



AMMONIA ENERGY
ASSOCIATION



THE WORLD BANK
IBRD • IDA



ESMAP
Energy Sector Management
Assistance Program

H4D
Partnership

**ADVANCING COMMUNITY
ENGAGEMENT:
REAL-WORLD CASE STUDIES
ON PUBLIC PERCEPTION**

CAROLINA LOPEZ ROCHA
ENERGY REGULATORY SPECIALIST
NOVEMBER 12TH, 2024

Country lending operations led by IBRD-IDA



**CHILE
PROJECT**



\$150M
Approved IPF
FY23



**Blended finance for
electrolyzer CAPEX and risk
mitigation instruments**

**Interest to
replicate
facility in
Colombia and
Namibia**



**INDIA
PROJECT**



\$1.5B
Approved DPL FY23 (phase 1)
\$1.5B
Approved DPL FY24 (phase 2)



Policy support
Offtake
Equipment manufacturing
RE power access



**MAURITANIA
PROJECT**



\$100M
IPF (Approved FY24)



**Blended finance and
capacity building**



**BRAZIL
PROJECT**

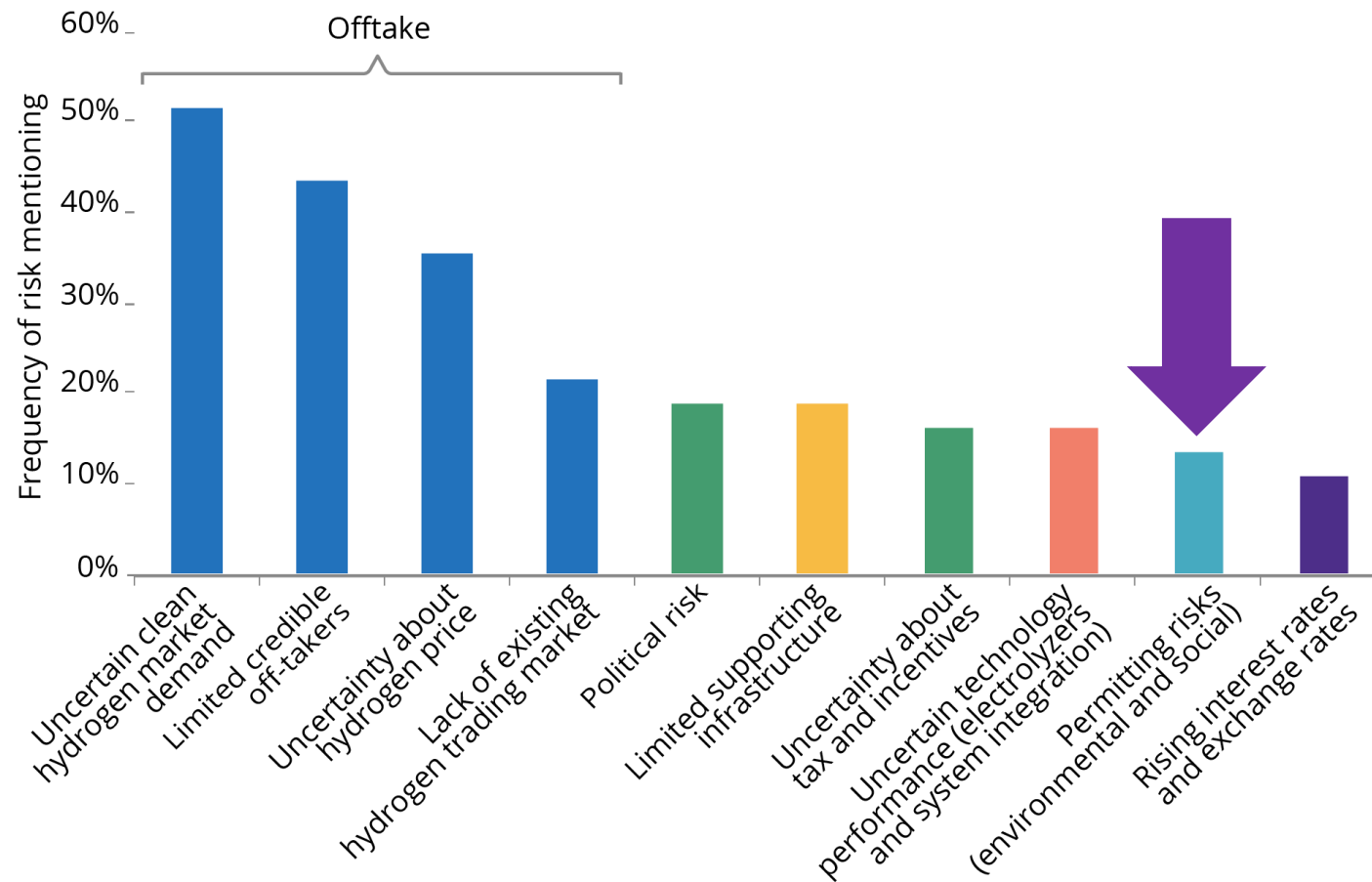


\$135M
IPF (for approval FY24)
\$1.5B
IPF (for approval FY25)



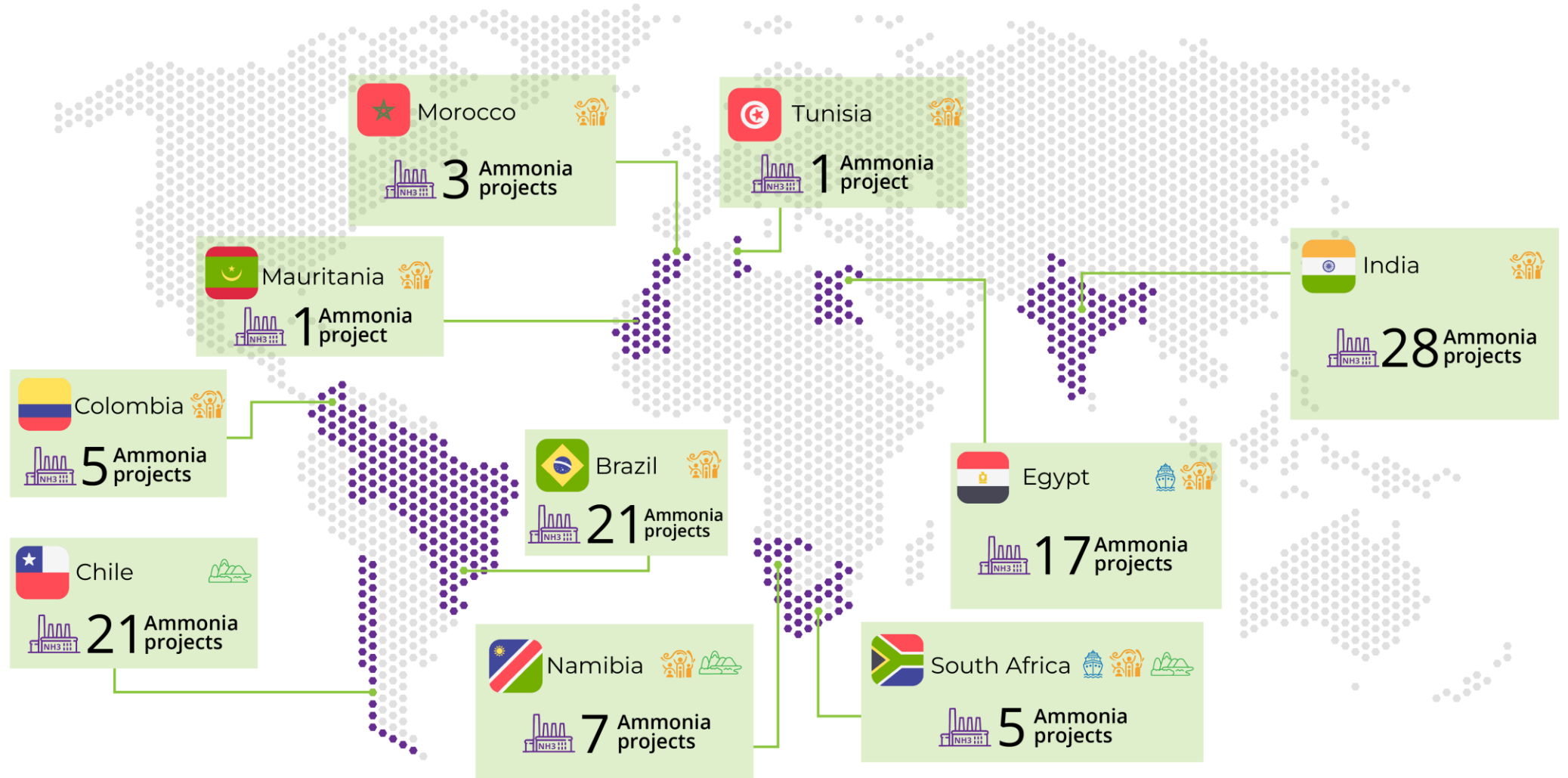
**Blended finance and
enabling infrastructure**

