



Information Memorandum

PtX Development Fund

11 December 2023

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Abbreviations

Abbreviation	Meaning
BMZ	German Federal Ministry for Economic Cooperation and Development
DoU	Declaration of Undertaking
E&S	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ESMP	Environmental and Social Management Plan
EU	European Union
FATF	Financial Action Task Force
FEED	Front-End Engineering Design
FPP	Full Project Proposal
FC	Financial Close
GBER	General Block Exemption Regulation
ILO	International Labour Organization
IM	Information Memorandum
JV	Joint Venture
KfW	KfW Bankengruppe
KGAL	KGAL Investment Management GmbH & Co. KG
KYC	Know your Customer
MW	Megawatt
OFAC	Office of Foreign Assets Control
PPP	Public–Private Partnership
PtX	Power-to-X
TIC	Total Investment Cost
UN SDGs	United Nations Sustainable Development Goals

Preface:

The Information Memorandum (“IM”) covers the objectives of the Power-to-X D&G GmbH (“PtX Development Fund”) as well as the process for expression of interest (“Expression of Interest”) on the web platform. This IM sets out the criteria that interested parties (“Interested Parties”) must meet to be considered for funding, and the general process by which investment decisions are made. This is to ensure transparency, consistency, and alignment with PtX Development Fund’s objectives. Given the dynamic market environment of green hydrogen, this IM will be regularly reviewed and adapted. Interested Parties should stay updated on new revisions.

1 Background

Decarbonisation of societies and economies is one of the biggest challenges of this century. The power sector can be largely decarbonised by further expanding renewable electricity production. However, electrification reaches its limits when it comes to long-term storage and long-distance transport. In addition, several applications – particularly in the industry and transport sector – cannot be directly electrified at a reasonable cost.

This is where green or renewable hydrogen has a key role. Green hydrogen is produced by electrolysis using renewable electricity and can subsequently be transformed into secondary products (also known as derivatives). These derivatives find widespread application across various sectors (referred to as X), both in terms of material usage and energy utilisation. This approach is commonly known as Power-to-X, or simply PtX.

The levelized costs of electricity from renewables – and hence the levelized costs of green hydrogen – are highly dependent on local geographic and meteorological conditions. It is therefore reasonable to establish significant green hydrogen production capacities not only in high energy consumption regions, such as the European Union (“EU”), but also in countries where the production conditions are particularly favourable, and where decarbonisation can therefore be achieved most efficiently. Some of the countries with favourable conditions are developing and emerging economies, where the energy demands are also set to increase as a share of the global total. It is therefore of utmost importance to intensify and support the energy transition in these countries, not only to achieve net-zero emissions on a global scale, but also to ensure sustainable economic and social development.

Germany is among the leading nations in climate action with a commitment to reaching net zero by 2045, and to supporting other countries in their climate goals. To this end, the German Federal Ministry for Economic Cooperation and Development (the “BMZ”) set up a €270 million PtX Development Fund. The goal of PtX Development Fund is to provide non-reimbursable grants to industrial-scale projects at various stages along the green hydrogen value chain. These projects must be in developing and emerging countries and be close to the Financial Closing (“FC”).

In July 2023, KGAL Investment Management GmbH & Co. KG (“KGAL”) was mandated by the KfW as Fund Manager of PtX Development Fund. The KGAL team of experts and its consultants at GOPA – International Energy Consultants GmbH will examine the expressions of interest (“Expressions of Interest”), assess the projects from technical, economic, environmental and social perspectives, and allocate grants accordingly.

2 Fund objective

The objective of PtX Development Fund is to encourage the production of green hydrogen and its derivatives in developing and emerging economies, and to provide strong financial incentives to trigger further investments. To this end, PtX Development Fund provides non-reimbursable grants to industrial-scale PtX projects that are close to FC and located in eligible countries. The list of eligible countries is published on the website of PtX Development Fund. By doing so, PtX Development Fund will not only drive the transition towards a sustainable energy future, but also contribute to local economic growth and development.

PtX Development Fund can be combined with parallel funding and financing offered on KfW's PtX Platform. The KfW's PtX Platform provides comprehensive advice on various funding and financing options for large-scale PtX projects in non-European countries and offers an integrated financing solution from a single source. To this end, the PtX Platform bundles funding offers from the German federal government and the KfW and puts together a suitable financing package for PtX projects. KfW also helps to bring other public and private financiers on board. With these tailor-made financing offers for capital-intensive projects, the PtX Platform aims to close the existing "bankability gap" for PtX projects.

Figure 1 illustrates the various financing instruments available through the PtX Platform.

