engage with locally based organizations and institutions that promote women entrepreneurs. Different activities were executed during this reporting period to improve women's participation in the project through the Gender Mainstreaming Plan, as described in detail in Output 4:

- During 2020, 57 women were hired.
- A list of women-owned enterprises or associations was updated to be equitable in the procurement of services. These were identified based on the company's listing and classified as women-led companies if the listed owner was a woman.
- The construction and operations labour force, on average, was 9.94% women in 2020.
- A functioning grievance mechanism was implemented, and no grievances on gender matters were received.

2.2.4 Needs of the recipient ?

The Project is expected to demonstrate the reduced dependence of the energy-intensive copper mining sector on fossil fuel based plants. Once the Project is operational, it will provide energy directly to the copper mining sector. In July 2020, the Project and Collahuasi, the second largest copper mining operation in Chile and sixth largest worldwide, signed a long-term power purchase agreement (PPA) for the delivery of 150 GWh per year.

With respect to Economic and social development level of the country and the affected population, the Funding Proposal highlighted barriers such as that international commercial banks were willing to finance only projects with PPAs in place, leaving local commercial banks as the only financing source projects on a merchant basis, like the Atacama Solar Project was. However, local commercial banks had limited lending capacity due to their relatively small size. At the time of the funding proposal, The World Bank categorized Chile as a High-Income OECD country, category within which Chile still falls. And, the Climatescope 2020 , list drawn up by BloombergNEF, reports that the country has passed from virtually no capacity to 20% of generation from non-conventional renewable energy in 2020. Chile has attracted USD 16 billion in clean energy investment from 2012 to 2019. This means that many of the barriers addressed in the Funding Proposal have been overcome.

With respect to absence of alternative sources of financing (e.g. fiscal or balance of payment gap that prevents addressing the needs of the country; and lack of depth and history in the local capital market), at the time the Funding Proposal was presented, there was a financing gap with limited financing sources for solar merchant projects in Chile, mainly because development banks that typically finance these types of projects had already reached their internal exposure limits and were reluctant to finance additional projects. Nowadays, public funding from development bank capital has become less important in the region as private capital has taken a more important role. The Funding Proposal stated that OPIC, IFC, IDB, and DEG had already financed over US\$ 2 billion in solar PV projects. Private investment in Chile is becoming a more relevant source of financing according to Climatescope 2020, with USD 4.9 billion clean energy finance in 2019 alone. However, the pandemic-related disruptions now appear to be giving investors pause and slowing emerging markets' clean energy investment flows.

On the other hand, CAF did not envision in the Funding Proposal any risk of crowding out public investment in this sector:

- Chile is a country with deficits in energy generation: physical infrastructure still uses imported commodities for energy generation. In 2019 the ratio between exported and imported hydrocarbon was over 45, with crude being the principal product. The Atacama Solar Project substitutes unsustainable sources of energy with reliable and clean sources of locally generated energy.

- Chile has implemented a strategy to promote clean and renewable energy. However, the state has not subsidized the sector, but has set up conditions for private and public sector to participate in a sustainable way:

- Promote private sector participation.
- Promote the entrance of lower marginal cost energy producers first in the electricity grid.
- Provide longer tenor permits to renewable electricity producers, to assure the recovery of capital invested.

The Climatescope 2020 further states that the mix of technologies in Chile would lean towards gas over the coming decade, before a mix of solar, wind, pumped hydro and batteries takes over. More investment on new generation sources and grid connection will be required to complete this transformation. Up to 2020, through strong clean energy policies and its commitment to phase out coal generation, Chile remains determined to transition to a cleaner matrix.

No specific institutional strengthening or capacity building efforts were required as part of the Atacama Solar Project. As stated in the Funding Proposal, the Stakeholder Engagement Plan was implemented to achieve a structured engagement and liaison with the EPC contractors and other stakeholders (including municipal committees) to make the Project benefits, such as employment and provision of goods and services, more accessible to local communities, including women and indigenous populations. Also, the developer intended to execute MOUs with academic and vocational institutions. Even though the memoranda were not achieved during this reporting period due to COVID-19, it remains a goal to provide relevant capacity building opportunities and promote renewable projects in Chile in the next reporting period.

As the Atacama Solar Project is a mitigation project only, the Vulnerability of country and beneficiary groups addressed in the Funding Proposal is not relevant for this report.

References for included figures on the energy sector of Chile:

<https://global-climatescope.org/assets/data/reports/climatescope-2020-report-en.pdf>

2.2.5 Country Ownership ?

Atacama Solar Project will contribute toward Chile's renewable electricity generation targets and its NDC mitigation targets. As described in the Funding Proposal, Chile submitted its Intended Nationally Determined Contribution (INDC) to the United Nations Framework Convention on Climate Change (UNFCCC) in September 2015. An update of its NDC was made in 2020, in which the country reconfirmed its commitment to climate action by increasing ambition in all its components. The updated NDC states, among others, the commitment to:

- Not exceeding 1,100 MtCO₂eq between 2020 and 2030, with a GHG emissions maximum (peak) by 2025, and a GHG emissions level of 95 MtCO₂eq by 2030.
- Reduce total black carbon emissions by at least 25% by 2030, with respect to 2016 levels.

Chile has maintained the goal of becoming carbon neutral by 2050. In line with this goal, some of its coal-fired generation plants will be phased out prior to the end of their technical life. The increase in capacity from renewable sources, including the Atacama Solar Project, supports the realization of this phase out. This carbon neutral strategy also involves close cooperation with companies, workers, and the Labour Ministry so Chilean people can develop new capacities and access different jobs .

The Project also is coherent with the goals behind the interconnection of the Northern Electric System (SING) and the Central Interconnected System (SIC) into the National Electric System (SEN), which became fully operational in May 2019, with an investment of USD 1,000 million . At the end of December 2019 there were 208 non-conventional renewable energy (NCRE) projects under construction in the SEN, and 85% of the total 11,214 MW corresponded to solar photovoltaic sources, including the Project. In 2020, the goal defined by law in 2013 of reaching 20% electric generation from non-renewable sources was exceeded, with a total generation by NCRE of 1,707 GWh of which 861 GWh corresponded to solar photovoltaic sources.

The largely on-time progress of the Atacama Solar Project is evidence of the capacity of the executing entities to deliver- CAF as accredited entity, Atacama Solar S.A. as executing entity, and the contractors- the funding, execution, and monitoring of the attainment of all the goals in the outputs stated in the Funded Activity Agreement. The capacities of the entities to deliver are especially notable in the context of COVID-19 that slowed economic activity significantly during 2020 but only delayed the Project commercial operation date (COD) by about 1.5 months.

Regarding engagement with NDAs, civil society organizations and other relevant stakeholders, the Funding Proposal stated that the developer received the required environmental approval/license, the Resolution of Environmental Qualification (RCA). The related studies and official records of notifications, evaluations, and meetings continue to be disclosed to the public on the government's website .

The Atacama Solar Project is one of the projects declared by the National Energy Commission to be in construction and enter in operation by January-February 2021, to achieve the goal of increasing the installed capacity of NCRE in the country . The ground-breaking ceremony, in August 2019, was attended by the head of projects of the Ministry of Energy, the Mayor of Tarapacá, and the Mayor of Pica. A visit by the Minister of Energy was held in January 2020. This visit reflects the importance of the project in solar photovoltaic generation in the country and the Tarapacá region, which is a pioneer in zero carbon electricity generation.

References for included facts and figures:

https://www.cne.cl/wp-content/uploads/2019/12/RMensual_ERNC_v201912.pdf

<https://www.pv-magazine-latam.com/2019/07/01/chile-completa-la-interconexion-del-sistema-electrico-nacional/>

https://www.cne.cl/wp-content/uploads/2021/01/RMensual_ERNC_v202101.pdf

https://seia.sea.gob.cl/expediente/ficha/fichaPrincipal.php?modo=normal&id_expediente=2145215132

2.2.6 Efficiency and Effectiveness

Co-financing, leveraging and mobilized long-term investments. The following table shows the scenario presented in the Funding Proposal, which corresponded to an installed capacity of 143 MW:

Sources Amount (US\$ M) %
Base equity 116 45%
CAF Senior Debt 50 20%
GCF Senior Debt 49 19%
Local Senior Debt 42 16%
Total 257 100%
VAT Line 8 NA
Total project cost 265 NA

The current financing scenario, which corresponds to an installed capacity of 150 MW, is presented in the following table. The Atacama Solar Project has received five disbursements of a total USD 177,511,000, from which USD 19,901,176 came from the commercial banks Banco BICE and Banco Security.

Project financier / Disbursement commitment (USD '000) / Disbursed as of December 31, 2020 (USD '000) / Percentage disbursed / commitment (%)
CAF and GCF 79,000 78,610 99%
Banco BICE 10,000 9,951 99%
Banco Security 10,000 9,951 99%
Sonnedit Holdings 81,000 78,999 97.5%

Financial viability - in the long run beyond the Fund intervention. The Atacama Solar Project achieved its viability in the following items, introduced in the Funding Proposal:

- i. Chile's need for this type of electricity generation projects, to achieve energy independence, and to comply with its international environmental commitments.
- ii. There are no subsidies around the Project.
- iii. Technology used has been widely proven and the EPC contractor has plenty of experience with it.
- iv. Construction and operation are not complex.
- v. The Project is environmentally and socially friendly.

Financial viability - GCF's financial exit strategy in case of private sector operations. As mentioned in the Funding proposal, the Atacama Solar Project is structured in such a way that its financial sustainability is assured, providing the framework for a possible sell off of the loans to financial markets. In that respect, the interconnection of the electrical systems provided a more stable market and open access to all players. This was completed in 2019 and contributes to the diversification and flexibility of the energy matrix. Also, the Funding Proposal envisaged the possibility of signing Power Purchase Agreements by generators, improving the bankability of the Project, and a PPA with Collahuasi, the second largest copper mining operation in Chile, was signed in 2020.

Application of best practices. The Project is using some of the best proven solar technology available in the market and contractors with the best experience in the field. The efficiency of the energy conversion of the technology has improved, allowing a higher generation 470 GWh/year versus the one planned in the Funding Proposal of 412 GWh annually.

Key efficiency and effectiveness indicators. The following table compares the key indicators presented in the Funding Proposal and how they have improved.

Parameter	Funding Proposal value	Second Annual Performance Report Value	Comments
Total tCO ₂ removed (tCO ₂) - 20 years	3,697,439	3,816,400	Improvement of 3%
Estimated cost per tCO ₂ eq (USD/ tCO ₂)	71.67	47.16	Improvement of 34%
Estimated GCF cost per tCO ₂ eq removed (USD/ tCO ₂)	13.25	10.22	Improvement of 23%

2.3 Project Outputs Implementation Status

Use 'Add Row' button to add multiple outputs and/or activities reported against one output

Project Output Name

Output 1: Development, construction, commissioning and commencement of commercial operations of a large-scale solar park (150 MW) in the Atacama Desert of Chile

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 1.1 Prepare, negotiate and execute engineering and construction contract, procurement contract, operations and maintenance contract, and management services agreement

Status **Implementation Progress**

Completed 100 %

Progress for the relevant reporting period

The Engineering and Construction Contract as well as the Operation and Maintenance contract were signed on April 10, 2019 between ATACAMA SOLAR S.A. and METKA-EGN Chile SpA (see Attachment 4 and Attachment 6). The Equipment Supply Agreement (Procurement contract) was signed on April 10, 2019 between ATACAMA SOLAR S.A. and METKA-EGN LTD (see Attachment 5). Finally, the Home Office Services and Support Agreement (management service agreement) was signed on June 14, 2014 between ATACAMA SOLAR S.A and Sonnedix Chile Holding SpA (see Attachment 7).

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 1: Development, construction, commissioning and commencement of commercial operations of a large-scale solar park (150 MW) in the Atacama Desert of Chile

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 1.2 Generate and deliver a Notice to Proceed (NTP)

Status **Implementation Progress**

Completed 100 %

Progress for the relevant reporting period

The notice to proceed to METKA EGN, the ECP contractor, was issued on June 3, 2019 (see Attachment 8).

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 1: Development, construction, commissioning and commencement of commercial operations of a large-scale solar park (150 MW) in the Atacama Desert of Chile

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 1.3 Deliver components to the Project site

Status Completed **Implementation Progress** 100 %

Progress for the relevant reporting period

According to the Monthly Report from METKA EGN from December 2019 (see Attachment 9), on December 20, 2019 the delivery of 100% the PV modules and the structure materials was completed. Also, in August 2020, 100% of the electric materials were delivered.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 1: Development, construction, commissioning and commencement of commercial operations of a large-scale solar park (150 MW) in the Atacama Desert of Chile

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 1.4 Construct the solar PV plant

Status Completed **Implementation Progress** 100 %

Progress for the relevant reporting period

According to the Monthly Report from METKA EGN from December 2020 (see Attachment 11), the construction phase was finalized in December 2020, including Site Mobilization, Civil works, Mechanical works and Electrical works.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 1: Development, construction, commissioning and commencement of commercial operations of a large-scale solar park (150 MW) in the Atacama Desert of Chile

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 1.5 Inform the lenders under the Subsidiary Agreement of the Commercial Operation Date (COD)

Status Activity started - progress on track **Implementation Progress** 80 %

Progress for the relevant reporting period

In the previous reporting period, the COD was planned for December 2020; however, due to some delays related to COVID-19, the commercial operation date is planned for January – February 2021, according to the seventh ES construction report (Attachment 1). The Project Acceptance Deadline (PAD) is April 2021.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

The milestone expected is the activity to be completed. This activity will finish in 2021

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 2: Model, develop, construct, connect the Atacama Solar PV plant via a 45.5 km transmission line to the Lagunas Substation (the “Transmission Line”)

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 2.1 Prepare, negotiate and execute the transmission line build, own, operate and transfer (BOOT) agreement with Transelec S.A.

Status

Completed

Implementation Progress

100

%

Progress for the relevant reporting period

The development (Build and own) contract was signed on October 14, 2015 between ATACAMA SOLAR S.A. and TRANSELEC S.A., and was subject to two modifications, one signed on April 28, 2016 and the other on November 6, 2018 (see Attachment 12, Attachment 13 and Attachment 14). The Transmission Service and Payment (Operate and transfer) contract was signed on October 14, 2015 between ATACAMA SOLAR S.A. and TRANSELEC S.A. and starts its validity once the development contract is over (see Attachment 15).

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 2: Model, develop, construct, connect the Atacama Solar PV plant via a 45.5 km transmission line to the Lagunas Substation (the “Transmission Line”)

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 2.2 Generate and deliver a notice to proceed for construction of the Transmission Line

Status

Completed

Implementation Progress

100

%

Progress for the relevant reporting period

The notice to proceed to TRANSELEC SA, the transmission line contractor, was issued on August 9, 2019 (see Attachment 16).

