



**Republic of Namibia**

**OPENING REMARKS**

**ON THE OCCASION OF THE GOVERNMENT OF THE REPUBLIC OF NAMIBIA –  
HYPHEN HYDROGEN ENERGY FEASIBILITY AND IMPLEMENTATION AGREEMENT  
SIGNING CEREMONY**

**BY**

**HON OBETH MBUI KANDJOZE,  
DIRECTOR GENERAL  
OF NATIONAL PLANNING COMMISSION  
AND  
CHAIRPERSON OF GREEN HYDROGEN COUNCIL**

**Venue: State House**

**11H00, MAY 26<sup>th</sup>, 2023**

**WINDHOEK, KHOMAS REGION**

**Director of Signing Ceremony;**  
**H.E. Dr. Hage Gottfried Geingob, President of the Republic of Namibia;**  
**Hon. Cabinet Members present;**  
**Green Hydrogen Council Members present;**  
**Governors of //Kharas and Hardap Regions present;**  
**Hon. Joseph Isaacks, Chairperson of //Kharas Regional Council;**  
**Senior Government Officials and Government Negotiation Team members present;**  
**Mr. Marco Raffinetti, Chief Executive Officer of HYPHEN Hydrogen Energy and HYPHEN Officials present;**  
**Members of the Media;**  
**Ladies and Gentlemen;**

1. Exactly 799 days ago, on the 18<sup>th</sup> of March 2021 to be specific – the Head of the State, His Excellency Dr. Hage G Geingob presented an ambitious Action Plan of the Namibian Government for Economic Recovery and Inclusive Growth. On this day, two notable things happened:
  - a. Common to us all, Namibia was speared onto on a path of true Prosperity.
  - b. But more importantly, on this Day, Namibia had its first encounter with Destiny – an opportunity, to redefine our economic DNA.
2. Embedded in a bold 2<sup>nd</sup> Harambee Prosperity Plan was an economic recovery program that would generate new and diversified frontiers of growth, optimize the stewardship of Namibia’s natural resources and public assets, while proactively pursuing opportunities in the blue and green economies. Notably, the mandate of Prosperity for All is without question a tall order.
3. Green hydrogen plays a crucial role in the global decarbonization effort because of its versatility and unique ability to connect power, gas, chemicals, and fuel markets, especially in hard-to abate sectors. Under a net-zero by 2050 scenario, global demand for hydrogen and its derivatives is expected to soar from an estimated 140 mtpa of hydrogen equivalent in 2030 to 660 mtpa in 2050.

4. Ladies and Gentlemen, the world is on a collision course with a climate crisis and as part of its goal to develop complementary engines of growth, Namibia is investigating the feasibility of Green Hydrogen and Ammonia as a transformative strategic industry to respond to the Global cry. The Harambee Prosperity Plan II outlined that an Inter-Ministerial Green Hydrogen Committee (GHC) would be constituted in the second quarter of 2021 to oversee the development of the hydrogen opportunity.
5. Without delay, His Excellency, the President, Dr. Hage G Geingob, established the Green Hydrogen Council just 66 days after launching the 2<sup>nd</sup> Harambee Prosperity Plan (HPP-II) and less than a month later, the first hydrogen Market Sounding for the Southern Corridor Development initiative (SCDI) was held. Over a hundred developers from across the globe provided invaluable information that would later be used in crafting our first call for proposals to develop two land parcels in the Tsau ǁKhaeb National Park.
6. We recognize the urgency with which we need to deliver tangible improvements in the lives of all citizens. Evidently, on the 3<sup>rd</sup> of August 2021, less than 5 months after launching HPP-II, we celebrated our President's 79<sup>th</sup> birthday and issued a global Request for Proposal – an invitation to bidders to develop Africa's first vertically integrated giga-scale green hydrogen project.
7. The response to the call was overwhelming, with 9 dynamic proposals received from 6 different international developers. A rigorous evaluation process was carefully conducted, supported by the National Renewable Energy Laboratory & European Union, and ratified by Cabinet and the Green Hydrogen Council. This worldclass process identified Hyphen Hydrogen Energy as the preferred bidder for both the Springbok and Dolphin land parcels, an announcement made in Glasgow, Scotland at COP-26.
8. Since this bold announcement, Government has appointed worldclass legal and technical counsel through the support of the Africa Legal Support Facility (ALSF) to support eight Government Negotiating Teams that cover critical areas. These 8 workstreams encompassed:

- a. A legal work stream to ensure the industry is built on a robust legal framework.
  - b. A Technical and Commercial workstream.
  - c. Given the location of this project, a dedicated workstream to consider various environmental aspects.
  - d. A workstream on land.
  - e. A Social Economic Development workstream was established to consider critical aspects around employment requirements, local participation, preferences, SME's and many more.
  - f. Additionally, A tax workstream and a finance work stream was also established.
9. These work streams had over 50 representatives from various Offices, Ministries and Agencies to ensure full government representation. Through these Negotiating Teams and their council, the Government and Hyphen have tirelessly negotiated on how to execute and deliver this project. Over the last few months, these negotiations have been reduced to what is today known as a 'Feasibility and Implementation Agreement' (FIA).
10. Under the FIA, Hyphen is responsible for the technical, financial, environmental, social, and commercial delivery of this first project. The Government is responsible for providing the land on which the project will be established and developing and implementing the required legal, fiscal, and regulatory environment necessary for the establishment and sustainable operation of Namibia's green hydrogen industry.
11. Needless to say, green hydrogen development at this magnitude is uncharted waters for Namibia, Africa, and the globe at large. The Finalization of this FIA, therefore, will establish a new global benchmark, creating a template for the sustainable and equitable development of other green hydrogen projects. Ladies and Gentlemen – Namibia is at the forefront of moulding the industry and the bold steps taken by our leaders in March

2021 are beginning to bear the first real fruits of a synthetic fuel industry - today.

12. The ongoing energy transition is unprecedented due to its scale and the profound impact on the established socio-economic, technological, and geopolitical trends around the world. Renewables, in combination with energy efficiency, now form the leading edge of a far-reaching global energy transition. The Namibian Government, through the visionary leadership of H.E. The President has aligned its National Plans with Global Priorities. Today's gathering is far beyond a signing ceremony:
  - a. today we celebrate the essence of Vision 2030 – an industrialized Namibia.
  - b. we celebrate the first fruits of a green economy that has the potential to integrate 15 000 Namibians into the clean energy dialogue.
  - c. we celebrate a major step in unlocking project capital investment in the order of US\$10 billion - roughly equivalent to Namibia's annual GDP.
  - d. today we celebrate the first spoils of a green economic Recovery plan.
13. Namibia's plans to become the clean energy hub of Africa are clearly well underway. The resolute commitment of the Namibian Government to lead the energy transition is undeniable. Through the strategic partnership with Hyphen Hydrogen Energy, the realization of our plans is accelerated. This project will generate significant income to the Namibian fiscus through the payment of land rentals, royalties on all project revenues and taxes. The Government also has an opportunity to be a co-investor in the project with the right to take up to a 24% equity interest at cost. This project will create up to 3,000 permanent jobs during its operation, with the target for 90% of these jobs to be filled by Namibians and 20% by youths. Notably, the project will source up to 30% of its procurement of goods, services and materials during the construction and operational phases from local SMEs and businesses. This is equivalent to 60 billion Namibian dollars for our local SMEs - Truly, this is what prosperity for all looks like.

14. Over the next few years, the Namibian Government looks to deepen its understanding and capacity in the industry through a dedicated office in the Ministry of Mines and Energy to ensure maximum skills transfer and supervision over this exciting opportunity.
15. The bold climate neutrality commitments outlined in the Paris Agreement and our ambitious aspirations to leverage on our worldclass resources creates an opportunity to develop a sustainable green economy underpinned by thousands of quality green jobs.
16. With these few remarks, I challenge all the stakeholders in the room today to be bold as follows:
  - a. Take our rightful place and lead the race as the clean energy hub of Africa.
  - b. Be bold and build Africa's first giga-watt scale green hydrogen and ammonia project.
  - c. Lead the way and become a net exporter of clean energy to our neighbours.
  - d. Showcase how the port of Luderitz can annually export 2 million tons of ammonia to the Port of Rotterdam and beyond before the end of this Decade.
  - e. Let us lead the way and acquire the skills needed to build a Super Clean Energy Hub. The time to lead is now.

I thank you.