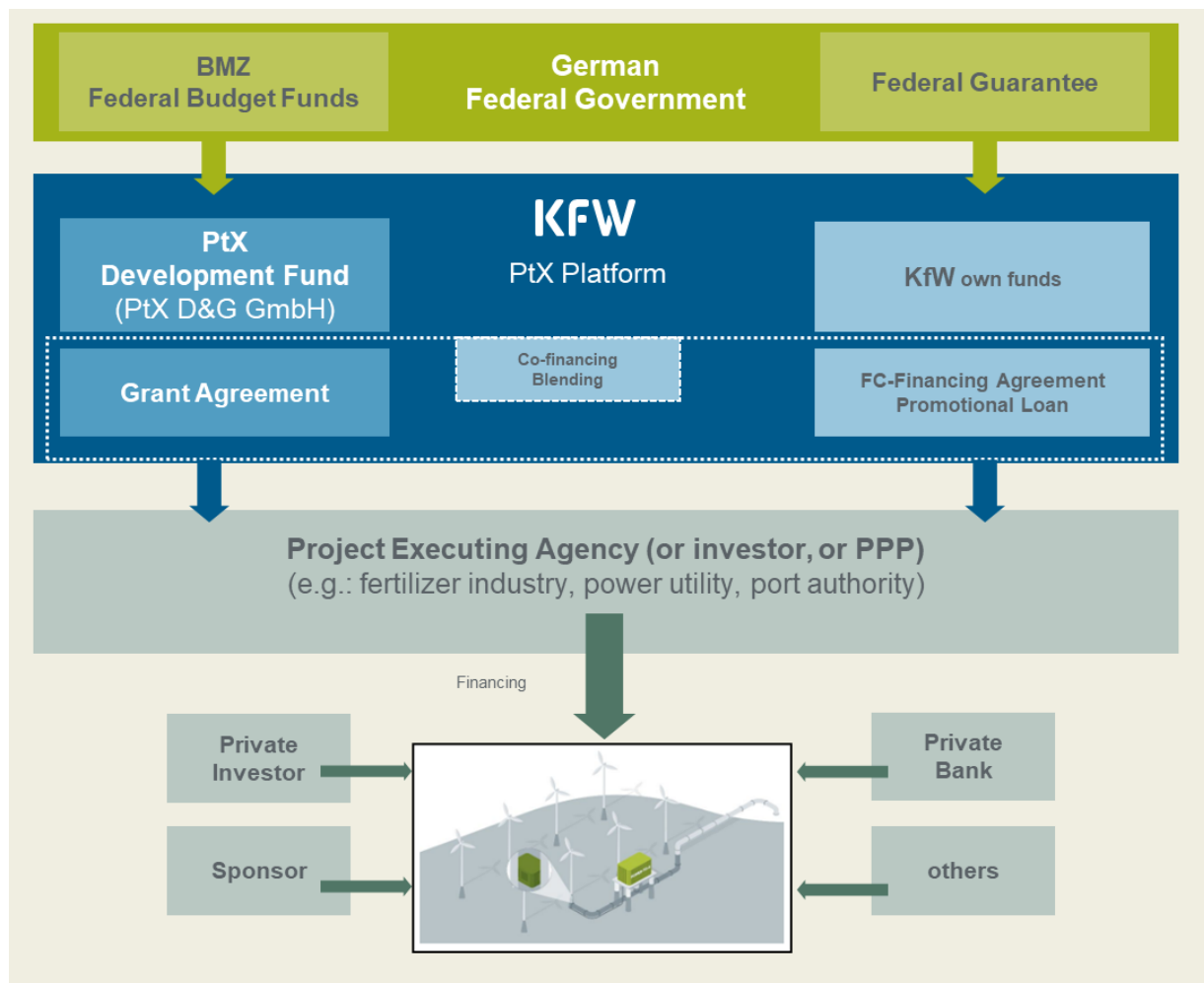


Figure 1: The PtX Platform and its financing instruments

The purpose of PtX Development Fund is to promote the value chain of green hydrogen production and its derivatives. When hydrogen is produced from renewable sources, it is considered green. Examples of green hydrogen derivatives include:

- **Green ammonia:** green ammonia is produced by using green hydrogen and nitrogen separated from air. Green ammonia can be used as a feedstock for fertiliser production or as an energy carrier.
- **Green methanol:** green methanol can be synthesised by combining carbon dioxide (“CO₂”) with green hydrogen. Green methanol can be used as a fuel, a solvent, or as a raw material for various industrial processes.
- **Green synthetic fuels:** green hydrogen can be combined with CO₂ or other carbon sources to produce synthetic fuels, such as synthetic gasoline, diesel or jet fuel. These fuels are considered environmentally friendly alternatives to conventional fossil fuels.
- **Green hydrogen-based chemicals:** green hydrogen can be utilised as a feedstock in the production of various chemicals (e.g. organic compounds). These chemicals can serve multiple industries, such as manufacturing, agriculture and pharmaceuticals.

PtX Development Fund and PtX Platform may finance any part of the PtX value chain that is in accordance with the state aid law General Block Exemption Regulation (“GBER”)¹. More information on the GBER is provided in Annex II. Eligible parts of the value chain are, for instance:

- **Renewable energy generation:** The value chain begins with the generation of renewable energy, e.g. from solar and wind. These renewable energy sources power the electrolysis process that produces green hydrogen. The renewable energy generation component can be financed when co-located or directly connected with the electrolysis.
- **Electrolysis:** Electrolysis is the process of splitting water into hydrogen and oxygen using an electrical current. If the electricity used for electrolysis comes from renewable sources, the produced hydrogen is called green or renewable hydrogen. Green hydrogen as a by-product from other production processes may also be considered.
- **Hydrogen compression:** After electrolysis, the hydrogen gas produced needs to be purified and compressed to meet the specifications for various applications. This may involve removing impurities, drying and adjusting the pressure and temperature of the hydrogen.
- **Hydrogen storage and transportation:** Green hydrogen can be stored and transported in different forms, depending on the scale and requirements. It can be stored as a compressed gas, or as a cryogenic liquid. Additionally, hydrogen can be chemically bound to other materials, forming compounds such as ammonia or liquid organic hydrogen carriers (LOHCs), for transportation.
- **Distribution infrastructure:** The infrastructure for distributing green hydrogen includes pipelines, storage facilities, road and rail transportation, as well as inland or seaport filling stations.
- **Utilisation:** Green hydrogen can be directly used as a fuel for hydrogen-powered vehicles or as a feedstock in industrial processes. Alternatively, green hydrogen can be converted into derivatives like green ammonia, green methanol or synthetic fuels.

The hydrogen value chain is exemplarily illustrated in Figure 2.