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 2: Model, develop, construct, connect the Atacama Solar PV plant via a 45.5 km transmission line to the Lagunas Substation (the "Transmission Line")

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 2.3 Inform the lenders of the Commercial Operation Date

Status	Implementation Progress	
Activity started - progress on track	90	%

Progress for the relevant reporting period

The commercial operation date is planned for January – February 2021, according to the seventh ES construction report (Attachment 1). The Project Acceptance Deadline (PAD) is April 2021.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

The milestone expected is the activity to be completed. This activity will finish in 2021

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 3: Stakeholder Engagement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 3.1 Undertake a stakeholder identification and analysis exercise

Status	Implementation Progress	
Completed	100	%

Progress for the relevant reporting period

The report detailing stakeholders was completed with an analysis of their types of impact, level of interest and level of influence. The analysis undertaken in 2016 and updated in 2018, according to Attachment 2. Third construction report. An Atacama stakeholder’s map was made, identifying three kinds of stakeholders: local, indigenous and regional, as seen in Attachment 17. In addition, a socio-community risk map was undertaken, identifying social issues related to the project, including positive and negative externalities, shown in Attachment 18. Attachment 19 provide evidence of the stakeholder register and analysis.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 3: Stakeholder Engagement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 3.2 Develop a Stakeholder Engagement Plan scaled to the project risks and impacts

Status

Completed

Implementation Progress

100 %

Progress for the relevant reporting period

The Engagement Strategy was developed in Q2 2018. The objective of the strategy is to forge long-term collaborative relationships with the Pica authorities, community and its diverse organizations, in addition to the technical and political regional authorities throughout the entire construction period. The document can be consulted in Attachment 20.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 3: Stakeholder Engagement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 3.3 Develop and implement communications plan

Status

Activity started - progress on track

Implementation Progress

82 %

Progress for the relevant reporting period

The communications plan and schedule were developed in 2019 (Attachment 21). It is in ongoing implementation with regular updates. Several meetings were held during June, July and August 2019 with the aim of informing the communities about the project, the starting dates of construction, job opportunities, voluntary commitments of the project, and to answer any community questions or concerns. In addition, a ground-breaking ceremony was organised on August 8, 2019, in line with the project engagement plan. The event was attended by numerous representatives of the local communities, including indigenous groups, authorities, universities, public utility companies and Sonnedix partners, as seen in Attachment 22.

During 2020, only three meetings were held due to COVID-19, as seen in the Attachment 3. Fourth ES construction report (page 5). After March 2020, no more in-person meetings were held so as to avoid propagation of COVID-19. Still, different events and calls were published through Sonnedix's webpage:

- Visit of minister: see <https://www.sonnex.com/news/sonnedix-atacama-solar-one-of-chiles-largest-solar-plants-under-construction-was-visited-by-juan-carlos-jobet-chilean-energy-minister>
- The announcement of the Community Investment Framework was published in networks, press, radio and on the website. (June- September 30) See: <https://www.sonnex.com/cl/atacamasolar>
- PPA Collahuasi <https://www.sonnex.com/news/sonnedix-and-collahuasi-sign-a-100-renewable-ppa>

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

Milestone expected is the continuation of the implementation. Implementation of the Communications Plan will continue in 2021.

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 3: Stakeholder Engagement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 3.4 Present the project to the municipal and regional authorities through formal meetings with the participation of identified stakeholders

Status	Implementation Progress
Completed	100 %

Progress for the relevant reporting period

A ground-breaking ceremony took place on August 8, 2019 to present the project to the regional and municipal authorities. It was attended by the mayor of Pica, the mayor of Pozo Almonte, the Pica Municipal Council, the Pozo Almonte Municipal Council, the intendant of Tarapaca, the governor of Tamarugal, and also local communities including leaders of indigenous groups, universities and public utility companies. Attachment 23 consolidates the evidence of the community meetings, including photographic record.

On 13 January 2020, a visit of the Chilean Minister of Energy, Mr Juan Carlos Jobet and the Regional Mayor of the Tarapacá Region, Mr Miguel Angel Quezada was made to the project site, as seen in Attachment 3. Fourth ES construction report(page 5). After this period, no public meetings were held due to COVID-19 and the subsequent preventive measures in place in the region.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 3: Stakeholder Engagement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 3.5 Present the project to the Pica and Pozo Almonte communities

Status	Implementation Progress
Completed	100 %

Progress for the relevant reporting period

A number of meetings with Pica and Pozo Almonte communities were organized in 2018 and 2019. The pre-construction meetings were organized in June and July 2019 prior to the construction commencing, with the objective of presenting the project and announcing the construction. During October and December 2019, the investment plan for the operational phase was developed and presented to the Pica community (see pg.28 of Attachment 2. Third construction report).

In addition, a presentation of the construction progress, ESG achievements to date and community investment plan to the Pica community was held on January 13, 2020, and on February 27 the same presentation was made for the Pozo Almonte community as seen in Attachment 3. Fourth ES construction report. After March 2020, no meetings were held to avoid propagation of COVID-19.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 3: Stakeholder Engagement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 3.6 Institute quarterly meetings with community as a whole

Status

Completed

Implementation Progress

100

%

Progress for the relevant reporting period

In 2019, the quarterly meetings were completed. Phase 5 of the stakeholder engagement plan was executed, namely quarterly meetings with community as a whole covering progress, complaints and also including educational sessions on solar energy and plants. This requirement is on track according to Action number 1.3.5 of the Environmental Health and Safety Action Plan of Attachment 2. Third construction report. A number of meetings with local communities were organized in 2019 to present the project and provide updates of the construction status and community investment plan.

During 2020, one quarterly meeting with the Pica community and Pozo Almonte community was held, as seen in Attachment 3. Fourth ES construction report, due to COVID-19 and the subsequent preventive measures in place in the region. After the start of the pandemic, a donation to a local soup kitchen in La Tirana was made. It should be noted that during the previous reporting period, the community investment framework for the operational phase was launched and advertised on the internet, in press, radio and posters were placed in public buildings (see Attachment 1. Seventh ES construction report).

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 3: Stakeholder Engagement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 3.7 Develop and implement a grievance management system

Status

Activity started - progress on track

Implementation Progress

76

%

Progress for the relevant reporting period

The grievance mechanism was developed with the purpose of establishing a formal and systematic process to receive and respond in a timely and efficient manner to complaints or concerns regarding the Project from members of the local community; employers and workers involved in the project; and/or other stakeholders. There was ongoing implementation of the mechanism in 2020, and it will continue in 2021. Attachment 24 details the community liaison officer appointed for ongoing liaison with communities and grievance management.

During the reporting period, an anonymous grievance was received on 11 June 2020 through the grievance mailbox inform@sonnedix.com. The grievant described several issues mainly related to the workers' wellbeing and working conditions that, according to the grievant, were taking place onsite. Following the Sonnedix Grievance Policy, the ESG department started a comprehensive internal/external investigation, which included requesting a series of documentation from the EPC contractor that was then reviewed. Atacama Solar S.A. did not identify any evidence or indications that the issues claimed should be a cause of concern. As a further measure, as part of the routine, once per semester audit of HSE and ESG compliance carried out on behalf of Sonnedix by DNV, an independent third party during the construction phase, some of the audit questions were tailored to address some of the issues claimed by the grievant. None of the audit findings confirmed the concerns or allegations raised by the grievant (see Attachment 1. Seventh ES construction report, page 10).

Also, in March 2020, community members blocked access to the site protesting due to their concerns for the protection of the health of their community relating to COVID-19. This affected construction operations due to obstruction of pathways for construction materials and personnel. Metka and Sonnedix agreed to fund three health check points at the entrance of Pica and Matilla for three months, including personnel, containers, portable toilets and thermometers, at a cost of around 20,000 USD. (see Attachment 25. Grievance tracker showing the grievances until 12/2020).

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

Milestone expected is the continuation of the implementation. Implementation of the Grievance mechanism will continue in 2021.

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 3: Stakeholder Engagement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 3.8 Nominate and appoint a Community Relations Officer

Status

Completed

Implementation Progress

100 %

Progress for the relevant reporting period

Mr. Ernesto Catrian (Sonnedix Site manager) was appointed as the community relationship officer since the start of construction in June 2019 due to his experience in community liaison (including indigenous communities) in other similar construction projects in Chile. He is further supported by various EHSS staff. Attachment 26 shows Mr. Catrian's job description in the project.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 4: Improve women's participation in the project through Gender Mainstreaming Plan

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 4.1 Develop and implement a non discrimination policy, which will include the Gender Main-streaming plan's purpose, scope, and selection criteria (to support the Project to foster women's participa-tion in its activities)

Status	Implementation Progress
Activity started - progress on track	76 %

Progress for the relevant reporting period

The non-discrimination policy was incorporated in the EPC contractor's management system and plans for the project. It also is communicated as part of the mandatory onboarding for all new workers and states the opportunity to enjoy a work environment free from any type of harassment, discrimination or intimidation due to race or ethnicity, nationality, socio-economic situation, language, ideology or political opinion, religion or belief, participation in union organizations or the lack of them, sex, sexual orientation and / or gender identity, marital status, age, affiliation, personal appearance, illness or disability. The non-discrimination policy is provided in Attachment 27, and it will be implemented during the operational phase.

The Gender Mainstreaming Plan was developed and includes the objective to promote gender equality and participation of women during the construction and operation phases of the project, covering the period from the start of construction in June 2019 to the operational phase. The Plan includes gender strategies and policies, identification of key stakeholders, awareness raising, capacity building and reporting on gender, communication and visibility (see document in Attachment 28).

Evidence about the diffusion of the non-discrimination policy can be seen in Attachment 59. Evidences of Dissemination of MEGN policies.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

Milestone expected is the continuation of the implementation. Implementation of the non-discrimination policy and Gender Mainstreaming plan will continue in 2021.

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 4: Improve women's participation in the project through Gender Mainstreaming Plan

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 4.2 Nominate and employ a Women's Champion who will act as focal point to promote the gender mainstreaming plan

Status	Implementation Progress
Completed	100 %

Progress for the relevant reporting period

Ms. Eillen Vasquez was appointed as women's champion. She also acts as the environmental manager for the project. Ms. Vasquez is member of the Women in Energy Association of Chile (women's champion nomination and champion in Attachment 29 and Attachment 30). In addition, Attachment 57. Women workshops until June 2020 shows all the workshops for women under Ms. Vasquez's management.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 4: Improve women's participation in the project through Gender Mainstreaming Plan

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 4.3 Generate a list of women-owned enterprises

Status

Activity started - progress on track

Implementation Progress

76

%

Progress for the relevant reporting period

In 2019 specific efforts were made to identify enterprises owned by women; however, a limited number of suitable businesses were identified, as many women-owned businesses were found to be ad hoc in nature and not possessing official business registration. One enterprise was identified in the Pozo Almonte community, as seen in Attachment 31. Additionally, a list of resumes received from women was made to track potential women-owned enterprises in 2019, as seen in Attachment 32. Finally, Attachment 33. Metka expenses 2020.xlsx, shows the enterprises that were hired for the different services required in the construction phase during 2020; 5 of the 8 contracted enterprises are women-owned enterprises from Pica and Iquique communities. The logging of women-owned enterprises also will be implemented during the operational phase.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

Milestone expected is the updated list of women-owned enterprises. The list will be updated continuously in 2021.

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 4: Improve women's participation in the project through Gender Mainstreaming Plan

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 4.4 Identify and screen women trained in relevant technical areas who may be interested in employment before and during construction of the plant

Status

Completed

Implementation Progress

100

%

Progress for the relevant reporting period

The women currently employed on the project include employees at various technical levels including safety managers, environmental managers, human resources, and others (page 51 of Attachment 2. Third construction report, Attachment 34). In 2019, resumés were received from 87 women, and 33 women were employed in December 2019, representing 12% of the total workforce composed of 277 individuals. During 2020, 57 women were hired as seen in Attachment 35. List of Women hired in 2020, and on average, women represented 9.94% of the total work force of the project. Additionally, Attachment 60. Female Contracts Atacama II shows some of the female contracts from the project.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 5: Develop and Implement Local Capacity Building Approach

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 5.1 Develop a local capacity building approach

Status

Completed

Implementation Progress

100

%

Progress for the relevant reporting period

The Third Construction Report (Attachment 2) evidences the priority Atacama Solar S.A. has given to the capacity building approach, stating that one of the key investment areas is “Improving community through solar,” working closely with universities to foster training related to renewable energy technical needs. Another of the key investment areas for socio-economic development is “Educating tomorrow’s problem solvers,” which aims to improve educational performance at all levels, to achieve socio-economic development in local communities. Both activities are aligned with several regional and local plans.

In this context, a local capacity building approach was developed (see Attachment 36). Particularly, the approach considers the following.

- i) Work with the contractor to provide training
- ii) Engage with municipalities to identify suitable candidates for training.

- iii) Work with colleges to provide training and development opportunities
 - a. Program of visits to schools and colleges,
 - b. Program of visits to the photovoltaic plant, and
 - c. 3 MoUs with local colleges.

- iv) Promote an internship / scholarship program aimed at local female students in the scientific-technological area of a university in the Tarapacá Region to be financed jointly with public organizations.
 - a. At least 1 scholarship/internship for female university students in the region per year, until 2030.
 - b. Agreement(s) with local organizations to co-sponsor and co-finance the scholarship/internship.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 5: Develop and Implement Local Capacity Building Approach

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 5.2 Implement capacity building approach

Status

Activity started - progress on track

Implementation Progress

76	%
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Progress for the relevant reporting period

The first two planned actions of the local capacity building approach were achieved in 2019. METKA-EGN presented the status of the implementation of the approach in its Summary and Status Atacama II Relationship Plan (Attachment 40), reporting, inter alia, that Sonnedix requested inclusion of a training course in the execution, operation and maintenance of photovoltaic plants. Implementation began with the identification of Technical Training Organizations (OTEC) through each Municipal Labour Information Office (OMIL). Four institutions were identified to provide courses with theoretical and practical components (Attachment 38). Later, the contents of the course were developed (see Attachment 37). Finally, INSECAP was selected to provide specialized training to 20 workers (see Attachment 39), planned for the end of 2019, but the training course was delayed because of the social unrest at the end of 2019 in Chile. Furthermore, METKA-EGN has begun work with local educational institutions to implement an internship program through the identification of the institutions and programs as defined in Attachment 46.