Top 10 Risks in EMDCs that, if Mitigated, Would Enable Clean Hydrogen Projects to Secure Financing





Source: Authors' analysis.

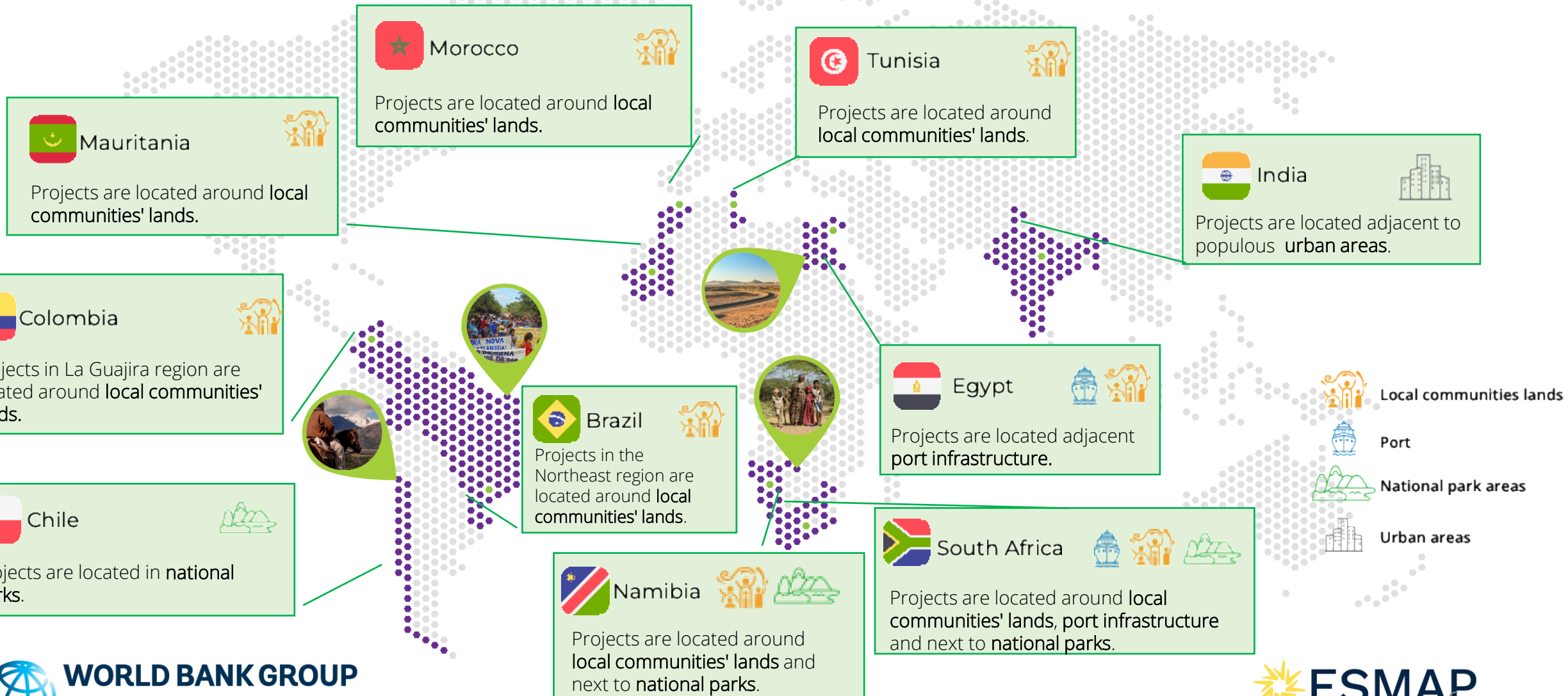
10 GW Lighthouse: almost ~100 ammonia projects



