



Republic of Chile's 2020 Social Bonds Project Portfolio

Selected according to ICMA Social Bond Principles 2020

November 18th 2020

Disclaimer: The information on estimated disbursements and the corresponding impact published in this document is only referential and may change over time. Final information will be published each year in the Sustainable Bond Report at: <https://www.hacienda.cl/english/work-areas/international-finance/public-debt-office/sustainable-bonds>.

Chile's Sustainable Bond Framework

November 2020

Chile's Sustainable Bond Framework

The Sustainable Bond Framework, published in 2020, considers the following eligible social sectors:

- Support for the elderly or people with special needs in vulnerable situation.
- Support for low-income families, human rights victims.
- Support for the community through job creation.
- Access to affordable housing.
- Access to education.
- Food security.
- Access to essential health services.
- Social programs designed to prevent and/or alleviate unemployment derived from socioeconomic crises, as well as financing programs for SMEs and micro finances.



Support for the elderly or people with special needs in vulnerable sectors

Ministry of Labor and Social Security

The selected projects to be funded, included in this category are:

- Solidarity pension contribution for the elderly.
- Basic solidarity pension for the elderly.
- Solidarity disability pension contribution.
- Basic solidarity disability pension.
- Cash transfers to support vulnerable households based on number of children.

All projects included in this category are carried out by the Institute of Social Security, from the Ministry of Labor and Social Security.

These projects benefit roughly

1.5 million people



Support for low-income families

Ministry of Labor and Social Security

The selected projects to be funded, included in this category are:

- Permanent family transfers.
- Family subsidy.
- Winter transfer.

These projects seek to finance actions and measures aimed at the most vulnerable families in the country through subsidies or contributions to low-income families.

All projects included in this category are carried out by the Institute of Social Security, from the Ministry of Labor and Social Security.

These projects benefit roughly

4.3 million people



Support for Human Rights victims

Ministry of Labor and Social Security

The selected project to be included in this category is the Reparatory Law for Human Rights.

These funds are intended for victims directly affected by human rights violations, political exonerators and relatives of the victims of human rights violations or political violence.

This project is carried out by the Institute of Social Security, from the Ministry of Labor and Social Security.



Support to the community through job creation

Ministry of Labor and Social Security

The selected project to be funded, included in this category is community-related investment.

These funds finance labor-intensive projects aimed at generating a positive impact on the community in regions with unemployment above the national average.

This project is carried out by the Undersecretary of Labor, from the Ministry of Labor and Social Security

This project benefits roughly

19 thousand people



Support Affordable Housing

Ministry of Housing and Urbanism

The selected projects to be included in this category are:

- Solidarity funds for housing selection DS49.
- Housing improvement DS27.
- Integrated system for housing subsidies DS1.
- Housing program for social integration DS116-2014 and DS19-2016.

In general terms, these projects seek to finance the acquisition, repair, expand, and improve social housing. All projects included in this sector are carried out by the Ministry of Housing and Urbanism.

This project benefits roughly

87,000 households



Access to Education

Ministry of Education

The selected projects to be funded in this category are:

- Preferential school grants.
- Free higher education.
- Transfers for Kindergartens and Cradle Rooms - Integra foundation.
- Transfers for Cradle Rooms – Junji.
- Public education support fund.
- Bicentennial scholarships.

In general terms, these projects finance programs that aim to improve the quality and access to preschool, basic, secondary and higher education for vulnerable children and young people or those with special needs. All projects included in this sector are carried out by services from the Ministry of Education.

This project benefits roughly

3.3 million students



Food Safety

Ministry of Education

The selected project to be funded, included in this category is the school feeding program.

This project seeks to finance programs for access to a healthy and nutritious food service for the most vulnerable users of the educational system.

This project is carried out by the National Board of School Aid and Scholarships, from the Ministry of Education.

This project benefits roughly

1.8 million students



COVID 19 – Access to Essential Health services

Ministry of Health

The selected project to be funded, included in this sector, is the Special Fund for Health Supplies.

In general terms, this fund seeks to finance the development of the health network for both preventive and curative purposes associated with states of emergency declared locally as a result of the pandemic caused by COVID-19.

This project is carried out by the Ministry of Health.



COVID 19 – Financing of people whose income has been affected and SMEs

The selected projects to be funded included in this sector are:

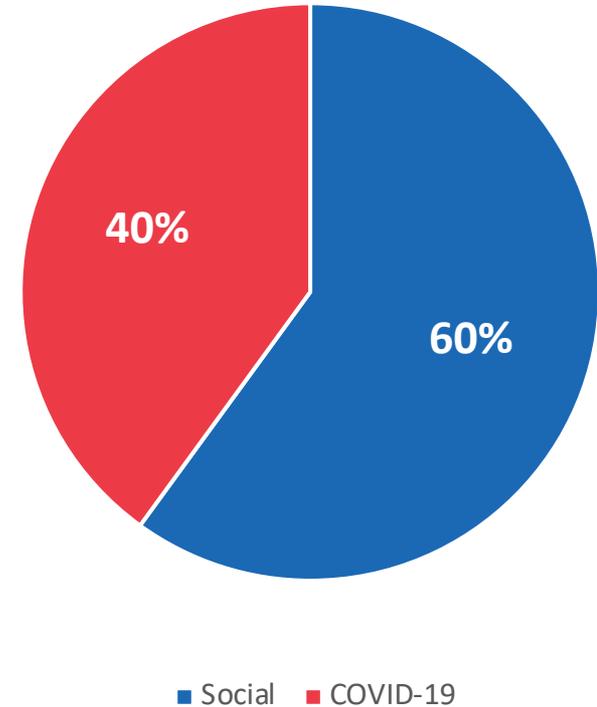
- Use of unemployment insurance in exceptional circumstances.
- Family income support voucher.
- Municipal solidarity fund.
- Deferral of tax payments.
- Capitalization of FOGAPE.

All the projects included in this sector are in the context of the COVID-19 pandemic and aim to support household incomes as well as SMEs financing during the pandemic.

Distribution of Expenses

The projects, as mentioned are related with social sectors, also include measures to mitigate the effect of COVID-19.

Around 60% of the expenditures included in the Social Project Portfolio is related to Social projects as described in the Sustainable Bond Framework. Separately, approximately 40% of the expenditures are specifically to alleviate the socioeconomic consequences of the COVID-19 pandemic.





For further information, please visit:

<https://www.hacienda.cl/english/work-areas/international-finance/public-debt-office/sustainable-bonds>

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