In 2020, due to COVID-19, the trainings were postponed from the initially planned date, as seen in the Attachment 1. Seventh ES construction report, page 37. Nevertheless, on 19 and 20 November, the 16-hour course was given to the 20 selected local people, since pandemic conditions had improved enough to continue safely with a streamlined version of the in-person course. The course imparted knowledge of basic electricity, elements and equipment of photovoltaic systems, basic system designs, instrumentation, operation, and commissioning of low power photovoltaic plants. Likewise, it provided the necessary knowledge of risk prevention in installation, operation and maintenance of photovoltaic plants. The course culminated with the award of a certificate and diploma NCh 2728: 2015 [Reg. INN A - 8968] after evaluation of the final exam. Seventeen workers passed the course, while three of them failed due to nonattendance.

Additionally, three women finalised HSE trainings, namely the fire extinguisher handling course, first aid course, electric risks course, dangerous substances course, labour risks with a look on gender course, risk prevention guidance course and musculoskeletal disorders of the superior extremities at work course (Attachment 58. Women Training evidences).

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

Milestone expected is the continuation of the implementation. Implementation of the Capacity Building Approach will continue in 2021.

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 6: Implemented local hiring and procurement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 6.1 Conduct a search for the work force for the project and prioritize for employment opportunities members of local communities in the Project area

Status

Completed

Implementation Progress

100

%

Progress for the relevant reporting period

Stage 2 of Sonnedix's Engagement Strategy (Attachment 45) has the objective of preparing and implementing a local hiring process and defining the accommodation and food services required, together with the appropriate local authorities.

According to the Engagement with Civil Society Policy (Attachment 41), local employment is managed with the Municipality Community Development Department (DIDECO) and the Municipal Labour Information Office (OMIL) to maximize the local employment opportunities. To achieve this, METKA-EGN included communications with these entities in its Relationship Plan (See Attachment 42, Attachment 43, Attachment 44 and Attachment 40).

The following table shows total number of workers, disaggregation between male and female and percentage of local labour from Iquique, Matilla, Pica, Alto Hospicio, La Tirana, La Huayca and Pozo Almonte, during 2020.

Month of 2020	Total workers	% female	% male	% Local
January	277	11%	89%	55.6%
February	276	17%	83%	62.32%
March	534	9%	91%	43.07%
April	292	10%	90%	48.63%
May	194	11%	89%	46.39%
June	186	10%	90%	43.01%
July	180	8%	92%	52.22%
August	215	6%	94%	53.49%
September	193	9%	91%	71.50%
October	133	7.7%	92.3%	71.4%
November	121	6.6%	93.4%	71%
December	49	14%	86%	66%

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 6: Implemented local hiring and procurement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 6.2 Identify and collate registry of qualified job seekers

Status

Completed

Implementation Progress

100

%

Progress for the relevant reporting period

During the hiring process in the last reporting period, the calls for applications resulted in the identification of about 600 local people for the advertised profiles (see Attachment 46 and Attachment 47). To process this database and carry out the hiring procedure, hiring protocols were developed for METKA-EGN and subcontractor companies (see Attachment 48). During 2020, the registry was updated and the database was used to hire local and external job seekers to participate in the construction phase.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

Project Output Name

Output 6: Implemented local hiring and procurement

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

Project Activity Name

Project Activity 6.3 Prioritize and quantify spending on local goods and services, and hire local service providers

Status

Completed

Implementation Progress

100

%

Progress for the relevant reporting period

In accordance with the Engagement with Civil Society Policy (Attachment 34), the procurement of local services and goods is managed by cooperation with the Municipality Community Development Department (DIDECO). The targets of local procurement included services like catering, stationery, workwear, cement, building materials, laboratory testing, security, recycling, accommodation, and transportation. Evidence of the communication with DIDECO on this matter is provided (see Attachment 50); this communication included a list of services and supplies needed for the construction phase (Attachment 49).

METKA-EGN also developed a protocol for the selection and hiring of local services and products by subcontractor companies (see Attachment 54). For the year 2020, the expenditure on local procurement and services was USD 800,723 including accommodation, food, water, fuel, surface humidification, wastes, sanitization, inputs, generator and local salary see (Attachment 33).

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

Key milestones and deliverables for the next reporting period

N/A

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

2.4 Progress Update on the Logic Framework Indicators

Values of Baseline, mid-term target and final targets should be the same from the approved funding proposals unless calculation methodologies were revised in agreements with the GCF. Please attach a supporting document(s) describing the calculation methodology of the current value of all the indicators in Section 6; the indicators cover core, impact, outcome, and output levels. If there is a change in the methodology, you need to include clear justifications for the change and changed values as compared to the previous year.

This sub-section 2.4 is not applicable for REDD+ Results-Based Payments Projects. Please write 'Not Applicable' as the response.

2.4.1 Core Indicators

Select applicable core indicators

- Mitigation Core Indicator 1 - Tonnes of carbon dioxide equivalent (tCO2eq) reduced as a result of GCF funded project/programme
- Mitigation Core Indicator 2 - Cost per tCO2eq decreased for GCF funded project/programme
- Mitigation Core Indicator 3 - Volume of finance leveraged by GCF funding (Disaggregated by public/private source)
- Adaptation Core Indicator 1 - Direct Beneficiaries of GCF funded project/programme
- Adaptation Core Indicator 2 - Indirect Beneficiaries of GCF funded project/programme
- Adaptation Core Indicator 3 - Number of total beneficiaries relative to total population

Mitigation Core Indicator 1 - Tonnes of carbon dioxide equivalent (tCO2eq) reduced as a result of GCF funded project/programme (Unit: tCO2eq)

Please provide the ex-post 'Current Value' on a cumulative basis. Please note that the values should be based on total funding (GCF funding and co-financing). The 'Final Target' is the amount of emission reduced up to the end of implementation. The 'Expected lifetime emission reductions overtime' is an estimate of emission reductions over the lifetime. If the end of lifetime coincides with the end of implementation then please provide the same value for 'Final Target' and 'Expected lifetime emission reductions over time'.

Baseline	Current Value	Mid-term Target	Final Target
0 tCO2eq	0 tCO2eq	0 tCO2eq	190820 tCO2eq

Expected lifetime emission reductions overtime	3816400 tCO2eq
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Remarks (including changes, if any)

The FP expectation for reductions were 184,872 per year and 3,697,439 tCO2 in 20 years. Expected reductions increased compared to those estimated in the FP due to the increase in the installed capacity.

The project finalised its construction phase in December 2020 but did not yet undergo commissioning; therefore, no reductions were achieved in the reporting period.

Mitigation Core Indicator 2 - Cost per tCO2eq decreased for GCF funded project/programme (Unit: Cost per tCO2eq)

Total GCF Funding	Total Co-financing	Currency
39 000 000	141 000 000	USD

This value is auto-populated from 3.1.1. (Information is locked for editing) This value is auto-populated from 3.1.2. (Information is locked for editing) This value is auto-populated from 3.1. (Information is locked for editing)

Baseline	Current Value	Mid-term Target	Final Target
			943.2973482863431

Estimated cost per tCO2eq reduced over lifetime
47.16486741431716

Calculation methodologies:

- The baseline is total project funding divided by baseline emission reduction.
- The current value is total project funding divided by the current value of emission reduction. This value is on a cumulative basis.
- The mid-term target is total project funding by the mid-term target of emission reduction.
- The final target is total project funding by the final target of emission reduction.
- The estimated cost per emission reduced over lifetime is the total project funding divided by expected lifetime emission reductions over lifetime.

Please confirm the aforementioned auto-calculated values and, if different, provide values and corresponding methodologies.

The estimated cost per tCO2eq of the FP was 71.67 USD/tCO2eq. The decrease in the cost per tCO2eq is due to the increase in the amount of GHG reductions expected due to the increase in the installed capacity.

The project finalised its construction phase in December 2020 but did not yet undergo commissioning; therefore, the final value is not available.

Mitigation Core Indicator 3 - Volume of finance leveraged by GCF funding (Disaggregated by public/private source) (Unit: Currency)

Please provide ex-post 'Current Value' on a cumulative basis, and include co-financing amounts as leveraged finance. Leveraged finance means investment resulting from the contribution associated with GCF involvement in investment.

Please refer to the Section 3 of Policy on co-financing B.24/14 for further information on leveraged finance by GCF funding.

[Policy on co-financing](#)

Currency

USD

Total volume of finance leveraged by GCF funding

Volume of finance leveraged by GCF funding, from both public and private investors.

Baseline	Current Value	Mid-term Target	Final Target
0	138511100		141000000

Total private sector volume of finance leveraged by GCF funding

Volume of finance leveraged by GCF funding, from private sector investors only.

Baseline	Current Value	Mid-term Target	Final Target
0	138511100		141000000

Remarks (including changes, if any)

The value refers only from private sector investors. No public resources were allocated to the project.

2.4.2 Impact Indicators

Select applicable impact indicators

- M1.1 Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of increased low-emission energy access and power generation
- M2.1 Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of increased access to low-emission transport
- M3.1 Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of buildings, cities, industries and appliances
- M4.1 Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of sustainable management of forests and conservation and enhancement of forest carbon stocks
- A1.1 Change in expected losses of lives and economic assets due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention
- A1.2 Number of males and females benefiting from the adoption of diversified, climate resilient livelihood options (including fisheries, agriculture, tourism, etc.)
- A1.3 Number of Fund funded projects/programmes that supports effective adaptation to fish stock migration and depletion due to climate change
- A2.1 Number of males and females benefiting from introduced health measures to respond to climate-sensitive diseases
- A2.2 Number of food secure households (in areas/periods at risk of climate change impacts)
- A2.3 Number of males and females with year round access to reliable and safe water supply despite climate shocks and stresses
- A3.1 Number and value of physical assets made more resilient to climate variability and change, considering human benefits (reported where applicable)
- A4.1 Coverage/scale of ecosystems protected and strengthened in response to climate variability and change
- A4.2 Value of ecosystem services generated or protected in response to climate change

M1.1 Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of increased low-emission energy access and power generation (Unit: tCO2eq)

Please provide the ex-post 'Current Value' on a cumulative basis. Please note that the values should be based on total funding (GCF funding and co-financing). The 'Final Target' is the amount of emission reduced up to the end of implementation. The 'Expected lifetime emission reductions overtime' is an estimate of emission reductions over the lifetime. If the end of lifetime coincides with the end of implementation then please provide the same value for 'Final Target' and 'Expected lifetime emission reductions over time'.

Baseline	Current Value	Mid-term Target	Final Target
0 tCO2eq	0 tCO2eq		190820 tCO2eq

Expected lifetime emission reductions overtime	3816400 tCO2eq
--	----------------

Remarks (including changes, if any)

The expected reductions increased compared to those estimated in the FP due to the increase in the installed capacity. Note that the FP expectation for reductions was 3,697,439 tCO2 in 20 years.

2.4.3 Project/Programme-level Outcome & Output Indicators

Please provide ex-post 'Current Value' on a cumulative basis. If you have multiple outputs to be reported against one outcome, you need to write down the same outcome name for every output. Likewise, if you have multiple indicators to be reported against one output, you need to write down the same output name and corresponding outcome name for every indicator.

Use 'Add row' button to add multiple outcomes, outputs and/or indicators.

Results Area Type	Outcome Name		
Mitigation	6.3 Mitigation: MWs of low-emission energy capacity installed, generated and/or rehabilitated as a result of GCF support		
Output Name (under the afore-mentioned outcome)			
Development, construction, commissioning and commencement of commercial operations of a large-scale solar park (150 MW) in the Atacama Desert of Chile			
Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.			
Indicator Name			
Installed Capacity			
Unit			
Megawatts			
Baseline	Current Value	Mid-term Target	Final Target
0	150		150
Remarks (including changes, if any)			
The construction phase finished in December, including the electrical works, but did not yet undergo commissioning.			

Results Area Type	Outcome Name		
Mitigation	6.3 Mitigation: MWs of low-emission energy capacity installed, generated and/or rehabilitated as a result of GCF support		
Output Name (under the afore-mentioned outcome)			
Development, construction, commissioning and commencement of commercial operations of a large-scale solar park (150 MW) in the Atacama Desert of Chile			
Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.			
Indicator Name			
Generation			
Unit			
Gigawatts -hour			
Baseline	Current Value	Mid-term Target	Final Target
0	0		470
Remarks (including changes, if any)			
The construction phase finished in December, including the electrical works, but did not yet undergo commissioning. Note that the value presented in the Funding Proposal was 412 GWh/year.			

Results Area Type	Outcome Name		
Mitigation	6.3 Mitigation: MWs of low-emission energy capacity installed, generated and/or rehabilitated as a result of GCF support		
Output Name (under the afore-mentioned outcome)			
Model, develop, construct, connect the Atacama Solar PV plant via a 45.5 km transmission line ³ to the Lagunas Substation (the "Transmission Line")			
Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.			
Indicator Name			
Connected transmission line to grid			
Unit			
Kilometers			

Baseline	Current Value	Mid-term Target	Final Target
0	45.46		45.5

Remarks (including changes, if any)

The transmission line will be completed in January 2021.

Results Area Type
Mitigation

Outcome Name
6.3 Mitigation: MWs of low-emission energy capacity installed, generated and/or rehabilitated as a result of GCF support

Output Name (under the afore-mentioned outcome)
Stakeholder Engagement

Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.

Indicator Name
Stakeholder engagement plan developed and implemented

Unit
The indicator captures the progress of output 3 as a whole

Baseline	Current Value	Mid-term Target	Final Target
0	0.8		1

Remarks (including changes, if any)
Six (6) of the 8 activities of output 3 were completed during the reporting period.

Results Area Type
Mitigation

Outcome Name
6.3 Mitigation: MWs of low-emission energy capacity installed, generated and/or rehabilitated as a result of GCF support

Output Name (under the afore-mentioned outcome)
Improve women's participation in the project through Gender Mainstreaming Plan

Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.

Indicator Name
Gender mainstreaming policy developed and implemented

Unit
The indicator captures the progress of output as a whole.

Baseline	Current Value	Mid-term Target	Final Target
0	0.8		1

Remarks (including changes, if any)
Two (2) of the 4 activities from output 4 will continue its implementation during 2021. In this way the indicator captures the progress of output 4 as a whole.

Results Area Type
Mitigation

Outcome Name
6.3 Mitigation: MWs of low-emission energy capacity installed, generated and/or rehabilitated as a result of GCF support

Output Name (under the afore-mentioned outcome)
Develop and Implement Local Capacity Building Approach

Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.

Indicator Name			
Implemented local hiring and procurement			
Unit			
The indicator captures the progress of output as a whole.			
Baseline	Current Value	Mid-term Target	Final Target
0	1		1
Remarks (including changes, if any)			
One of the two activities from output 5 was completed; the other one is on track to achieve its objective. The indicator captures the progress of the output 5 as a whole.			

2.5 Report on changes during implementation (include actual and expected changes)

The major change of this reporting period was the pause of implementation of the communications plan, which included presentations to the municipal and regional authorities through formal meetings, presentation of the project advances to the local communities, and quarterly meetings with the communities. The pause of implementation and cancellation of these activities were due to COVID-19, which started in Chile during March 2020 and continued through the end of this reporting period.