¹ Commission Regulation (EU) No 651/2014 as amended from time to time

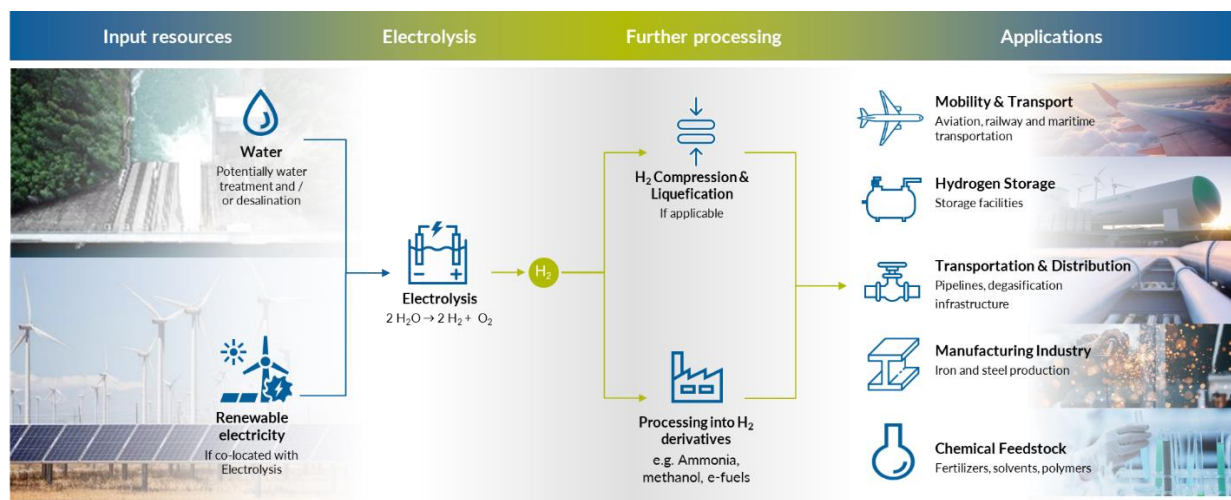


Figure 2: The Power-to-X value chain

3 Eligibility criteria

Interested Parties can be governmental or public organizations, private enterprises, public-private partnerships (“PPPs”), joint ventures (“JVs”) of private companies, or a special purpose vehicle (“SPV”) of the project. The respective project of the Expression of Interest and its legal entity must operate and be incorporated in one of the eligible countries. The legal entity of the project shall be – if selected – the grant receiving unit.

Interested Parties should be aware that a successful Expression of Interest will comprise comprehensive documentation requirements (specifically in the environmental and social area) and reporting obligations, also after a potential grant allocation. These processes will require certain costs as well as considerable time, effort and human resources.

Interested Parties must be aware that a project which was already started before the grant of the funding are not eligible. This does not apply if the granting body has expressly approved an early start of the project upon application. “Start of works” means the earlier of either the start of construction works relating to the investment, or the first legally binding commitment to order equipment or any other commitment that makes the investment irreversible. Buying land and preparatory works such as obtaining permits and conducting feasibility studies are not considered start of works.

Each Interested Party, and the underlying project, need to show alignment with the following criteria of PtX Development Fund.

Projects must:

- be related to the upstream, midstream, and/or downstream PtX value chain in accordance with the GBER. The energy used must stem from renewable energy resources (e.g., wind, solar, hydropower or geothermal energy) in close alignment with the relevant EU regulations².
- contribute in a significant and efficient manner – on their own or by being part of a programme – to avoiding greenhouse gas emissions.
- show their alignment with relevant national green hydrogen and green energy strategies, as well as the United Nations Sustainable Development Goals (“UN SDGs”).
- demonstrate a sizeable contribution to creating good, fairly paid and formal jobs, and make a sizeable contribution to creating regional and national economic value.
- avoid, reduce and/or limit risks and negative impacts on the environment and society.
- prove their technical feasibility and their ability to be completed within a reasonable time and budget.
- be close to the FC stage, which implies that construction projects have at least the Feasibility Study completed and the Front-End Engineering Design (FEED) study contracted and/or funded.
- assure that key project resources do not compromise other pre-determined uses; this relates particularly to the use of water, land and green electricity.
- provide details of the project commercialisation model, such as offtaker(s) commitments and financial models, to demonstrate the project's profitability.
- have a proper procurement procedure in place or be committed to developing and implementing a compliant procurement system. Goods and services related to the project must be procured in a competitive, transparent, fair, and confidential bidding process in accordance with local country recognised practices.

Each Interested Party and its project must demonstrate that they:

- have relevant experience and a track record of implementing similar projects,
- are financially healthy and adequately capitalised,
- have the necessary institutional and financial capacity to conduct a project of the expected size and complexity,
- are well governed in accordance with international best practice, national laws and international standards such as risk management, environmental and social management, health and safety management, and quality management standards, and
- are compliant with their tax and financial obligations.

² The existing relevant EU regulation, Commission Delegated Regulation (EU) 2023/1184, defines when electricity taken from the grid can be considered as fully renewable. One exemplary possibility is that the project is connected to a grid zone where the average proportion of renewable electricity exceeded 90% in the previous calendar year and the production of hydrogen does not exceed a maximum number of hours set in relation to the proportion of renewable electricity in the respective bidding zone (or equivalent concept). Another possibility is that the renewable properties of electricity are demonstrated with renewables power purchase agreements and the fulfilment of certain other criteria. Please note that PtX Development Fund prefers additionally created production capacity.

