

**FP224: Renewable Barbados Project (IFC)**

Access the funding proposal: <https://www.greenclimate.fund/document/gcf-b37-02-add15>

We are concerned with the focus of this project on green hydrogen. This concern was expanded when we read of the external study (Annex 28, to which we do not have access) that suggests that battery storage would be cheaper than the proposed solution that largely uses hydrogen storage. Even after asking questions about it, we still do not see a clear justification for hydrogen being favoured in this context, beyond the fact that a key project sponsor and the main executing entity are specialists in hydrogen and would like to expand the market for this product. On the face of it, this does not appear to be an efficient use of GCF resources. Although there may be reasons to favour a technology that has particular economic, environmental or social co-benefits, the proposed solution does not appear to have such benefits to any significant extent.

We welcome the fact that the hydrogen stored within the project will be fully sourced from electrolysis of water using electricity from the on-site solar PV plant. We are, however, concerned that the proposed “significant demonstration effect” of the project may be used to promote hydrogen technologies that do not have fully green sources, or that potentially compromise freshwater supplies. This echoes the concern of ITAP that “wants to avoid GCF grant resources being used for an indiscriminate promotion of hydrogen technology.”

We are concerned that the “knowledge sharing” from this project, and its contribution to a “regulatory framework” for a “green hydrogen ecosystem” could overlook the significant environmental and economic disadvantages of hydrogen for many applications. As such, we would like an assurance that GCF financing would only be used for implementing the proposed activity, and not for any “knowledge sharing” that may involve the promotion of hydrogen technology.

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