Another change of note was to the Commercial Operation Date (COD). In the previous reporting period, the COD was planned for December 2020; however, due to some delays related to COVID-19, the planned commercial operation date was changed to January – February 2021, according to the seventh ES construction report (Attachment 1). The Project Acceptance Deadline (PAD) is April 2021.

Describe changes to the project during the reporting period. In particular, the report should cover elements such as change of beneficial ownership structure, management changes of the Accredited Entity, policies and other elements relevant for the project, and any other material change that could influence the overall outcome of the project.

2.6 Implementation challenges and lessons learned

Challenge encountered

The Covid 19 Pandemic affected the Construction phase.

- i. Bosch (Transelec contractor): From March 21 to April 22, the company reduced its plant activity to its minimal expression, which directly translated into a 48-day reported delay of their work schedule.
- ii. Siemens equipment: Various Siemens production processes were affected by the pandemic, as confirmed by their communications.
- iii. Delays in Bosch suppliers: The supplier of the Bridge Crane (crane that includes two overhead runways built into the building's support structure) for the Gas Insulated Substation room had a delay of 3 weeks, causing a delay in the completion of the GIS room that directly impacted the critical path of the project execution.
- iv. Siemens, Commissioning resources: Due to the quarantine, the arrival of Siemens resources for commissioning was delayed by more than 14 days.

Describe the challenge faced during the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project; please provide a description and how they have impacted the implementation period and final targets.

Challenge type

Environmental/Social

Impact on the project implementation

Moderate

Measures adopted

Sonneditx took the necessary safeguards to take workers from one place to another with all the biosecurity measures. The project assumed higher costs of USD 1.6 million in the construction of transmission facilities for the implementation of an Acceleration Plan that mandated Transelec and Bosch to achieve the goal of connection to the system by January-February 2021; however, this cost increase will not impact the final cost of the project. Sonnedix, Transelec and Bosch contributed great human and economic effort to sustain the construction operation, organizing special flights and buses exclusively for staff, and a series of measures to give continuity to the processes.

To manage the delay to Siemens Equipment, the project had to send the Matilla Substation Control and Protection Boards from Colombia to Chile without undertaking the final factory tests, to prevent them from being trapped indefinitely in the country of origin due to border closures. The completion of factory tests was made in Chile, which resulted in engineering reviews that accumulated delays in the work schedule.

Lesson learned and other remarks

Although the Atacama Solar Project suffered the effects of COVID-19 and slow-downs in its processes, it continued to execute the committed works, and the COD was delayed only about 1.5 months, from December 2020 to January-February 2021.

The lesson learned is the importance of prioritizing health by applying preventive measures in the face of a global pandemic, while also working quickly to generate innovative response plans to prevent avoidable delays.

Challenge encountered

Transmission Line construction delay: The construction of the 45.5 km transmission line that connects the Matilla substation in the project with the Lagunas substation, which represents the critical path of the project, was delayed due to COVID-19. It was affected mainly by the following factors:

- i. COVID-19 led to the pause of Bosch's work activity, as well as hardware supply problems.
- ii. Deceleration of the responses of public institutions Due to the impact of COVID-19, in particular the Ministry of Public Works, decelerated the issuance of the permits to cross the main and secondary routes necessary for the construction of the transmission line.
- iii. Only with the completion of these works could Siemens start commissioning tests, so the accumulated delay in the completion of the line directly impacted the tests.

Describe the challenge faced during the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project; please provide a description and how they have impacted the implementation period and final targets.

Challenge type

Environmental/Social

Impact on the project implementation

Moderate

Measures adopted

The same measures described above applied in this case.

Lesson learned and other remarks

The same conclusions as above apply in this case.

Challenge encountered

Delay in execution of the Environmental and Social Management Plan, Gender Action Plan and Capacity Building Approach due to COVID-19 and the related inability to bring together groups of people. COVID-19 had a negative impact on the development of MOUs with Universities and agreements with schools and educational centers. These were closed, so the relations that began at the beginning of the year were paralyzed and the MOU negotiation and signing could not proceed.

Describe the challenge faced during the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project; please provide a description and how they have impacted the implementation period and final targets.

Challenge type

Environmental/Social

Impact on the project implementation

Minor/Solved

Measures adopted

The training of local workers was scheduled for April, and it was delayed until November and December, when the pandemic conditions permitted this type of group event to be held.

Lesson learned and other remarks

Although there were delays in the implementation of the training of local workers, the training was provided during November 2020.

Regarding the development of the MOUs, it was not possible to continue with the agreements, and this activity will need to be executed in the next reporting period.

The lesson learned is the importance of prioritizing health by applying preventive measures in the face of a global pandemic. Some delays to in-person activities may be tolerated so that they can be rescheduled to a time when the health risk to participants is lowered.

Confirmation and Acknowledgement of Information *

* This is a required question to submit section 2 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 2 is complete and ready for submission.

Section 3: Financial Information

Section 3: Financial Information

Please note that this is section 3 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

3.1 Approved Budget for entire project period as per FAA

Currency

USD

(Information is locked for editing)

GCF Funding (Equity)

GCF Funding (Grants)

GCF Funding (Guarantees)

GCF Funding (In-kind)

GCF Funding (Loans)

39 000 000

(Information is locked for editing)

GCF Funding (Results-Based Payment)

3.1.1 Total GCF Funding

39 000 000

(Information is locked for editing)

Please confirm if the afore-mentioned values are different as per your knowledge.

Yes, there are some differences.

Please explain the differences.

CAF requested to decrease the amount on december 2020. The final amount will be reported in the next APR.

3.2 Co-financing

Currency

USD

(Information is locked for editing)

Co-financing (Equity)

81 000 000

(Information is locked for editing)

Co-financing (Grants)

Co-financing (Guarantees)

Co-financing (In-kind)

Co-financing (Loans)

60 000 000

(Information is locked for editing)

Co-financing (Results-Based Payment)

3.2.1 Total Co-financing

141 000 000

*(Information is locked for editing)***Please confirm the afore-mentioned values are different as per your knowledge.**

No differences to be reported.

3.3 Disbursements Details (Cumulative to this reporting period)

3.3.1 Total GCF Disbursement

(Information is locked for editing)

Currency

(Information is locked for editing)

GCF Equity Disbursement

GCF Grants Disbursement

GCF Guarantees Disbursement

GCF In-kind Disbursement

GCF Loans Disbursement

(Information is locked for editing)

GCF Results-Based Payment Disbursement

Please confirm the afore-mentioned values are different as per your knowledge.

3.3.2 Co-Financing Disbursement

Provide the cumulative amount of disbursements from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

Choose currency

3.3.3 Total Project Disbursement

Provide the cumulative amount of disbursements from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

Choose currency

Please provide comments on sub-section 3.3, if any.

3.4 Expenditure details (Cumulative to this reporting period)

Choose currency

GCF Equity Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

GCF Grants Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

GCF Guarantees Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

GCF Loans Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

3.4.1 GCF Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

3.4.2 Co-financing Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

3.4.3 Total Project Expenditures

177551430.26

Please provide comments on sub-section 3.4, if any.

3.5 Investment & Other Income (Cumulative to this reporting period)

Reporting Level for investment

Please select the second option 'Accredited Entity Portfolio Level' only if AEs have more than one project where all GCF funds are held in a consolidated GCF Special Account.

Choose currency

Project Level

Accredited Entity Portfolio Level

Accredited Entity Portfolio Level Investment & Other Income

Please provide comments on sub-section 3.5, if any.

3.6 Report on AE fees (Cumulative to this reporting period)

Reporting Level for AE fees

Please select the second option 'Accredited Entity Portfolio Level' only if AEs have more than one project where all GCF funds are held in a consolidated GCF Special Account.

Choose currency

Project Level

Accredited Entity Portfolio Level

Project Level AE Fees

875 000

Please provide comments on sub-section 3.6, if any.

The value refers only to Atacama Solar Project's FEEs

3.7 Annual Financial Performance Report**Please download the Financial Performance Report Template in Excel.**

[Financial Performance Report Template](#)

This sub-section 3.7 is not applicable for REDD+ Results-Based Payments Projects. Please provide a separate 'Financial Progress Details' in Section 6.

Please attach the Annual Financial Performance Report here.

[FP017 CAF Atacama_Finance Comment_VF.xlsx](#)

Please provide comments on the attachment.

The information was updated.

Confirmation and Acknowledgement of Information *

* This is a required question to submit section 3 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 3 is complete and ready for submission.

Section 4: Environmental and Social Safeguards & Gender

Section 4: Environmental and Social Safeguards & Gender

Please note that this is section 4 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

4.1 Implementation of environmental and social safeguards and gender elements

Please provide information on the project or programme on the following: (1) key risks and impacts as identified; (ii) compliance with applicable laws and regulations including FAA conditions and covenants; and (3) progress in the implementation of environmental and social management plans and programs including monitoring activities undertaken during the implementation of the funded activity.

4.1.1 The information includes description on any changes in the key environmental and social risks and impacts as identified and arising from the implementation including any unanticipated risks and impacts (ex. from changes in laws and regulations) and, based on these if any change in the project's environmental and social risk category. In case of a change in the E&S risk category for the project, please provide an explanation.

The Key Environmental and Social Risks and Impacts were identified in the previous reporting period and have not changed since then. No changes in laws and regulations were modified, either. Thus, there is no change to the project's environmental and social risk category. The Atacama Solar project is being constructed in a desert region and has few environmental impacts due to the low biodiversity of the ecosystem. Nevertheless, all the appropriate measures have been taken to minimize impact in the environment and communities. One of the risks and impacts identified was the water consumption, since this area does not have a proper aqueduct. Waste management was also identified as a risk with high impact levels, which needed to be planned and resolved before the start of the project. To address these risks and impacts, environmental training was held during the reporting period on topics of water consumption (industrial water and drinking water), hazardous material management, and waste segregation. Additionally, the construction industry has a high prevalence of human injury. The risks were managed by giving all workers a broad Environmental Health and Safety Action Plan orientation, as seen in Attachment 59. Evidences of Dissemination of MEGN policies. This resulted in a reporting period with zero incidents and zero accidents.

4.1.2 The information should include status of compliance with applicable laws and regulations of the country as well as the relevant conditions or covenants under the FAA. This can be captured in the table below:

Status of compliance with applicable laws and regulations and the conditions and covenants specifically addressing ESS & Gender under FAA
Compliance Type

Covenant

Compliance Title & Description

FAA contractually require that the management of the environmental and social risks and impacts arising from the Funded Activity complies at all times in all material respects with the recommendations, requirements, and procedures set forth in the Environmental and Social Impact Assessment, which was provided by the Accredited Entity to the Fund before the Approval Decision.

Status of compliance

In compliance. The environmental and social risks have been mitigated with the Occupational Health and Safety Plan, Emergency Preparedness and Early Response Plan, Traffic Management and Access Plan, Waste and Hazardous Waste Management Plan, Environmental Monitoring Plan and Community Involvement Plan and Complaints Management Mechanism.

Compliance Type

Covenant

Compliance Title & Description

Contractually require that the Executing Entity shall obtain, all land and rights in respect of land required to carry out the Funded Activity and shall promptly furnish to the Fund, upon its request, evidence satisfactory to the Fund that such land and rights in respect of the land are available for the purposes of the Funded Activity.

Status of compliance

In compliance. The project is being constructed on public land, and land concession for 30 years has been obtained. Rights of way related to the transmission line have been granted.

Compliance Type

Covenant

Compliance Title & Description

Prior to commencing any construction works or activities for the implementation of the Project, submit to the Fund, in English, a detailed Environmental and Social Management Plan ("ESMP") related to the relevant construction works or activities to be executed, in a form and substance satisfactory to the Fund.

Status of compliance

In compliance. The ESMP was submitted and also its progress is reported in all quarterly reports.

Compliance Type

Law / Regulation

Compliance Title & Description

Sanitary authorization for the storage of non-hazardous industrial wastes, granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage.
Documentation: Photovoltaic Plant: PAS 142 Approval date 29-04-019. Electrical Substation and high Voltage Line: Sent to SEREMI DE SALUD: 29-05-2020.

Compliance Type

Law / Regulation

Compliance Title & Description

Sanitary authorization for the transportation and final disposal of non-hazardous industrial wastes, granted by the Regional Office of the Health Ministry. industrial wastes, granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage.

Documentation: Photovoltaic Plant: RES 6059 LIMSANI, 09-09-2015. Electrical Substation and high Voltage Line: Resolution N° 85/1999 New Landfill of Iquique. Resolution No. 737/2019 Authorization transportation of Non-Dangerous Industrial Waste.

Compliance Type

Law / Regulation

Compliance Title & Description

Sanitary authorization for the disposal of non-hazardous industrial waste outside the industrial facility where it was generated, granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage.

Documentation: Photovoltaic Plant: RES 341, LIMSANI, Date 14-01-2015. Electrical Substation and high Voltage Line: RCA 85/1999 Relleno Sanitario Iquique.

Compliance Type

Law / Regulation

Compliance Title & Description

Declaration of non-hazardous industrial waste generation, before the Registry of Emissions and Transfer of Pollutants.

Status of compliance

In compliance. Closed in 2019. By 2021, 2020 emissions must be declared.

Documentation: Photovoltaic Plant: N° Folio 152751, Date 21-01-2020. Electrical Substation and high Voltage Line: N° Folio 152751, Date 21-01-2020.

Compliance Type

Law / Regulation

Compliance Title & Description

Sanitary authorization for the storage of hazardous wastes, granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage

Documentation: Photovoltaic Plant: RES 1124, Approval date 26-04-2019. Operation authorization: RES N° 1316 Approval date 07/07/2020. Electrical Substation and high Voltage Line: Sent to SEREMI DE SALUD: 29-05-2020.

Compliance Type

Law / Regulation

Compliance Title & Description

Sanitary authorization for the transportation and final disposal of hazardous wastes, granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage

Documentation: Photovoltaic Plant: RES 6058 LIMSANI, Date 09-09-2015. Electrical Substation and high Voltage Line: Resolution No. 1680/2008 and No. 2063/2008 Environmental Solutions of the North. Resolution No. 732/2019 Authorization for transport of Hazardous Waste.

Compliance Type

Law / Regulation

Compliance Title & Description

Declaration of hazardous waste generation, before the Registry of Emissions and Transfer of Pollutants.

Status of compliance

In compliance. Declaration of hazardous waste generation, before the Registry of Emissions and Transfer of Pollutants.

Documentation: Photovoltaic Plant: 02-09- 2020, Status: Close, N° Folio:1048596. Electrical Substation and high Voltage Line: 03-09-2020 Status: Open, N° Folio:1048664, Status: Close, N° Folio:1048667.