PtX Development Fund prefers:

- industrial-scale projects with a total investment cost of over €100 million,
- projects in sectors where the usage of hydrogen is hard to avoid,
- projects with strong and reputable equity partners,
- scalable projects that demonstrably add value to the local economy, e.g. through local procurement, job creation, and/or the development of local value chains,
- Interested Parties with relevant experience in managing and realising energy projects, infrastructure and plant construction projects,
- projects in which the energy used comes from additionally created capacities³, and
- projects using existing infrastructure, such as power and utilities, offices and buildings, process plants, road access to plant and access to seaport loading terminal.

Eligible cost items for grant contribution include reasonable and competitive capital expenditures, such as for construction, installation, modernisation or expansion of infrastructure for PtX projects.

The amount of any grant contribution allocated by PtX Development Fund

- will vary according to the scope and nature of the proposed project, and
- targets sizes of €30 million.

The GBER may be applicable to a project located in the eligible countries if

- the project company and/or its customers export the project's final product to the European single market, or
- the project company is part of a corporate group that has at least one shareholder which is doing or intends to do business in the European single market (e.g., registered office, branch office, permanent establishment, offering or exporting products/services in or to the EU single market).

The questions dedicated to these informations in Annex I must be answered truthfully. Otherwise, the project funding may need to be recovered. If state aid law is applicable, the funding must comply with the GBER regulations. Some of the grant limitations under the GBER are exemplary listed in Annex II.

³ To meet the additionality requirement, the project must make sure that the electricity used for the production of hydrogen is matched by the production of electricity, either in the same installation (co-located renewable energy production) or through a renewables power purchase agreement with operators producing renewable electricity. The installation producing renewable energy must not have come into operation earlier than 36 months before the electrolyzer.

4 Exclusion criteria

Interested Parties and projects, including all members of a joint venture and proposed or engaged subcontractors, will not be awarded a grant from PtX Development Fund, if they:

- are bankrupt, being wound up or ceasing their activities, are having their activities administered by courts, have entered into receivership, or are in any analogous situation.
- have been convicted by a final judgement or a final administrative decision or subject to financial sanctions by the Office of Foreign Assets Control ("OFAC"), United Nations, the EU and/or Germany for involvement in a criminal organization, money laundering, terrorist-related offences, child labor or trafficking in human beings; this criterion of exclusion is also applicable to legal persons, whose majority of shares are held or factually controlled by natural or legal persons which themselves are subject to such convictions or sanctions.
- have been convicted by a final court decision or a final administrative decision by a court, the EU or national authorities in the project country or in Germany for sanctionable practice during any tender process or the performance of any contract or for an irregularity affecting the EU's financial interests, unless they provide supporting information together with a Declaration of Undertaking ("DoU") which shows that this conviction is not relevant in the context of the respective PtX Development Fund grant contract.
- have been subject, within the last five years, to a contract termination fully settled against them for significant or persistent failure to comply with their contractual obligations during contract performance, unless (i) this termination was challenged and (ii) dispute resolution is still pending or has not confirmed a full settlement against them.
- have not fulfilled applicable fiscal obligations regarding payments of taxes either the country where they are constituted or in Germany.
- are subject to an exclusion decision of the World Bank or any other multilateral development bank and are listed in the respective table with debarred and cross-debarred firms and individuals available on the World Bank's website or any other multilateral development bank and cannot demonstrate with supporting information along with a DoU that the exclusion is not relevant in the context of the respective PtX Development Fund grant contract.
- have given a misrepresentation in supplying the information requested by PtX Development Fund as condition to participation in the Expression of Interest.

PtX Development Fund does not offer grants to projects and Interested Parties to which any of the criteria in the exclusion list (the "Exclusion List") published on PtX Development Fund website applies. Among others, the following non-exhaustive exclusions apply:

- Investments which could be associated with the destruction or significant impairment of areas particularly worthy of protection (without adequate compensation in accordance with international standards).
- Prospection, exploration and mining of coal; land-based means of transport and related infrastructure essentially used for coal; power plants, heating stations and cogeneration facilities essentially fired with coal, as well as associated stub lines.
- Production or trade in any product or activity subject to national or international phase-out or prohibition regulations or to an international ban.

5 Evaluation process

The evaluation process will follow a transparent and non-discriminatory two-stage process, as shown in **Figure 3**. The evaluation process and final allocation decision is at the sole discretion of PtX Development Fund and its partners. The exact timeline for Expression of Interest will be defined and publicly communicated on the Power-to-X Development Fund website.

