

## **Greening the European economy at the expense of other world regions? Tracing the EU's quest for green hydrogen in Chile**

In response to the polycrisis, the EU promotes a green agenda in which green hydrogen (GH<sub>2</sub>) is of crucial importance. To achieve the 10 million tons of targeted imports by 2030, the EU cooperates with potential producers in the Global South. However, while EU documents frame these cooperations as mutually beneficial partnerships, critical scholars and activists from the Global South argue that uneven and dependent development is reproduced. Thus, we examined how the EU's quest for GH<sub>2</sub> influences the prevailing dependency relations with Chile. For our analysis, we drew on the dependency approach, based on which we deductively isolated three key dimensions: import-dependence on financial and technological capital, commodity export dependence, as well as (lack of) control of global value chains. Methodologically, we included the insights from 11 expert interviews, conducted with different stakeholders connected to the hydrogen economy in Europe and Chile, and from relevant GH<sub>2</sub> policy documents. We found that Chile will overwhelmingly export GH<sub>2</sub> due to limited local demand in exchange for financial and technological capital from the EU. This would worsen the Chilean debt issues and its trade deficit with the EU. Furthermore, the global market structure makes Chile vulnerable to demand volatility. Lastly, upgrading opportunities for Chile are limited due to geographical isolation, lack of capital and limited capacities for state intervention, which also entails the risk to create enclave economies. Thus, Chile's emerging GH<sub>2</sub> economy has the potential to perpetuate the prevailing dependency relations between the EU and Chile, thereby potentially causing negative social and ecological effects for the latter.