Compliance Type

Law / Regulation

Compliance Title & Description

Statement for the installation of fuel tanks (5), granted by the Superintendence of Electricity and Fuels.

Status of compliance

In compliance. Applied during construction stage

Documentation: Photovoltaic Plant: SEC N° 10 Tank N° 426352, Date 07-042017. Electrical Substation and high Voltage Line: RESOLUCION EXENTA N° 19893.

Compliance Type

Law / Regulation

Compliance Title & Description

Authorization for the transportation of hazardous substances (fuel), granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage

Documentation: Photovoltaic Plant: SEC N° 10 Tank N° 426352, Date 07-042017

Compliance Type

Law / Regulation

Compliance Title & Description

Sanitary authorization for the provision of sanitary facilities, granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage

Documentation: Photovoltaic Plant: Health Resolution N° 475 Approval date 23-03-2019. Electrical Substation and high Voltage Line: Health Resolution N° 474, Approval date 23-03-2019

Compliance Type

Law / Regulation

Compliance Title & Description

Sanitary authorization for the transportation and final disposal of sewage waste water, granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage

Documentation: Photovoltaic Plant: Health Resolution N° 0543, LIMSANI, Approval date 19-08-2010, Sewage water Certificated Aguas del Altiplano 12-06-2019. Electrical Substation and high Voltage Line: Resolución N°0087.

Compliance Type

Law / Regulation

Compliance Title & Description

Registry of power generators, before the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage.

Documentation: Declared 20-04-2020.

Compliance Type

Law / Regulation

Compliance Title & Description

Emission declaration of power generators, before the Registry of Emissions and Transfer of Pollutants.

Status of compliance

In compliance. Closed in 2019. By 2021, 2020 emissions must be declared.

Documentation: Declared 20-04-2020.

Compliance Type

Law / Regulation

Compliance Title & Description

Sanitary authorization for the transportation of drinking water, granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage

Documentation: Ord. N°505, Approval date 31-05-2019

Compliance Type

Law / Regulation

Compliance Title & Description

Sanitary authorization for a drinking water storage facility, granted by the Regional Office of the Health Ministry.

Status of compliance

In compliance. Applied during construction stage

Documentation: Photovoltaic Plant: RES 3461, Oasis de Pica, Approval date 14-11-2010. Electrical Substation and high Voltage Line: RES 3632.

Compliance Type

Law / Regulation

Compliance Title & Description

Authorization to carry overweighted cargo, granted by the Regional Roads Department.

Status of compliance

In compliance. Applied during construction stage

Documentation: RES N°1571 y 1572

Compliance Type

Law / Regulation

Compliance Title & Description

Authorization for fuel loads and unloads, granted by the Superintendence of Electricity and Fuels, unless the Project can be executed without loading and unloading fuel in the Project's site.

Status of compliance

In compliance. Applied during construction stage.

Documentation: Photovoltaic Plant: Approved date 07-04-2017, Inscription SEC N° 10. Electrical Substation and high Voltage Line: RES EX N°29261-2019.

Compliance Type

Law / Regulation

Compliance Title & Description

Notification to the Environmental Enforcement Authority (SMA) regarding the starting date of the construction phase.

Status of compliance

In compliance

Compliance Type

Law / Regulation

Compliance Title & Description

Permit to hunt and capture, PAS 99.

Status of compliance

In the process of a follow-up campaign until May 2022.

Documentation: Electrical Substation and high Voltage Line: RES EX N° 14

Compliance Type

Condition

Compliance Title & Description

Update hazardous waste removal document

Status of compliance

In process. SIDREP declaration made, pending closure by recipient company.

Compliance Type

Condition

Compliance Title & Description

Drinking water supply truck resolution (update)

Status of compliance

In compliance

Compliance Type

Condition

Compliance Title & Description

Withdrawal of RESPEL and declaration in the SIDREP single window system

Status of compliance

SIDREP declaration made, pending closure by recipient company

Compliance Type

Condition

Compliance Title & Description

Demobilization plan

Status of compliance

Received 12-12-2020, Under review

Compliance Type

Condition

Compliance Title & Description

Single registry of atmospheric emissions

Status of compliance

In process

Compliance Type
Condition
Compliance Title & Description
Business Environmental Performance (DAE)
Status of compliance
In process

Compliance Type
Condition
Compliance Title & Description
Register of sources and processes
Status of compliance
In process

Compliance Type
Law / Regulation
Compliance Title & Description
Interior Electrical Statement
Status of compliance
In compliance. TE1 3200 and TE1 buildings north area.

4.1.3 Provide a report on the progress made in implementing environmental and social management plans (ESMPs) and frameworks (ESMFs) describing achievements, and specifying details outlined in the tables below.

Implementation of ESMPs and ESMFs

Activities implemented during the reporting period, including monitoring

Implement phase 5 of Stakeholder Engagement Plan. Quarterly meetings with community as a whole covering progress, complaints and also including educational sessions on solar energy and plants. A number of meetings with local communities organised in January and February 2020 to present the project and update on the construction status and community investment plan (records provided in the project data room and quarterly ESHS reports). Due to COVID-19 and the subsequent preventive measures in place in the region, no public meetings were held after March 2020.

Outputs during the reporting period

Community Liaison Officer (CLO) appointed for ongoing liaison with communities and grievance management. During the reporting period (4Q 2020) the Solar PV installation and maintenance certified training course for members of the local communities was delivered (Refer to appendix B of the seventh quarterly report for more information).

Key environmental, social and gender issues, risks and impacts addressed during implementation

The activities ensured the communities remained informed about the Project and labor and procurement opportunities, and helped the communities surrounding the project to deal with the struggles faced due to COVID-19. There were no significant adverse impacts foreseen on the health, safety and security of the community.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Continue implementation of grievance management system which is accessible to the community and stakeholders. Due to COVID 19, no in-person grievances were accepted after March 2020; however, they were accepted by phone, by post, by email or via website.

Outputs during the reporting period

2 grievances were received and resolved during the reporting period. See grievances in the section below.

Key environmental, social and gender issues, risks and impacts addressed during implementation

The activities ensured the possibility to raise grievances related to the Project. There were no significant adverse impacts foreseen on the health, safety and security of the community.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Implement communications plan. During 2020, three meetings were held, as seen in the Attachment 3. Fourth ES construction report (page 5). One of them was a visit of the Chilean Minister of Energy, Mr Juan Carlos Jobet and the Regional Mayor of the Tarapacá Region, Mr Miguel Angel Quezada to the project site. In addition, a presentation of the construction progress, ESG achievements to date and community investment plan to the Pica community was held on January 13, 2020, and on February 27 the same presentation was made for the Pozo Almonte community as seen in Attachment 3. Fourth ES construction report. After March 2020, no more in-person meetings were held so as to avoid propagation of COVID-19.

Outputs during the reporting period

Three in person events

Key environmental, social and gender issues, risks and impacts addressed during implementation

The activities ensured the communities remained informed about the Project and labor and procurement opportunities. There were no significant adverse impacts foreseen on the health, safety and security of the community.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Develop and deliver to the Administrative Agent an Environmental and Social Monitoring Report

Outputs during the reporting period

The Monitoring Report was planned to be delivered a month ahead of the COD, which is expected in January/February 2021.

Key environmental, social and gender issues, risks and impacts addressed during implementation

Monitoring of the status of the key Environmental and Social Risks and Impacts.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Programme of environmental inspections during construction phase by third party

Outputs during the reporting period

Regular Health & Safety Inspection reports. Monthly reports provided

Key environmental, social and gender issues, risks and impacts addressed during implementation

Waste management, water consumption (industrial water and drinking water), hazardous material management, and waste segregation

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Work with colleges to provide training and development opportunities

Outputs during the reporting period

EPC contractor initiated work with colleges to provide a number of professional development placements on the project which will enable students to gain practical experience and development.

Key environmental, social and gender issues, risks and impacts addressed during implementation

The activities will allow area students to gain practical experience and development. There were no significant adverse impacts foreseen on students of the community.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Ad hoc environmental inspections and audits during construction phase by Sonnedix

Outputs during the reporting period

Audit conducted by DNV on 10- 11th December 2020.

Key environmental, social and gender issues, risks and impacts addressed during implementation

Waste management, water consumption (industrial water and drinking water), hazardous material management, and waste segregation

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Provide a waste control trainee to prevent uncontrolled waste and animal infestation. Waste training included as part of induction to all new workers and specific training provided on waste management. EPC contractor's environmental manager responsible for waste management with the waste classification team established.

Outputs during the reporting period

Appointment of individual and inspection reports

Key environmental, social and gender issues, risks and impacts addressed during implementation

Waste management, hazardous material management, and waste segregation

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Manage dust emissions during construction phase to minimize impact on the community and surroundings. Dust management procedure developed. Regular dust suppression measures (eg road humidification) implemented as reported in monthly reports by Revery.

Outputs during the reporting period

No dust related grievances received during the reporting period.

Key environmental, social and gender issues, risks and impacts addressed during implementation

The Atacama Solar project is being constructed in a desert region and has few environmental impacts due to the low biodiversity of the ecosystem. Nevertheless, all the appropriate measures have been taken to minimize impact in the environment and communities.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

The Environmental and Social Management Plan (ESMP) was implemented in this reporting period with some delays, due to COVID-19. The following activities were completed: develop a corrective action plan to correct any identified non-compliance or deficiencies and improve in the future; develop and deliver to the Administrative Agent an Environmental, Social, Health and Safety Action Plan covering the construction phase; and a third-party was appointed to undertake monthly health & safety inspections of the project during the construction phase.

Outputs during the reporting period

All workers received a broad Environmental Health and Safety Action Plan orientation, as seen in Attachment 59. Evidences of Dissemination of MEGN policies. Additionally, three women received the following HSE trainings: Fire extinguisher handling course, first aid course, electric risks course, dangerous substances course, labour risks with focus on gender course, risk prevention guidance course and musculoskeletal disorders of the superior extremities at work course, seen in Attachment 58. Women Training evidences. This resulted in a reporting period with zero incidents and zero accidents.

Key environmental, social and gender issues, risks and impacts addressed during implementation

Identified risks included risks to workers included those related to working under desert/high solar radiation conditions, work at heights, work with live power lines and equipment, fire, exposure to chemicals, and exposure to electromagnetic fields, etc.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Environmental and Social Management Plan training with the operational personnel

Outputs during the reporting period

Awareness-raising measures were implemented on-site about protected species of flora and fauna, including provisions in the staff training and laminated information sheets available in the main offices with information on species in the area and guidance on their identification.

Key environmental, social and gender issues, risks and impacts addressed during implementation

None

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Implementation of the Waste and Hazardous Waste Management Plan.

Outputs during the reporting period

This item is reported in in every quarterly and weekly report (attached to Attachment 1. Seventh ES construction report). There was regular reporting of the monitoring of industrial water consumption, hazardous and non-hazardous waste generated, fuel, archaeological findings, among others. There was no contingency or accident with the monitored waste.

Key environmental, social and gender issues, risks and impacts addressed during implementation

Waste management was identified as a risk with high impact levels.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

The Environmental Monitoring Plan was implemented as part of the ESMP.

Outputs during the reporting period

There were weekly reports on inspections and the status of the environmental permits (see Revery reports attached to Attachment 1. Seventh ES construction report) indicating the status of each of the permits and responsible party. 100% of the required environmental permits were approved during the construction phase. Also, 92% of the electrical substation and high voltage line permits were approved, while 8% are still pending approval (the sanitary resolution is pending), as seen in Attachment 1. Seventh ES construction report, page 342. Regarding the RCA (Environmental Qualification Resolution), 100% of the RCA measures comply.

Key environmental, social and gender issues, risks and impacts addressed during implementation

None

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Community Involvement Plan and Complaints Management Mechanism. A community engagement strategy was executed (Attachment 20. Engagement Strategy). One component of the strategy is a grievance mechanism for workers and stakeholders to express their concerns during the construction and operation phases. Another component of the strategy was in-person stakeholder meetings, but these were paused from March 2020 due to COVID-19 and the subsequent preventive measures in place in the region. In general, the biggest challenge in implementing the ESMP was the COVID-19 Pandemic, which delayed the stakeholder engagement plan. This was addressed by rescheduling engagement efforts to 2021.

Outputs during the reporting period

This grievance mechanism was checked constantly through a grievance tracker (Attachment 25. Grievance tracker).

Key environmental, social and gender issues, risks and impacts addressed during implementation

The activities ensured the possibility to raise grievances related to the Project. There were no significant adverse impacts foreseen on the health, safety and security of the community.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

Activities implemented during the reporting period, including monitoring

Despite the delays generated by the COVID-19 pandemic, the different action plans such as the Emergency Preparedness and Early Response Plan (EPERP), Traffic Management and Access Plan (TMAP), Waste and Hazardous Waste Management Plan (WHWMP), ESMP and Environmental Monitoring Plan (EMP) and Community Involvement Plan (CIP) and Complaints Management Mechanism (CMM) have continued to be executed as programmed.

Outputs during the reporting period

During 2020, the executing entity developed biosecurity protocols to detect positive COVID cases and prevent new infections to enable continued development of the programmed activities and action plans.

Key environmental, social and gender issues, risks and impacts addressed during implementation

The key environmental, social and gender issues, risks and impacts identified by the Emergency Preparedness and Early Response Plan (EPERP), Traffic Management and Access Plan (TMAP), Waste and Hazardous Waste Management Plan (WHWMP), ESMP and Environmental Monitoring Plan (EMP) and Community Involvement Plan (CIP) and Complaints Management Mechanism (CMM) continued to be addressed during implementation.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

None

4.1.4 Provide information on how the GCF Independent Redress Mechanism, as well as the AE's GRM (e.g. contact details, accessibility, and basic procedures of such mechanisms), is brought to the attention of executing entities, people, and beneficiaries in the project target area and the public in accordance with the relevant ESMS/ESIA.

In accordance with CAF policies, the executing entity is required to establish and operate a grievance mechanism at the Project-level. All stakeholders and general public in the Project target area have been informed about the project level grievance mechanism, its access channels and procedures, during quarterly community meetings that have been held since mid-2019. Exceptionally, these in-person meetings were suspended since March 2020 due to COVID-19 preventive measures. The Project grievance mechanism may be accessed in-person, or by phone, post, email or via the website . Exceptionally, grievances were not accepted in person after March 2020 due to COVID-19 preventive measures. When a grievance is received, it enters the grievance tracker, is categorized, and initiates a cycle of resolution that includes planning the path to resolution, taking actions, logging stakeholder response, and then closing or escalating the grievance, as appropriate. During 2020, the grievance mechanism operated satisfactorily, fielding two grievances that were attended following the established procedures and closed, one the same year and the other on 31 January 2021.