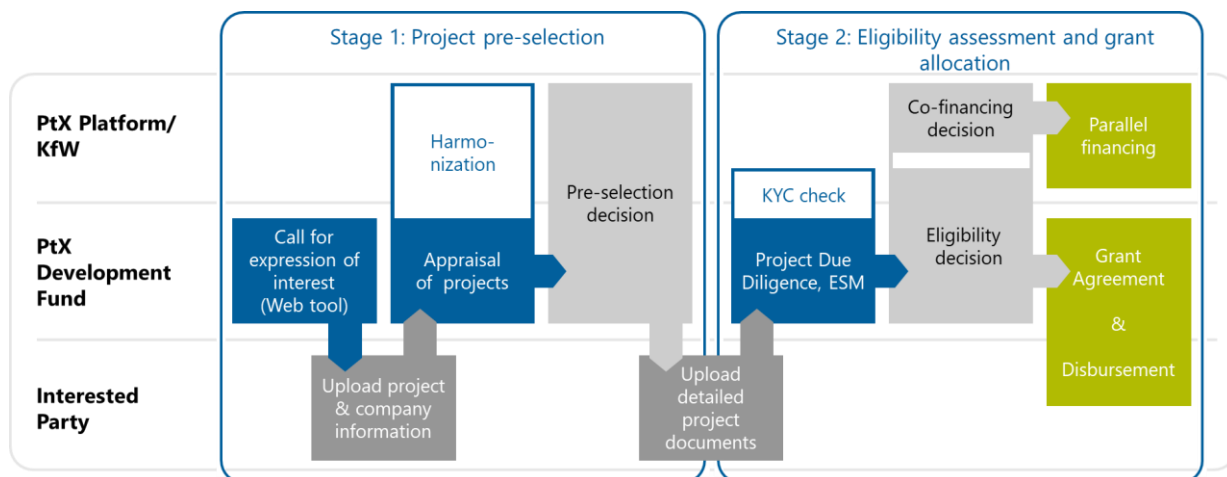


Figure 3 Two-stage evaluation process overview

In Stage 1 (Project pre-selection), Interested Parties must provide evidence of their capabilities in terms of the eligibility criteria. To this end, Interested Parties must submit the project information using the web-based questionnaire (Annex I provides more information on the questions asked in the web-based questionnaire). This is a web-based questionnaire that includes a clear description of project objectives, project scope, expected results, financing plan, proposed implementation plan as well as detailed information of up-to-date available project studies and documents. When more than one organization is involved in project implementation, Interested Parties should clearly describe the roles and responsibilities of each partner. Interested Parties must also self-declare the availability of all relevant documents that demonstrate compliance with the criteria. During Stage 1, only general questions from Interested Parties can be sent by email to info@ptx-development.fund until 31st of January 2024, 12 pm CET. PtX Development Fund will only answer questions of general interest by communicating a common list with questions and answers to the Interested Parties.

Upon receipt of the information provided in the questionnaire, PtX Development Fund will send an acknowledgement email to the Interested Parties. As part of the internal review process, PtX Development Fund may contact the Interested Parties to request further information and clarifications. However, due to the expected large number of Expressions of Interest, PtX Development Fund will not answer queries regarding the status of the Expression of Interest.

Upon completion of the internal review and pre-selection process, and after a harmonization process with PtX Platform, only Interested Parties who pass Stage 1 will be invited to Stage 2 (Eligibility assessment and grant allocation). Rejected Interested Parties will be notified by email and may reapply in a future call for expression of interest ("Call for Expression of Interest"). For Stage 2, PtX Development Fund will send a notification to Interested Parties to sign a non-disclosure agreement (NDA). After having signed the NDA, Interested Parties must upload all the relevant project and company documents listed in the Annex III and submit a Full Project

Proposal using the template provided on the website. These documents must provide proof of the claims made in the Stage 1. Once all the documents are provided, PtX Development Fund and its partners will perform a reasonable technical, financial, social and environmental double-check due diligence to assess the quality of the Interested Party and project according to the eligibility criteria. Interested Parties, their ultimate beneficiary owners, directors, managers and key staff must also pass customary Know your Customer (KYC), sanctions compliance, anti-money laundering and anti-terrorist finance verifications, as well as creditworthiness checks. Relevant updated KYC sanction lists will apply.

During Stage 2 assessments, Interested Parties must allocate time for an on-site appraisal. PtX Development Fund will also conduct management interviews with the project partner(s) and the key team responsible for implementing the project. The project evaluation at Stage 2 will be carried out in close collaboration with the KfW and other potential PtX Platform participants. Once PtX Development Fund has finalised the evaluation process, successful Interested Parties will be notified by email, receive a draft grant agreement and be invited to a grant agreement meeting.

6 Interdependencies with funding from other sources

Please note that there may be interdependencies if the grant recipient receives support from other hydrogen programs like the German H2Global funding scheme⁴. For example, to avoid an overcompensation at the level of the beneficiary the bidder in an H2Global tender must disclose direct or indirect subsidies and any costs not incurred as a result. This includes all funding which has been received or will be received in the future from other local, regional or national funding bodies within or outside the EU or from international organizations and which relates to cost components that are already supported by this funding instrument.

Moreover, it cannot be excluded that funding from other sources is linked to the condition that it incentivises new investments that have not yet been started.

While funds from third countries rarely qualify as State aid under the EU State aid law, they are more likely to constitute a foreign subsidy under Regulation (EU) 2022/2560 of the European Parliament and of the Council of 14 December 2022 on foreign subsidies distorting the internal market (the FSR). However, this fact alone does not entail any consequences for the PtX Development Fund itself and the funding granted under it, but it may have implications for the undertakings involved (independent of the participation in the PtX Development Fund). Additionally, an undertaking's participation in the PtX Development Fund, especially if linked to exports to the European Union, may lead to its recognition as engaging in an economic activity in the internal market (unless it was already engaged in the internal market), which is one of the requirements for the existence of a foreign subsidy under the FSR. However, the purpose of this document is not to outline the obligations under the FSR. For detailed information, please consult your legal advisor.

⁴ Please refer to <https://www.h2global-stiftung.com/project/h2g-mechanism>.

7 Key facts and figures

Table 1 summarises the key facts and figures of PtX Development Fund.

Table 1 Key facts and figures of PtX Development Fund

Fund size	Ca. €270 million
Financed by	Federal Ministry for Economic Cooperation and Development (BMZ)
Fund vehicle	Power-to-X D&G GmbH
Fund manager	KGAL Investment Management GmbH & Co. KG
Planned investment phase	Q1-2024 until Q4-2027
Target projects	Mature industrial-scale green hydrogen projects related to the PtX value chain
Target size of grant	Grant sizes target a range of €30 million and must be in accordance with General Block Exemption Regulation
Evaluation process	Allocation of grants is at sole discretion of the PtX Development Fund and its partners
Evaluation criteria	Projects must show alignment with the eligibility criteria and must not be associated with any criterion of the Exclusion List
Project stage	Projects should be close to Financial Close
Model of disbursement	Project-specific
Purpose	Contribution to total investment costs
Eligible countries	First Call for Expression of Interest: Brazil, Egypt, Georgia, India, Kenya, Morocco, South Africa Deadline for submitting Expressions of Interest: 1 st of March 2024, 12:00PM CET
Parallel financing	May be available through KfW PtX Platform

Annex I: Information on the web-based questionnaire

Table 2 summarizes the questions in the questionnaire for information purposes only. The questionnaire must be answered in the *Submit your project* online process.

