

H2LAC 2025

Hydrogen Index for Latin America & the Caribbean

Based on extensive polling and research by HInicio and New Energy, the H2LAC Index is a comprehensive tool for tracking the progress and evolution of the clean hydrogen market development across Latin America & the Caribbean.

CLASSIFICATION BY H2 MARKET MATURITY

Frontrunners

Promising contenders

Fast followers

Early explorers

Frontrunners

Promising contenders

Fast followers

Early explorers

Economies that have advanced market development through **strengthened regulatory frameworks and international cooperation**.

Economies with **several newly announced projects under development, along with progress in policy and regulatory frameworks**, and an increasing number of events promoting the hydrogen ecosystem and value chain integration.

Economies with **established roadmaps and incipient hydrogen legislation**, some of which are still under development. These economies lack strong support mechanisms, international collaboration, and stimulation of local demand.

Economies in the **early stages of developing their clean hydrogen ecosystems**, exploring their role and pathways to foster a national clean hydrogen market.

HIGHLIGHTS AND SUCCESS CASES BY COUNTRY

Regulation & Public Policies

Brazil:

Low-carbon hydrogen policy and development program enacted into law.

Chile:

Hydrogen plant safety regulations enacted, and the H2 Action Plan 2023-2030 published.

Uruguay:

Launch of Uruguay's H2U offshore round to drive H2 production from offshore wind.

Colombia:

Legal definition of low-carbon H2.

Project and supply chain financing

Brazil:

Launch of a 1BEUR funding for the development of H2 hubs.

Chile:

CORFO launched a call offering up to US\$10M per project to boost local electrolyzer manufacturing.

Costa Rica and Trinidad and Tobago:

Secured funds for H2 projects (CR €25M through international funds to support GH2 development from mitigation action facility).

Achieving FID

Colombia:

ECOPETROL achieved FID with its 6 MW low-carbon hydrogen refinery project in Cartagena.

Uruguay:

VENTUS FC truck project "Kahiros" achieved FID in 2024.

Paraguay:

ATOME's Villeta project expects to achieve FID in S2 2025, having signed an EPC contract, secured an important part of the financing for the project, and concluded an offtake agreement.

Local demand

Brazil:

Established progressive local demand quotas for SAF, expected to drive H2 demand.

Stakeholder coordination

Brazil, Chile, Colombia and Mexico:

Hosted several international events dedicated exclusively to hydrogen in 2024, demonstrating their leadership in shaping the regional H2 agenda.

Honduras and El Salvador :

Have advanced their H2 agendas through technical cooperation with Colombia and Germany, among others.

Off-takers

Yara signed HoT and will offtake renewable fertilizer produced by ATOME in Paraguay, a key example of intra-regional commercialization.

2025 H2LAC INDEX SCORE

75.5

73.25

73

57.5

54

48.5

45

44.75

40.75

40.75

39.75

25.25

19.5

18.25

18

17.25

15.5

14.25

National policies, incentives and regulation

Level of development of the H2 ecosystem at national level

Projects in operation or under development

Application sectors of clean H2 at national level

Level of international cooperation and H2 export planning

KEY FINDINGS OF THE H2LAC INDEX 2025

01.

Brazil has overtaken Chile as the regional leader, driven by strong demand targets, regulatory progress at national and state levels, steps toward a certification scheme, and active project development.

02.

New hydrogen project announcements are slowing. **Several projects were canceled or put on hold over the past year**, and only a few with robust business cases are advancing towards FID.

03.

The regional hydrogen landscape continues to develop, though a clear slowdown is visible, reflecting broader global trends.

04.

LAC remains well-positioned to compete internationally, provided key challenges in regulation, permitting, financing and local off-take are successfully addressed.

05.

Regional cooperation on key areas such as **certification must be strengthened** to ensure alignment and efficiency.

06.

Tailored financing mechanisms for the region, such as a Latin America-specific Contracts-for-Difference Scheme, should be explored and promoted.

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MORE INFORMATION

Interested in supporting the H2LAC Index? Get in touch:

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