With respect to bringing grievances to the attention of the GCF, the integration of the project-level grievance mechanism directly with the redress mechanism of CAF and that of GCF is a goal on the medium term. The means and procedures to achieve this communication among redress mechanisms is to be discussed and defined between CAF and the GCF.

Furthermore, CAF currently is working on the design and implementation of an additional complaints management mechanism, which will be applicable to all operations financed by CAF, regardless the origin of the funds (own financing or other funds). This mechanism aims to address the concerns of relevant stakeholders about environmental and social issues and is expected to come into operation at the end of April 2021.

4.1.5 Include a description of the actions undertaken towards increasing the relevant stakeholders' engagement in the project environmental, social and gender elements.

The information in this subsection should be provided for all projects regardless of the E&S risk category for the project.

Implementation of the stakeholder engagement plan

Activities implemented during the reporting period

The communications plan was implemented during the current reporting period, as seen in Output 3. During 2020, only three in-person meetings were held due to COVID-19, as seen in the Attachment 3. Fourth ES construction report (page 5). One of them was a visit of the Chilean Minister of Energy, Mr Juan Carlos Jobet and the Regional Mayor of the Tarapacá Region, Mr Miguel Angel Quezada, to the project site. In addition, a presentation of the construction progress, ESG achievements to date and community investment plan to the Pica community was held on January 13, 2020, and on February 27 the same presentation was made for the Pozo Almonte community as seen in Attachment 3. Fourth ES construction report. After March 2020, no more in-person meetings were held so as to avoid propagation of COVID-19. Still, different events and calls were published through Sonnedix's webpage:

-Visit of minister: see <https://www.sonnex.com/news/sonnedix-atacama-solar-one-of-chiles-largest-solar-plants-under-construction-was-visited-by-juan-carlos-jobet-chilean-energy-minister>

-The announcement of the Community Investment Framework was published in networks, press, radio and on the website. (June- September 30)
See: <https://www.sonnex.com/cl/atacamasolar>

-PPA Collahuasi <https://www.sonnex.com/news/sonnedix-and-collahuasi-sign-a-100-renewable-ppa>

Additionally, several online meetings were held with the municipal representatives to coordinate different activities to help the communities near the Project to deal with the struggles faced due to Covid-19. (Refer to Gestion Social con la Comunidad Covid-19 report 1 and 2 included in Appendix B from the Attachment 62. Fifth Construction Report; refer to figures 3, 6 and 7).

Dates and venues of engagement activities

January 13, 2020: visit of the Chilean Minister of Energy, Mr Juan Carlos Jobet and the Regional Mayor of the Tarapacá Region, Mr Miguel Angel Quezada was made to the project site.

January 13, 2020: a presentation of the construction progress, ESG achievements to date and community investment plan to the Pica community.

February 27, 2020: presentation of the construction progress, ESG achievements to date and community investment plan was made for the Pozo Almonte community.

After March 2020, no more in-person meetings were held so as to avoid propagation of COVID-19.

Information shared with stakeholders

Construction progress and ESG achievements to date

Outputs including issues addressed during the reporting period

Two in-person meetings with local communities were held to disseminate the construction progress, ESG achievements a investment plan. The project was presented to the municipal and regional authorities through formal meetings.

Activities implemented during the reporting period

Certified training in Installation and maintenance of solar PV Systems was held in November to train local community members in solar photovoltaic energy and to increase their job prospects once the construction phase is over. The course was held face to face in Pica, following strict COVID-19 prevention procedures to ensure attendees were always safe. It lasted 2 days in which the 20 attendees received 16 hours of training to acquire knowledge in basic electricity, elements of a solar PV system, etc.

Dates and venues of engagement activities

November 19 and 20, 2020: A 16-hour course was given to the 20 selected local people, since pandemic conditions had improved enough to continue safely with a streamlined version of the in-person course.

Information shared with stakeholders

The course imparted knowledge of basic electricity, elements and equipment of photovoltaic systems, basic system designs, instrumentation, operation, and commissioning of low power photovoltaic plants. Likewise, it provided the necessary knowledge of risk prevention in installation, operation and maintenance of photovoltaic plants.

Outputs including issues addressed during the reporting period

The course culminated with the award of a certificate and diploma NCh 2728: 2015 [Reg. INN A - 8968] after evaluation of the final exam. Seventeen local workers obtained the certification of the photovoltaic course, while three of them failed due to nonattendance.

Activities implemented during the reporting period

The objective of the Sonnedix Atacama Solar Community Investment Framework (CIF hereon) is to set out an initial five-year framework for community investment during the Sonnedix Atacama Solar project operational phase with the aim of improving social, economic and environmental well-being of the communities located in the proximity of the project. Following the initial five-year period, the effectiveness of the Plan will be reviewed, and any amendments to be made will be done before rolling-out the subsequent 5 to 10-year programs. The initiative had an excellent reception from the communities, which submitted 18 applications aligned with Sonnedix' three community investment pillars: educating the problem solvers of tomorrow, improving the communities through solar and preserving the local environment. The Sonnedix local team conducted an initial screening of the proposals, pre-selecting the projects that scored higher in the following criteria: Environment, social and governance impact; project targeting vulnerable groups, indigenous peoples and/or women, quality of the proposal. In a second stage, the pre-selected projects were analysed by the steering committee in a similar fashion. Shortlisted projects will be presented to the community in February 2021, after which a documentation check process will start to ensure the projects meet all the application requirements.

Dates and venues of engagement activities

The Sonnedix Atacama Solar Community Investment Framework (CIF hereon) first call for proposals closed on 30th September 2020.

Information shared with stakeholders

Community investment plan overview and information for participation.

Outputs including issues addressed during the reporting period

Eighteen (18) applications received aligned with Sonnedix' three community investment pillars: educating the problem solvers of tomorrow, improving the communities through solar and preserving the local environment that underwent an initial screening.

4.1.6 Implementation of the grievance redress mechanism - list on the grievances received in the reporting period with the description of the grievance, the date the grievance was received, and the resolution of the grievance.

Description of issues/complaints received during the reporting period

An anonymous grievance was received on 11 June 2020 through the grievance mailbox inform@sonnedix.com. The grievant described several issues mainly related to the workers' wellbeing and working conditions that, according to the grievant, were taking place onsite.

Date of receipt

2020-06-11

Description of resolution

Following the Sonnedix Grievance Policy, the ESG department started a comprehensive internal/external investigation, which included requesting a series of documentation from the EPC contractor that was then reviewed. Atacama Solar S.A. did not identify any evidence or indications that the issues claimed should be a cause of concern. As a further measure, as part of the routine, once per semester audit of HSE and ESG compliance carried out on behalf of Sonnedix by DNV, an independent third party during the construction phase, some of the audit questions were tailored to address some of the issues claimed by the grievant. None of the audit findings confirmed the concerns or allegations raised by the grievant (see Attachment 1. Seventh ES construction report, page 10).

Status of addressing issues/complaints

Grievance closed

Description of issues/complaints received during the reporting period

In March 2020, community members blocked access to the site protesting due to their concerns for the protection of the health of their community relating to COVID-19. This affected construction operations due to obstruction of pathways for construction materials and personnel.

Date of receipt

2020-03-16

Description of resolution

Metka and Sonnedix agreed to fund three health check points at the entrance of Pica and Matilla for three months, including personnel, containers, portable toilets and thermometers, at a cost of around 20,000 USD. (see Attachment 25. Grievance tracker showing the grievances until 12/2020).

Status of addressing issues/complaints

Grievance closed

4.2 Gender Action Plan

The Gender Action Plan submitted with the Funding Proposal in 2016 was a tentative proposal that, as reported in the previous reporting period, was updated by the Executing Entity to reflect the real project context and conditions (See in Attachment 28. Gender action plan with sex-disaggregated targets, including baseline data and indicators for the implementation of the activities, and the budget for each action). The overarching objectives of the Project's Gender Action Plan are to improve the working and educational opportunities of women, particularly indigenous and national migrant women, through the inclusion of these groups in the energy sector, as well as the benefits and environmental information and strategies of resilience to face climate change. The Gender Action Plan was implemented during the reporting period along its three pillars of action, which are aligned with the Project Outputs 3, 4 and 5.

First, in the Output 3, Stakeholder Engagement, during the reporting period a variety of actions were carried out, namely a meeting with representatives of Pica's Women's House to prepare agreements on the forms of cooperation and dissemination of coordinated actions; the executing entity guaranteed the participation of women in meetings with relevant actors; project reports and communication material incorporated information on employment levels, disaggregated by gender; further breakdown of reporting was developed to incorporate voluntary data on ethnicity, racial background, and/or migratory condition in the future; ongoing monitoring took place and no gender specific grievances or otherwise confirmed cases of gender and/or intersectional discrimination or sexual harassment occurred; and social networks were targeted to show the work of women participating in the project, reaching audiences with a gender-sensitive message through real life stories. These actions contributed to the results of improving the information, stimulation, and environmental education of children and youth, particularly girls and women, regarding the consequences of climate change and renewable energies. The activities also contributed to the results of reducing gender gaps regarding job positions, income levels, access to benefits and labor conditions, within the electric energy sector of Chile. Therefore, the project is on-track to achieving the intended outcomes. In terms of implementation challenges, several of the planned activities involving in-person actions, such as meetings and workshops, were delayed as a result of COVID-19 and will continue in the next reporting period. Sonnedix received feedback in August 2020 that meeting minutes should contain details of issues raised at the meetings, disaggregated by gender. This was a challenge to apply, because when this feedback was received, the pandemic had already started and no more in-person meetings were being held, so it was not possible to incorporate this improvement in meeting reports during the year. Planning and preparation activities will continue so that the actions may be carried out when feasible.

Next, in the Output 4, Improve women's participation in the project through Gender Mainstreaming Plan, the planned actions also were undertaken during the monitoring period. These actions included the approval and dissemination of the non-discrimination Policy of the contractor Metka EGN; ongoing monitoring that found that no complaints of sexual harassment were filed; the women's champion hosted various workshops addressing gender equality including meetings at women's house, gender equality recycling workshop and a workshop on the role of women at work, as well as social activities among women participating in the project. Further actions fostered the participation of women in employment and procurement opportunities; namely, Sonnedix operated to achieve its target of women constituting at least 40% of new hires at the corporate level internationally; women were sought to work on the Project; the list of women-owned local enterprises interested in participating in procurement for the Project was maintained and the EPC Contractor's local costs were oriented towards local women's business and entrepreneurship during construction; certified training in technologically relevant areas was carried out in November; and internal training on HSE was provided. Broadly, the results were improving knowledge of women on the installation, maintenance, and operation of photovoltaic plants, improving the business opportunities for local female entrepreneurs, through the acquisition of goods and services during the plant construction, and improving the income of 20 local women through their incorporation in the staff of the subcontracting companies. Specifically, three women finalised internal HSE trainings, three women completed the technological course on photovoltaic plants, and over 60% of local procurement spending was oriented toward local women-owned enterprises. Also, an average of 9.9% of the project workers were women during the year, and as of December 2020, 14% of the workers on site were women (7 female / 49 total workers on site). The Project is on-track to achieving the intended outcomes in this area. Some implementation challenges were experienced. Specific efforts were made to identify enterprises owned by women; however, a limited number of suitable businesses were identified, as many women-owned businesses were found to be ad hoc in nature and not possessing official business registration. Still, over 60% of procurement spending was in women-owned enterprises. The implementation challenges of achieving high participation of women in the workforce of this project include the national context, in which women's participation in employment in the electricity, gas, steam, and air conditioning sector in Chile is relatively low compared to other economic sectors, with the employment rate for women in this sector only 1.6%. Furthermore, in the main communities near to the Atacama Solar project of Pozo Almonte and Pica, there are very few women. The regional female percentage in Pozo Almonte is 42.8%, and for Pica 29.5%, both lower than the national average of 50.7%. Also, several of the planned activities involving in-person trainings were delayed as a result of COVID-19 and will be continued in the next reporting period.

Finally, actions also were undertaken toward the components of the Gender Action Plan related to Output 5, Develop and Implement a Local Capacity Building Approach. Specifically, the EPC contractor approached local administrative institutions to identify educational institutions. Four institutions were identified and analysed. Due to COVID-19, the planned visits to the photovoltaic plant by students, noting gender disaggregation, were paused. The EPC contractor identified higher educational institutions for internship/scholarships and made a list of 33 eligible careers for internships in four higher education institutions, from which at least 1 scholarship/internship for female university students in the region per year, until 2030, would be selected. Due to COVID-19, this activity was paused until the preventive measures end. In this case, while the Project is on track to achieving the intended outcome, the progress is delayed. The implementation challenge was that several of the planned activities involving coordination with educational institutions were delayed as a result of COVID-19 restrictions. Planning and preparation activities will continue so that the actions may be carried out when feasible.

Provide a progress report on the gender action plan developed during project preparation stage for the reporting period. This will primarily be a report on activities undertaken and results achieved as a result of completion of an activity. Further it should also indicate if the project is on track to achieving the intended outcome(s). The reporting should be done for activities, targets and indicators already set in the action plan including on vulnerable groups (youth, poor, female heads of households, etc.) as would have been identified in the gender analysis and action plan. If activities or targets are not achieved as per plan, reasons should be provided, and recourse action should be proposed. Please include a reporting on any changes or deviations. Include a Report on implementation challenges and lessons learnt and how these will inform on-going actions and what

action will be taken by when to address the challenges faced. Incorporate both quantitative data and qualitative report of the performance of such actions, and on progress on actions identified.

4.2.1 Progress on implementing the project-level gender action plan submitted with the funding proposal

Activity / Action
 3.1.1 Liaise with Pica's Women's House to identify opportunities for cooperation

Indicator
 Meeting with representatives of Pica's Women's House to prepare agreements on the forms of cooperation and dissemination of coordinated actions

Baseline 0 **Target, including sex-disaggregation** 2

Budget 100 **Currency** USD

Report on annual progress
 Meeting held on 31/01/2020 to identify cooperation opportunities. (Evidence: Revery reports attached to Attachment 1. Seventh ES construction report) Activity completed.

Activity / Action
 3.1.2 Stakeholders' meetings with a gender approach

Indicator
 Number of meetings with stakeholders.

Baseline 0 **Target, including sex-disaggregation** Guarantee women's participation in meetings with relevant actors.

Budget 10 000 **Currency** USD

Report on annual progress
 Photographic record showing women participating in the meetings in the quarterly reports and attendance lists attached to ES construction reports. (Ex. p. 33- Attachment 3. Fourth ES construction report Eg. Date of Pozo Almonte Community Meeting February 27, 2020) Activity completed.

Activity / Action
 3.3 Develop and implement a gender-sensitive communications plan

Indicator
 Communications Plan document.