Table 2 Summary of questions asked in the online questionnaire

Section	Questions	Field for Answers
Company Information	Company name	Free text
	Company activity	Asset owner, Developer, EPC, Engineering company, Other
	Address	Free text
	Country	Picklist
	Establishment year	Number
	Website	URL
	Last year revenue of company	In million
	Please indicate the number of staff available in the project country	Number
	Please provide the following information on other companies/entities involved in the development of the project (e.g., as joint venture, partnership or consortium)	Company name, website, contractual relationship to project
	Please explain how you define the roles and responsibilities between the organizations. Who will be the leading entity? Please indicate possible synergies between partners.	Free text
Contact Person	Last Name	Free text
	First Name(s)	Free text
	Position	Free text
	Telephone number	Number
	Email address	Email
Project Profile	Project name	Free text
	Project location	Brazil, Egypt, Georgia, India, Kenya, Morocco, South Africa
	End product of the plant	Green Hydrogen, Green Methane, Green Methanol, Green Ammonia, e-Fuels, Others
	Please indicate the amount of end product forecasted for the project	Tonnes / year
	Project scope	Renewable power generation, Production of hydrogen, Production/processing of PtX, derivatives, Storage of PtX products, Transportation of PtX products, Other
	Project phase status	Feasibility study, Concept study, FEED study, Detail design, Ready for construction
	Project ownership	Public, Private, PPP, Governmental or state-owned organization
	Total planned capacity of the electrolyzer, if applicable	MW
	Total investment cost	In million
	Amount of grant requested	In million
	Please clarify the purpose for which the grant will be used. Please outline the scope of work or services to be granted and how such grant can contribute to the success of the project.	Free text

Table 2 Summary of questions asked in the online questionnaire, continued

Section	Questions	Field for Answers
Project objectives	Briefly describe the project background, objectives of the project, and technology of the major equipment to be used. How does the project contribute to Power-to-X Fund objectives?	Free Text
	How is the project aligned with UN SDG sustainable development goals? Please select from the checkboxes.	Checkboxes
	Does the project contribute to your country national climate priorities, energy policies or national hydrogen strategies?	Yes/No
Environmental, Social and Governance Impact	Please indicate the estimated amount of GHG (CO ₂ eq.) emission reduction of this project compared to the conventional process of the same product. Please answer only when the related calculations are available.	up to 20%, 21 to 50%, 51 to 70%, >70%, not applicable
	Please indicate the amount of emission savings (CO ₂ equivalent in tonnes per year) compared to the conventional process of the same product. Please answer only when the related calculations are available.	CO ₂ equ. In tonnes / year
	Please outline how this project creates value for the local industries, and how many local jobs would be potentially created.	Free Text
	Has any environmental and social impact assessment been carried out on this project?	Yes/No
	Please download the E&S screening checklist, fill out the information and attach it here (in Word or PDF). If your organization has developed an internal E&S assessment or E&S categorisation for this project - even as a draft version - please append the relevant documents to the E&S screening checklist.	Document upload
Project readiness	Please indicate the key milestones expected for this project. Completion of feasibility studies	Month/Year
	Ready to build	Month/Year
	Commercial operation date	Month/Year
	Is the technology of major equipment to be used in the plant commercially feasible (Technical Readiness Level of 7 and above)? Please indicate only if the related Technology Readiness Level assessment reports are available.	Yes/No/TRL assessment not available
	Has the project secured all the necessary permits?	Yes/No
	Briefly list the required permits from the local authorities.	Free Text
	Has the project secured the land/s on which the project will be implemented?	Yes/No, not applicable
	Please outline what is the source of water for the electrolyzer and utilities in the project.	Seawater desalination, River, Lake, Ground water, Not applicable, Other (text)
	Has the project secured the necessary permits related to the water usage and water disposal?	Yes/No
	Please select from the list what is the source of electricity for the project.	Solar, Onshore Wind, Offshore Wind, Hydropower, Geothermal, Grid transmission, Other
	Has the project secured the required supply of CO ₂ for the plant? Please indicate only if applicable to your project.	Not applicable, Yes, No
	Has the project secured the required supply of nitrogen for the plant? Please indicate only if applicable to your project.	Not applicable, Yes, No
	What are the existing infrastructures and assets in the plant?	Office buildings, Power and utilities, Oil & gas process plants, Water treatment system, Renewable power generation, Storage tanks, Transportation pipeline, Access road, Access to shipping terminal, None, Other (please specify)
	Please download the project teaser, provide the requested information and upload the PDF file here.	Document upload

