

Energy

The Uruguayan government seeks an energy transition, promoting the decarbonization of transportation sector and manufacturing, in order to reduce the reliance on fossil fuels in these sectors.

For this purpose, the Ministry of Industry, Energy and Mining announced the first Green Hydrogen pilot project in Uruguay, based on a joint public-private effort, to produce green hydrogen.

A data room has been prepared in order to launch the pilot project and promote feedback from different stakeholders.

The pilot project focuses initially on transportation (Fuel Cell Heavy Duty Vehicles), but it may also cater some other project related to green hydrogen (production of green fertilizers, production of green ammonia as fuel for ships) and even their export. The projects may compete for the benefits that will be granted.

The initial business model of the defined pilot project of Fuel Cell Heavy Duty Vehicles includes an hydrogen plant. The offeror shall carry out the Investment, Equipment Provision, Construction, Operation and Maintenance. The State would support the initiative through tax exemptions, special energy prices, site and services availability and additional targeted supports.

In this sense, this initiative presents an important opportunity in several areas for the development of and investment in new sustainable energy technologies, following current tendencies towards the replacement of fossil fuel-based energy sources.