Baseline 0 **Target, including sex-disaggregation**
 Target 1: Integrate information on employment levels- disaggregated by gender- in the project's reports, and communication material.
 Target 2: Incorporate voluntary data collection mechanisms on ethnicity and racial background, belonging to indigenous communities and/or migratory condition.

Budget	Currency
300	USD
Report on annual progress	
Communications plan approved and under implementation during operational phase. See Attachment 21. On track to achieving the intended outcome.	

Activity / Action	
3.3.2 Report to the lenders on any gender discrimination or sexual harassment situations	
Indicator	
Grievance mechanism tracker with gender complains / Regular reports.	
Baseline	Target, including sex-disaggregation
0	Notify lenders on any gender specific grievances or otherwise confirmed cases of gender and/or intersectional discrimination or sexual harassment.
Budget	Currency
300	USD
Report on annual progress	
No gender grievances during the reporting period.	

Activity / Action	
3.3.3 Marketing/media on the project to promote women’s participation	
Indicator	
Audiovisual docs shared in social media, regular reports	
Baseline	Target, including sex-disaggregation
0	Target 1: At least 5 appearances in social networks showing the work of women participating in the project. Target 2: Reach audiences with a gender-sensitive message through real life stories.
Budget	Currency
1 000	USD
Report on annual progress	
The Atacama Video was published in different social media, encouraging women’s presence in the project. See video from January 2020 in: https://www.linkedin.com/feed/update/urn:li:activity:6637665448882241536/ Activity completed.	

Activity / Action	
4.1.1 Implement SONNEDIX’s Sustainability Strategy – gender related commitments	
Indicator	
Official reports with percentage of women employees.	

Baseline	Target, including sex-disaggregation
0	40% of females in new hires at the corporate level internationally by 2024
Budget	Currency
2 000	USD
Report on annual progress	
Women constituted 40% of new hires at the corporate level internationally in 2020; this achievement was communicated internally. It will be disclosed externally in Sonnedix's first sustainability report. Activity completed.	

Activity / Action

4.1.2 Develop and implement a Project-specific non-discrimination and sexual harassment policy

Indicator

Non-discrimination policy document and grievance mechanism. Results memos systematized by the reporting system.

Baseline	Target, including sex-disaggregation
0	Target 1: Non-discrimination Policy approved and announced. Target 2 (qualitative): Filed complaints on gender discrimination, including issues related with gender diversity, people with disabilities, nationality, and ethnic origin (intersectional perspective).
Budget	Currency
500	USD
Report on annual progress	
Non-discrimination policy developed and communicated during the construction phase (Attachment 26). See project activity 4.1 of output 4. No gender complaints in the reporting period. Activity completed.	

Activity / Action

4.1.3 Inform the creditors of any filed complaints regarding gender discrimination or sexual harassment.

Indicator

Number of complaints in virtual reports with the creditors.

Baseline	Target, including sex-disaggregation
0	Target (qualitative): Filed complaints of sexual harassment.
Budget	Currency
100	USD
Report on annual progress	
A grievance mechanism was created before the construction phase to track all the complaints from workers, including gender complaints. See project activity 3.7 from output 3. No complaints of this nature during the reporting period. Activity completed.	

Activity / Action

4.2.1 Appoint women's champion on the Project

Indicator	
Report of selected woman	
Baseline	Target, including sex-disaggregation
0	Women's champion appointed
Budget	Currency
1 500	USD
Report on annual progress	
Women's champion appointed at the beginning of the construction phase. See project activity 4.2 from output 4. Activity completed.	

Activity / Action	
4.2.2 Implement workshops on gender equality with the Women's Champion	
Indicator	
Itinerary of Gender equality Workshops	
Baseline	Target, including sex-disaggregation
0	At least one workshop addressing gender equality.
Budget	Currency
400	USD
Report on annual progress	
Different workshops were made to implement this action such as meetings at women's house, gender equality recycling workshop and role of women at work workshop. Workshops seen in Attachment 57. Women workshops until June 2020. Activity completed.	

Activity / Action	
4.2.3 Organize social activities for women working in the Project	
Indicator	
Social activities registered in reports	
Baseline	Target, including sex-disaggregation
0	At least one social activity among women participating in the project.
Budget	Currency
1 200	USD
Report on annual progress	
Several social activities were organised. Activities described in Attachment 57. Women workshops until June 2020. Activity completed.	

Activity / Action

4.3 Prepare a list of women-owned enterprises

Indicator
List compiled

Baseline
0

Target, including sex-disaggregation
List of business and contractors

Budget
1 200

Currency
USD

Report on annual progress
Through different communications service requirements were delivered to the local municipalities to obtain response from the local enterprises prior to the construction phase, as seen Attachment 50, Attachment 51, Attachment 52, Attachment 53. A list was compiled and available for update and expansion, noting women-owned enterprises. The logging of women-owned enterprises also will be implemented during the operational phase. On track to achieving the intended outcome.

Activity / Action
4.3.1 Identify women-owned local enterprises interested in participating in the Project

Indicator
% of women owned enterprises

Baseline
0

Target, including sex-disaggregation
Target 1: At least 40% of EPC Contractor's local costs oriented towards local women's business and entrepreneurship during construction.
Target 2: Prioritize provision of goods and services by women owned companies during the operational stage.

Budget
200

Currency
USD

Report on annual progress
Over 60% of EPC contractor's local costs were oriented toward local women's enterprises (USD 384,398). See Attachment 33. Metka expenses 2020.xlsx. Activity completed.

Activity / Action
4.4.1 Recruit and train local women in technological areas relevant to the project.

Indicator
Number of women

Baseline
0

Target, including sex-disaggregation
Target 1: Certified training in technologically relevant areas for at least 5 women.
Target 2: Internal training in technological skills for 15 women during the construction and operational stages.

Budget
3 000

Currency
USD

Report on annual progress

Six (6) women were selected to start HSE local labour training course.
 Due to COVID-19 restrictions, the certified training was postponed until November 2020 due to COVID. Three (3) local women were trained. See Attachment 58.
 On track to achieving the intended outcome.

Activity / Action

4.4.2 Include women trained in relevant technological areas, in contractors' staff.

Indicator

% of hired by the contracting companies

Baseline

0

Target, including sex-disaggregation

Contracting companies' staff include up to 15% women.

Budget

117 500

Currency

USD

Report on annual progress

On average 9.9% of the project workers were women in 2020. In December, the proportion was 14%. On track to achieving the intended outcome.

Activity / Action

4.4.3 Include women in the photovoltaic plant's contracting companies' staff.

Indicator

% of hired women

Baseline

0

Target, including sex-disaggregation

Up to 30% of women hired as the plant's staff.

Budget

27 600

Currency

USD

Report on annual progress

Project will seek to include women as workers during the operational stage. On track to achieving the intended outcome.

Activity / Action

5.2.1 Work with colleges/universities to provide training and development opportunities.

Indicator

List of students, disaggregated by gender.

Baseline	Target, including sex-disaggregation
0	Program of visits to schools and colleges agreed and implemented. Program of visits to the photovoltaic plant designed and implemented
Budget	Currency
2 000	USD
Report on annual progress	
The EPC contractor approached local administrative institutions to identify educational institutions. Four institutions were identified and analysed. Due to COVID-19, the planned visits to the photovoltaic plant were paused. On track to achieving the intended outcome (progress delayed).	

Activity / Action	
5.2.2 Promote an internship / scholarship program in the Atacama Solar Project aimed to local female students in the scientific-technological area of a university in the Tarapacá Region to be financed jointly with public organizations (SERNAM EG-Tarapacá; PRODEMU; CONICYT)	
Indicator	
List of annual applications for a call for scholarships; meeting minutes with public organizations with agreements and commitments.	
Baseline	Target, including sex-disaggregation
0	Target 1: At least 1 scholarship/internship for female university students in the region per year, until 2030. Target 2: Agreement(s) with local organizations to co-sponsor and co-finance the scholarship/internship
Budget	Currency
1 400	USD
Report on annual progress	
The EPC contractor made a list of 33 eligible careers for internships in 4 higher education institutions. However, due to COVID-19 this activity was paused until preventive measures are lifted. On track to achieving the intended outcome (progress delayed).	

4.3 Planned activities on environmental and social safeguards for the next reporting period

During the operational phase, the project will continue implementing the stakeholder engagement plan, grievance management system, communications plan, and will develop and deliver to the Administrative Agent an Environmental and Social Monitoring Report. The planned activities of the project's Environmental and Social Action Plan (Annex E of the Credit Agreement) include quarterly updates on the implementation, including the specific management plans, where applicable. Based on the last quarterly report of 2020, the following activities will continue during the following reporting period, as described below.

- Activity: Implement phase 5 of Stakeholder Engagement Plan Engagement meetings in Pica and Pozo Almonte to update local communities on the construction progress, environmental and social achievements to date and community investment plan that is developed for the operational phase of the project. Status: Ongoing with reduced frequency during operational phase.
- Activity: Develop and implement grievance management system. Status: Ongoing / evolving over life of project.
- Activity: Develop communications plan. Status: Ongoing / evolving over life of project.
- Activity: Develop communications plan Status: The 5th semester E&S monitoring report is due on 31st March 2021, the last for the construction phase.
- Activity: Develop and deliver an Environmental and Social Construction Report. Status: The seventh and last construction report is due on 1st February 2021.
- Activity: Programme of H&S Inspections during construction phase by third party. Status: Ongoing during construction phase. To be closed in January/February 2021 at the end of the construction stage.
- Activity: Ad hoc H&S inspections and audits during construction phase by Sonnedix. Status: To be closed in January-February 2021 at the end of the construction stage.
- Activity: Identify women-owned enterprises. Status: Continues during the operational phase. Coincides with Activity 4.3 of the Gender Action Plan.
- Activity: Work with higher educational institutions to provide training and development opportunities. Three (3) agreements during construction period. Status: Currently on hold due to COVID-19 concerns. There have been no changes in this reporting period as lessons at local schools and universities have not resumed. This activity will continue during the operational phase.
- Activity: Generate quarterly summary of vacancy announcements and successful local recruiting. Status: Ongoing requirement to periodically update during construction phase. The seventh and last construction report is due on 1st February 2021.
- Activity: Programme of environmental inspections during construction phase by third party. Status: To be closed in January-February 2021 at the end of the construction stage. Revery undertook environmental inspections on behalf of Sonnedix.
- Activity: Provide a waste control trainee to prevent uncontrolled waste and animal infestation; included as part of induction to all new workers and specific training provided on waste management. Status: Ongoing during operational phase.
- Activity: Manage dust emissions during construction phase to minimise impact on the community and surroundings. Status: Ongoing during operational phase.
- Activity: Mandatory induction for all workers in chance find procedure. Status: Ongoing during operational phase.
- Activity: Develop the Environmental and Social Management Plan (Operational Phase). Status: Finalise prior to plant operational phase.
- Activity: Develop and deliver to the Administrative Agent the Health and Safety Plan (Operational Phase). Status: Finalise prior to plant operational phase. COD expected in January-February 2021. Plan to be delivered a month before COD.
- Activity: Develop and deliver an Environmental and Social Monitoring Report to the Administrative Agent. Status: The 5th semester E&S monitoring report is due on 31st March 2021. This is likely to be the last semester monitoring report of the construction phase since COD is expected in January/February 2021.

In terms of deliverables for the monitoring of ESS, the following are expected during the next reporting period:

- Quarterly E&S construction reports by Sonnedix (final report of construction phase)
- Quarterly E&S monitoring reports by Sonnedix (final report of construction phase)
- Environmental and Social Management Plan (Operational Phase)
- Occupational Health and Safety Plan (Operational Phase)
- Report of environmental inspections during construction phase by third party (Until COD: January/February 2021).
- Ad hoc H&S inspections and audits during construction phase by Sonnedix until the end of the construction phase (January/February 2021).

Provide a list of activities in the ESMP to be implemented in the next reporting period. Include relevant deliverables such as reports or action plans, and other project specific products. Please include the monitoring schedule concerning ESS (including other potential vulnerable groups and indigenous people) for the next annual reporting period.

4.4 Planned activities on gender elements for the next reporting period

Taking into account the Gender Action Plan, there are a variety of activities to be implemented in the next reporting period, described below.

- Action: 3.1.1 Liaise with Pica's Women's House to identify opportunities for cooperation

Progress: One meeting expected in the next reporting period.

Deliverables and Monitoring Schedule: Minutes of the meetings.

- Action: 3.1.2 Stakeholders' meetings with a gender approach

Progress: Women have participated in stakeholder meetings during the reporting period.

Deliverables and Monitoring Schedule: Photographic evidence or attendance lists.

- Action: 3.3 Develop and implement a gender-sensitive communications plan

Progress: Communications plan will continue in 2021.

Deliverables and Monitoring Schedule: Communications plan to be continued in the next reporting period.

- Action: 3.3.1 Regular reporting on gender employment

Progress: Quarterly construction reports have reported the % of hired women.

Deliverables and Monitoring Schedule: Final quarterly construction report informing the % of hired women in the next reporting period.

- Action: 3.3.2 Report to the lenders on any gender discrimination or sexual harassment situations

Progress: Grievance mechanism open for any complaint.

Deliverables and Monitoring Schedule: Regular reports of grievance mechanism outcomes in the next reporting period.

- Action: 4.1.1 Implement SONNEDIX's Sustainability Strategy – gender related commitments

Progress: Average of 9.9% of the project workers are women in the current reporting period.

Deliverables and Monitoring Schedule: Official SONNEDIX reports in 2021.

- Action: 4.1.2 Develop and implement a Project-specific non-discrimination and sexual harassment policy

Progress: Non-discrimination policy and Grievance mechanism developed. No complaints on gender issues.

Deliverables and Monitoring Schedule: Results memos systematized by the reporting system. Non-discrimination policy will continue application in 2021.

- Action: 4.1.3 Inform the creditors of any filed complaints regarding gender discrimination or sexual harassment.

Progress: Grievance mechanism created to track all the complaints from workers, including gender complaints.

Deliverables and Monitoring Schedule: Exceptional virtual reports for the creditors. Grievance mechanism will continue operation in 2021.

- Action: 4.2.2 Implement workshops on gender equality with the Women's Champion

Progress: Workshops developed until June 2020 due to COVID-19.

Deliverables and Monitoring Schedule: Workshops to be held in 2021.

- Action: 4.2.3 Organize social activities for women working in the project

Progress: Activities developed until June 2020 due to COVID-19.

Deliverables and Monitoring Schedule: Internal reports; Graphic reports.

- Action: 4.3.1 Identify women-owned local enterprises interested in participating in the Project

Progress: Women-owned enterprises identification.