Table 2 Summary of questions asked in the online questionnaire, continued

Section	Questions	Field for Answers
Available Documentation documents must be provided in English	Company documents In Stage 1 only confirmation that documents are available required	Occupational health and safety certificates, Quality management certificates, Procurement policy, Environmental management system
	Project documents In Stage 1 only confirmation that documents are available required	Environmental and Social Impact Assessment, Feasibility study, FEED study, Technical due diligence incl. TRL assessment, Financial due diligence, Legal due diligence, Land lease/purchase agreements, Water-usage and disposal permits, Building /construction permit, Production licence (if needed), Offtake agreements, Supply agreements, Co-financing commitment letters, Financial model incl. cost break-down analysis, EPC contract or price offer, Analysis of the carbon footprint (CO2 emission), Concept design, Environmental permit, Grid connection approval, PPA, Other documents
Offtake	Please specify the expected offtake price of the end product from the plant	Price per Kg or Ton or m3
	Please name the potential offtakers of the final product/s from the plant	Free Text
Financial feasibility	Does the project have the financial model and cash flow projection available?	Yes/No
	Please outline the financial structure foreseen for the project, if applicable	Free Text
	Available capital (in EUR million, own contribution)	Number
	Total amount of equity (in EUR million)	Number
	Total amount of debt (in EUR million)	Number
	Project NPV (in EUR million, at P50)	Amount (EUR)
	Project IRR (P50)	Percentage
	Equity IRR (P50)	Percentage
	Average debt service coverage ratio DSCR (P50)	Number
	Is a co-investment commitment, equity or grant commitment already available for this project?	Co-investment, Loan commitment, Subsidies, Grant, Equity

Table 2 Summary of questions asked in the online questionnaire, continued

Section	Questions	Field for Answers
Self-declaration EU State-aid-law	Does the project company or its clients intend to (partly) export product(s) produced within the framework of this project funding to the EU single market?	Yes/No
	Is the project company active in the EU single market or intends to be (e.g., registered office, branch office, permanent establishment, offering or exporting products/services in or to the EU single market)?	Yes/No
	Is the project company part of a corporate group that has at least one shareholder which is doing or intends to do business in the European single market (e.g., registered office, branch office, permanent establishment, offering or exporting products/services in or to the EU single market)?	Yes/No
	Has the project company applied for or secured a Grant for the same investment or for a project which is to be regarded as a single project together with the investment covered by this Expression of Interest?	Yes/No
	Is the project company aware that another company in a group of companies (e.g. parent company, subsidiaries) has applied for or secured a Grant for the same investment or for a project which is to be regarded as a single project together with the investment covered by this Expression of Interest?	Yes/No

Annex II: Information on General Block Exemption Regulation

Depending on the answers given in the online questionnaire (in the last section “Self-declaration” of Table 2), the General Block Exemption Regulation (GBER)⁵ may apply. The GBER limits the applicable areas that can obtain grants and introduces specific restrictions and limitations on the grant size. Table 3 and Table 4 provide a broad overview over the applicable areas and limitations. Please refer to the GBER for more detailed information. Hydrogen qualifies as renewable hydrogen if it can be demonstrated that it is produced from electricity that is exclusively produced from renewable energy sources (renewable electricity). More guidance on what qualifies as renewable electricity is provided in the main document and in the respective EU regulation⁶.

Table 3 Eligible value chain areas and limitations of the PtX Development Fund following General Block Exemption Regulation - upstream and midstream value chain

Value chain area		GBER	Comments	Maximum limitations ⁷ absolute amount, aid intensity
Upstream	Production of renewable electricity	Art. 41 para. 1	Eligible only if co-located or directly connected with electrolysis	€30m per undertaking per investment project ⁸ , but not more than 45% of Total Investment Cost (TIC)
	Production of renewable hydrogen (if combined with dedicated infrastructure see below)	Art. 41 para. 3	Capacity of the electrolyzer shall not exceed the combined capacity of the renewable generation units	€30m per undertaking per investment project ⁹ , but not more than 45% of TIC
Midstream	Dedicated infrastructure for transmission or distribution of renewable hydrogen as well as storage facilities for renewable hydrogen (combined with production of renewable hydrogen)	Art. 41 para. 3	All investment components (generation, transport and storage) are considered to constitute a single integrated project €30m	€30m per undertaking per investment project ¹⁰ , but not more than 30% of TIC

⁵ Commission Regulation (EU) No 651/2014 as amended from time to time.

⁶ Commission Delegated Regulation (EU) 2023/1184.

⁷ The final allocated grant amount may be lower and is in the sole discretion of the PtX Development Fund. In few cases, the limitation in the GBER may be higher than stated in the Table. The lower amount of both applies.

⁸ Example: If three undertakings participate in a single project, each undertaking can receive a grant up to the maximum limit. If three different projects are carried out by one undertaking, then the undertaking can receive a grant up to the maximum limit for each project, but projects cannot be artificially split to receive higher grants.

⁹ See footnote 8. If the installation for the production of renewable hydrogen and the necessary plants for the production of renewable energy for the electrolysis are planned and realised at the same time both components (electrolyzer and RES plants) should be regarded as one single project for reasons of precaution.

¹⁰ See footnote 8.

Table 4 Eligible value chain areas and limitations of the PtX Development Fund following General Block Exemption Regulation – downstream value chain

Value chain area		GBER	Comments	Maximum limitations ¹¹ absolute amount, aid intensity
Downstream	Dedicated transmission infrastructure for transportation of renewable hydrogen, storage facilities included (not combined with production of renewable hydrogen)	Art. 36 para. 1b		€25m per investment project ¹² , but not more than 40% of TIC
	Construction or upgrade of hydrogen infrastructure not dedicated, i.e. generally accessible to many users without discrimination	Art. 48	Transport infrastructure if used for 50% or more of hydrogen, storage projects excluded	Target size €30m per undertaking per project ¹³ , but not more than the funding gap ¹⁴
	Acquisition or leasing of clean vehicles powered by hydrogen	Art. 36b		€30m per undertaking per investment project ¹⁵ , but not more than 20% of extra costs ¹⁶
	Equipment and machinery using hydrogen or hydrogen-derived fuels	Art. 36 para. 1b	Must be renewable hydrogen	€30m per undertaking per investment project ¹⁷ , but not more than 40% of extra costs ¹⁸
	Hydrogen refuelling infrastructure supplying vehicles, mobile terminal equipment or mobile groundhandling equipment	Art. 36a	Latest after 2035 solely renewable hydrogen to be supplied ¹⁹	€30m per undertaking per project ²⁰ , but not more than 20% of TIC
	Refueling infrastructure supplying hydrogen, ammonia or methanol at maritime ports	Art. 56b	Latest after 2035 aided infrastructure solely supplying hydrogen, ammonia or methanol. ¹⁹	Target size €30m per project ²¹ Possible up to 100% if TIC ≤ €22m, 80% if €22m < TIC ≤ €55m, 60% if TIC > €55m