Permitting and compliance risks

Permitting and compliance risks	Policy or Financial Risk Mitigation Mechanisms	Pre-FID	Post-FID
<ul style="list-style-type: none"> • Deficit in stakeholder acceptance • Delay or inability to obtain land rights • Delay or inability to obtain environmental permits • Delay or inability to obtain social permits 	<ul style="list-style-type: none"> • Political risk insurance • One-stop shops • Capacity building for administrative authorities • Early community engagement • Incorporate Environmental, Health and Safety guidelines • E&S frameworks from MDBs • Shared water and power surplus • Local benefit sharing 		

Local communities' lands, port infrastructure, national parks, and urban areas



WB Environmental and Social Standards (ESS) & IFC Environmental, Health, and Safety (EHS)



ESS1

Assessment and Management of Environmental and Social Risks and Impacts



ESS2

Labor and Working Conditions



ESS3

Resource Efficiency and Pollution Prevention and Management



ESS4

Community Health and Safety



ESS5

Land Acquisition, Restrictions on Land Use and Involuntary Resettlement



ESS6

Biodiversity Conservation and Sustainable Management of Living Natural Resources



ESS7

Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities



ESS8

Cultural Heritage



ESS9

Financial Intermediaries



ESS10

Stakeholder Engagement and Information Disclosure



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Social licensing



Revenue sharing and shared ownership

Recurring payments to local government & community

- Taxes & fees
- Land lease payments
- Regional & local funds

Preferential electricity rates & discounts

- Preferential rates
- Discounted energy bills

Shared ownership

- Distribution of profits/ Dividends
- Co-ownership of an asset



Public services and infrastructure

Basic services provision & infrastructure

- Water & sanitation
- Roads & transportation

Community well-being & amenity improvements

- Culture & sport
- Community centers

Energy services

- Electrification infrastructure/ connection costs
- Energy services at household or community-level



Environmental stewardship

Environmental enhancements

- Improvements to local environment & wildlife habitats

Low-carbon community development

- Environmental education & awareness
- Environmentally friendly products & services
- Energy efficiency & conservation
- Recycling



Skills and livelihoods

Employment & local procurement

- Employment training for local residents
- Preferred local good & services procurement

Alternative skills & livelihoods

- Skills & training
- Income generation programs
- SME development

Local Institutional capacity building

- Capacity building of community organizations or public institutions



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Energy Sector Management Assistance Program

Real life case studies of social licensing

South Africa
Revenue sharing and
shared ownership



Kenya
Public services and
infrastructure



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Real life case studies of social licensing

Mexico
Skills
and livelihoods



Colombia
Environmental
stewardship





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THANK YOU!