Deliverables and Monitoring Schedule: Provision of goods and services by women's businesses will continue to be prioritized during operational phase.

- Action: 4.4.1 Recruit and train local women in technological areas relevant to the project.

Progress: Six women were chosen to start the local labour training course. Only 3 women were trained due to COVID-19.

Deliverables and Monitoring Schedule: Train the other 3 women in the next reporting period.

- Action: 4.4.2 Include women trained in relevant technological areas, in contractors' staff.

Progress: % of women hired.

Deliverables and Monitoring Schedule: List of people hired by the contracting companies, disaggregated by gender. Information summarized in quarterly reports. This activity will continue in the next reporting period.

- Action: 4.4.3 Include women in the photovoltaic plant's contracting companies' staff.

Progress: Seven women were employed in December 2020, representing 14% of the total workforce composed of 49 individuals.

Deliverables and Monitoring Schedule: Information summarized in quarterly reports. This activity will continue in the next reporting period.

- Action: 5.2.1 Work with colleges/universities to provide training and development opportunities.

Progress: Four institutions were identified to provide courses of around including theoretical and practical components.

Deliverables and Monitoring Schedule: During operational phase, list of students, disaggregated by gender.

- Action: 5.2.2 Promote an internship / scholarship program in the Atacama Solar Project aimed to local female students in the scientific-technological area of a university in the Tarapacá Region to be financed jointly with public organizations (SERNAM EG-Tarapacá; PRODEMU; CONICYT)

Progress: The ECP contractor has made a list of 33 eligible careers for internships in four higher education institutions.

Deliverables and Monitoring Schedule: During operational phase, list of annual applications for a call for scholarships; meeting minutes with public organizations with agreements and commitments.

Provide a list of activities in the gender action plan to be implemented in the next reporting period. Include relevant deliverables such as reports or action plans, and other project specific products including processes that will be involved to implement the activities effectively. Please include the monitoring schedule concerning gender activities for the next annual reporting period. Report on actions taken on any of the recommendations made by the secretariat (if applicable) to improve the level of integration of gender issues in the project.

Confirmation and Acknowledgement of Information *

* This is a required question to submit section 4 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 4 is complete and ready for submission.

Section 5: Annexes

Section 5: Annexes

Please note that this is section 5 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

Annex 1: Updated implementation timetable for the Funded Activity

[Annex 1. Timetable_updated.docx](#)

Submit only if there are any changes from implementation plan submitted in the FAA.

Annex 2: Accredited Entity compliance reports

[Annex 2. 2021_Mid-term Review_CAF.rar](#)

Self-assessment reports, Report on Actions pursuant to Clause 18.02, if applicable. Self-assessment reports: In accordance with the AMA requirement in Clause 13.01 of the Accreditation Master Agreement, with the Fiduciary Principles and Standards, ESS and Gender Policy. Report on Actions pursuant to Clause 18.02: Only applicable to International Accredited Entities. In accordance with the Monitoring and Accountability Framework, a report on its actions carried out or planned to be carried out pursuant to Clause 18.02 of the Accreditation Master Agreement.

Please provide comments on the annexes attached above if any.

Confirmation and Acknowledgement of Information *

* This is a required question to submit section 5 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 5 is complete and ready for submission.

Section 6: Attachments

Section 6: Attachments

Please note that this is section 6 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

Click on '+ Add row' to attach more than one document.

Attachment 01. Seventh ES construction report.pdf

Attachment 02. Third construction report.pdf

Attachment 03. Fourth ES construction report .pdf

Attachment 04. ENGINEERING AND CONSTRUCTION CONTRACT.pdf

Attachment 05. EQUIPMENT SUPPLY AGREEMENT.pdf

Attachment 06. OPERATION AND MAINTENANCE AGREEMENT.pdf

Attachment 07. MANAGEMENT SERVICE AGREEMENT.pdf

Attachment 08. NOTICE TO PROCEED_PLANT.pdf

Attachment 09. MONTHLY REPORT_7 December 2019_PV Plant.pdf

Attachment 10. MONTHLY REPORT_15 August 2020.pdf

Attachment 11. MONTHLY REPORT_18 DECEMBER 2020.pdf

Attachment 12. DEVELOPMENT CONTRAC -TRANSMISSION LINE.PDF

Attachment 13. M1_DEVELOPMENT CONTRAC -TRANSMISSION LINE.pdf

Attachment 14. M2_DEVELOPMENT CONTRAC -TRANSMISSION LINE.pdf

Attachment 15. TRANSMISSION SERVICE AND PAYMENT CONTRACT.PDF

Attachment 16. MONTHLY REPORT -DEC 2019 - T.LINE.pdf

Attachment 17. Map of relevant actors.pdf

Attachment 18. Socio-cumminity risk map.pdf

Attachment 19. Stakeholder register.xlsx

Attachment 20. Engagement strategy.pptx

Attachment 21. Communications plan.xlsx

Attachment 22. Groundbreaking ceremony evidence.pdf

Attachment 23. Summary of community meetings.docx

Attachment 24. Project grievance mechanism.pdf

Attachment 25. Grievance Tracker_2020.xlsx

Attachment 26. ESHS Organizational structure.pdf

Attachment 27. Non-discrimination Policy.pdf

Attachment 28. Gender Action Plan.docx

Attachment 29. Proposal of Women's Champion.docx

Attachment 30. Women´s Champion.pdf

[Attachment 31. Enterprises description - Pozo Almonte.xlsx](#)

[Attachment 32. Breakdown of all resumes received.xlsx](#)

[Attachment 33. Metka expenses 2020.xlsx](#)

[Attachment 34. Professional profiles registry.xlsx](#)

[Attachment 35. List of Women hired in 2020.xlsx](#)

[Attachment 36. Local Capacity Building Approach.docx](#)

[Attachment 37. PV Systems Assembly Training Plan.pdf](#)

[Attachment 38. Comparative Training.xlsx](#)

[Attachment 39. Local Labour Training Course.pdf](#)

[Attachment 40. METKA Relationship Plan.DOCX](#)

[Attachment 41. Engagement Civil Society.pdf](#)

[Attachment 42. Employment Opportunities_Iquique.msg](#)

[Attachment 43. Employment Opportunities_Pica.msg](#)

[Attachment 44. Employment Opportunities_Pozo Almonte.msg](#)

[Attachment 45. Engagement_Strategy_AtacamaSolar.pptx](#)

Attachment 46. Local Professional profiles registry.xlsx

Attachment 47. Communication successful local recruiting.pdf

Attachment 48. Hiring Staff Protocol.pdf

Attachment 49. Vacancies and Services.xlsx

Attachment 50. Services needs_Alto Hospicio.msg

Attachment 51. Services needs_Pica.msg

Attachment 52. Services needs_lquique.msg

Attachment 53. Services needs_Pozo Almonte.msg

Attachment 54. Services and Products Selection Protocol.pdf

Attachment 55. Sixth ES construction report.pdf

Attachment 56. Mail - Activity revision.msg

Attachment 57. Women workshops until June 2020.zip

Attachment 58. Women Training evidences.zip

Attachment 59. Evidences of Dissemination of MEGN policies.zip

Attachment 60. Female Contracts Atacama II.zip

Attachment 61. Enterprises description - Pozo Almonte.xlsx

Attachment 62. Fifth ES construction report_Sonnedix_v.2.pdf

Attachment 63. UPDATED SX Atacama Solar_Gender Action Plan.pdf

Attachment 64. FP017 2019 APR Assessment Form _ CAF FINAL.PDF

Attachment 65. GCF Account Statement_2020_Atacama_Solar-Independent_Auditors_Report.pdf

Attachment 66. Atacama_Audited_Financial_Statements_2020.pdf

Attachment 67. Incremental progress on implementation of Gender Activities.pdf

Submit the Unaudited/Audited financial statement and Interim/Final evaluation report (as required by FAA). Submit a supporting document for Section 2.4. (Update Progress on the Logic Framework Indicators), describing the calculation methodology for the current values provided.

This sub-section 2.4 is not applicable for REDD+ Results-Based Payments Projects.

Other Attachments (if any). Such as additional budget-related information, loan repayment schedules to GCF (interest/principal), equity investment schedules, other related reports relevant to the Funded Activity, statements of capital account, valuation reports, credit guarantee agreements, investor reports, and others, as specified in the relevant legal agreements (e.g. Funded Activity Agreement, Shareholders Agreement)

For the Annual Performance Report of REDD+ Results-Based Payments projects, provide 'Implementation Timetable/Milestones for the next reporting period' and 'Financial Progress Details' as an attachment in this section.

Comments from AE (if any)

Unaudited/Audited financial statements (as required by FAA). Not submitted. Unaudited financial statements will be sent in March 2021 and Audited financial statements will be available in April 2021.
Interim/Final evaluation report (as required by FAA) was submitted on March 5, 2021.

Confirmation and Acknowledgement of Information *

* This is a required question to submit section 6 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 6 is complete and ready for submission.

Additional Section: COVID-19 Impact

Additional Section: COVID-19 Impact

In this additional section of the Annual Performance Report (APR), please provide an update of COVID-19 impact on your project/programme. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

Please indicate if your project/programme is adversely impacted by the COVID-19 pandemic.

Yes

Please choose the severity of overall impact.

Facing delays

Description of levels of severity:

1. On-track with no or minor impact: No or minor impact on project implementation and corresponding annual activities.
2. Facing delays: Implementation progress faced delays in the timeline but did not require any substantial changes in the implementation plan.
3. A minor change(s) required: Changes that are not classified as Major changes but requires intervention from GCF.
4. A major change(s) required: As per paragraph 16 of the Policy on Restructuring and Cancellation - Board Decision B.22/14 paragraph (a). Please find the link to the policy document below.

[GCF Policy on Restructuring and Cancellation](#)

Please describe an overall impact on your project/programme by the COVID-19 pandemic (100-word limit).

The Atacama Solar Project had to face and mitigate the effects of COVID-19 during 2020. It impacted the workforce availability and the manufacture and transportation of components. The supplier companies temporarily ceased production due to the border closures and limitations on the transit of materials. As a result of a series of reinforcement and coordination measures, Atacama Solar completed the construction of the solar photovoltaic park at the end of the year. However, due to the nature of the transmission facility construction, there was a slight delay in the interconnection, which will be completed in January-February 2021.

Provide a short description of the adverse impact on your project/programme and provide references or supporting materials in the Annexes and Attachments sections as relevant.

Please describe details of challenges encountered and corrective/mitigation measures taken.

Select a type of the challenges encountered.

Supply Chain

Describe details of the challenge encountered.

The Covid 19 Pandemic affected the Construction phase, including Transmission Line construction delay. The construction of the 45.5 km transmission line that connects the Matilla substation in the project with the Lagunas substation, which represents the critical path of the project, was delayed due to COVID-19. It was affected mainly by the following factors:

- i. Bosch (Transelec contractor): From March 21 to April 22, the company reduced its plant activity to its minimal expression, which directly translated into a 48-day reported delay of their work schedule, as well as hardware supply problems.
- ii. Siemens equipment: Various Siemens production processes were affected by the pandemic, as confirmed by their communications.
- iii. Delays in Bosch suppliers: The supplier of the Bridge Crane (crane that includes two overhead runways built into the building's support structure) for the Gas Insulated Substation room had a delay of 3 weeks, causing a delay in the completion of the GIS room that directly impacted the critical path of the project execution.
- iv. Siemens, Commissioning resources: Due to the quarantine, the arrival of Siemens resources for commissioning was delayed by more than 14 days.
- iv. Deceleration of the responses of public institutions Due to the impact of COVID-19, in particular the Ministry of Public Works, decelerated the issuance of the permits to cross the main and secondary routes necessary for the construction of the transmission line.
- v. Only with the completion of these works could Siemens start commissioning tests, so the accumulated delay in the completion of the line directly impacted the tests.

Sample challenges for Supply Chain:

- Delays in procurement and importation of materials, and equipment due to halt in production or lack of raw material and supplies
- Logistic challenges leading to loss of business opportunities
- Need for extensions of tender submission dates

Describe details of the corrective/mitigation measures taken as much as you can.

Sonnedix took the necessary safeguards to take workers from one place to another with all the biosecurity measures. The project assumed higher costs of USD 1.6 million in the construction of transmission facilities for the implementation of an Acceleration Plan that mandated Transelec and Bosch to achieve the goal of connection to the system by January-February 2021; however, this cost increase will not impact the final cost of the project. Sonnedix, Transelec and Bosch contributed great human and economic effort to sustain the construction operation, organizing special flights and buses exclusively for staff, and a series of measures to give continuity to the processes. To manage the delay to Siemens Equipment, the project had to send the Matilla Substation Control and Protection Boards from Colombia to Chile without undertaking the final factory tests, to prevent them from being trapped indefinitely in the country of origin due to border closures. The completion of factory tests was made in Chile, which resulted in engineering reviews that accumulated delays in the work schedule.

Although the Atacama Solar Project suffered the effects of COVID-19 and slow-downs in its processes, it continued to execute the committed works, and the COD was delayed only about 1.5 months, from December 2020 to January-February 2021. The lesson learned is the importance of prioritizing health by applying preventive measures in the face of a global pandemic, while also working quickly to generate innovative response plans to prevent avoidable delays.

Select a type of the challenges encountered.

Field Activities

Describe details of the challenge encountered.

Delay in execution of the Environmental and Social Management Plan, Gender Action Plan and Capacity Building Approach due to COVID-19 and the related inability to bring together groups of people. COVID-19 had a negative impact on the development of MOUs with Universities and agreements with schools and educational centers. These were closed, so the relations that began at the beginning of the year were paralyzed and the MOU negotiation and signing could not proceed.

Sample challenges for Field Activities:

- Delays in travels, planned training, workshops, conferences, events, and awareness-raising events
- Limited access to project sites especially outer islands
- Postponed field missions for collecting/validating information, and conducting consultations with local stakeholders
- Measures required to ensure the security and safety of workers
- Delays in pilot projects, feasibility/baseline studies

Describe details of the corrective/mitigation measures taken as much as you can.

The training of local workers was scheduled for April, and it was delayed until November and December, when the pandemic conditions permitted this type of group event to be held. Although there were delays in the implementation of the training of local workers, the training was provided during November 2020.

Regarding the development of the MOUs, it was not possible to continue with the agreements, and this activity will need to be executed in the next reporting period.

The lesson learned is the importance of prioritizing health by applying preventive measures in the face of a global pandemic. Some delays to in-person activities may be tolerated so that they can be rescheduled to a time when the health risk to participants is lowered.

Please describe if any support is required from the GCF to address the COVID-19 impact on your project/programme.

No support is required from the GCF to address the COVID-19 impact.

Confirmation and Acknowledgement of Information *

* This is a required question to submit the additional section of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in the additional section on COVID-19 is complete and ready for submission.