¹¹ The final allocated grant amount may be lower and is in the sole discretion of the PtX Development Fund. In few cases, the limitation in the GBER may be higher than stated in the Table. The lower amount of both applies.

¹² Example: If three undertakings participate in a single project, these three companies collectively can receive a grant up to the maximum limit. If three different projects are carried out by one undertaking, then the undertaking can receive a grant up to the maximum limit for each project, but projects cannot be artificially split to receive higher grants.

¹³ See footnote 7. The limitation in the GBER is €70m. However, the PtX Development Fund targets a size of €30m.

¹⁴ Funding gap means the net extra cost determined by the difference between the economic revenues and costs (including the investment and operation) of the aided project and those of the alternative project which the aid beneficiary would credibly carry out in the absence of aid

¹⁵ See footnote 8.

¹⁶ Extra cost is calculated as the difference between the cost of the investment or the net present value of leasing the clean vehicle or the zero-emission vehicle and cost of the investment or the net present value of leasing a vehicle of the same category that complies with applicable EU standards already in force and would have been leased without the aid.

¹⁷ See footnote 8.

¹⁸ Extra investment costs are determined by comparing the costs of the investment to those of a counterfactual scenario that would occur in the absence of the aid. For more details on the counterfactual scenarios, please refer to GBER, Art. 36, para. 1b.

¹⁹ Commitment by beneficiary required.

²⁰ See footnote 8.

²¹ See footnote 7. The limitation in the GBER is €143m. However, the PtX Development Fund targets a size of €30m.

Annex III: List of supporting documents in the Expression of Interest

Standard documents to be provided by all Interested Parties:

Stage 1 (Pre-selection):

- Completed questionnaire (Annex I) which is embedded in the *Submit your project* webpage.
- Project teaser with specific focus on the added value to the local economy and value chains, project chart and resumés of key members of the project team with evidence of track record in implementing similar projects.
- Environmental & Social (“E&S”) self-declaration.
- Self-declaration of available KYC documents
- Self-declaration of available project documents and studies (please refer to Section “Available Documentation” in Table 2 for more details)

Stage 2 (Eligibility): Indicative list of documents to be provided only by pre-selected Interested Parties:

- Documents self-declared as available in Stage I (e.g. Environmental and Social Impact Assessment, Feasibility Study, FEED study, ...).
- Evidence of currently valid legal registration under the laws of the country in which it is operating, as well as evidence of a certificate to do business in the country.
- Evidence of appropriate organizational and management capacity.
- Audited financial statements of project company (if applicable), shareholders and potentially main project partners of the last three years.
- Full Project Proposal (“FPP”) including details of project implementation plan (template will be provided to Interested Parties).
- Financial model including detailed cost and revenue calculations, and planned scenarios to assess the impact of various economic conditions on the project. If project is not a ring-fenced investment, the impact on the financials (balance sheet, etc.) of the respective project company.
- Detailed commercialisation plan such as offtake agreements or letter of intent from potential buyers.
- Technical and financial valid proposals from contractors, equipment manufacturers and other contractors and /or sub-contractors for the project
- Environmental and social management or commitment plan (“ESMP”/“ESCP”).
- Detailed financing plan with evidence of secured/confirmed equity financing.
- Letters from relevant government authorities confirming approval of the project readiness for construction (e.g. environmental and building permits) and its alignment with the country’s current development objectives and priorities.
- Evidence that project company or another company in a group of companies (e.g. parent company, subsidiaries) has not previously received a grant for the same project. If a grant has been received, Interested Parties must provide details on the funding (i.e., amount, source).

Additional requirements for Interested Parties may include:

- A clear procurement policy and procedures aligned with good commercial practice (private entities) and/or national and local public country regulations (public or publicly owned entities that must fulfil public procurement law).
- Evidence of company governance according to risk management, environmental and social management, health and safety management, and quality management standards.
- Evidence of good track record in implementing similar projects in the targeted region and country; this could include a list of recently completed projects with testimonials from other co-financiers and beneficiaries as well as hyperlinks to relevant project completion and evaluation reports.
- Evidence of available staff in the project country; this could include information on the number of experts employed and their qualifications.

Interested Parties must also collect and make the following data available as part of the KYC Check process:

- Relevant company details, e.g. details of company name, legal form, registered office, registration number, registration court, company address and bank details.
- Data on the person(s) appearing as the beneficiary (first and last name, date of birth, nationality, place of residence and identity documents).
- Information and documentation on beneficial owners, such as partnership agreements, articles of association, list of shareholders and percentage of their share.
- Information on the extent to which the contracting party or beneficial owner, if any, is a politically exposed person. Politically exposed persons are individuals who are, or have been, entrusted with a prominent public function (heads of state or government, senior politicians, civil servants, judicial or military officials etc.) as defined in the 40 recommendations of the Financial Action Task Force ("FATF").
- Tax information and documents, such as tax number in the grantee's country of residence and certificate of registration.
- Other documents and information required for the process.

Legal Disclaimer

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