



## REPORT



**EU and Namibia  
strategic partnership  
on green hydrogen:  
*Matching goals and  
meeting them in  
Tandem.***

---

**Author:** Chigozie Nweke-Eze  
CEO, Integrated Africa Power (IAP)

November, 2023

*Cited as:*

*Nweke-Eze, C. (2023). EU and Namibia strategic partnership on green hydrogen: matching goals and meeting them in tandem. November*

---

# Table Of Contents



---

1.. Matching EU and Namibia green hydrogen ambition	1
2.. Towards meeting EU and Namibia’s ambitions in tandem.	3
3. An opportunity for a renewed hope	4

# EU and Namibia strategic partnership on green hydrogen: matching goals and meeting them in tandem.



In the last few years, green hydrogen has regained prominence and has begun to be widely pursued as a vector that will play a key role in a future climate-neutral economy, particularly in hard-to-abate sectors – enabling emission-free transport, heating and industrial processes as well as inter-seasonal energy storage. This re-emergence of green hydrogen, fuelled by both energy security and decarbonization agendas, has also raised geo-economic and geo-political ambitions for the EU and Namibia, opening a new thread of potential matching economic relations and presenting a renewed hope for a blossoming EU-Africa relations.

## Matching EU and Namibia green hydrogen ambitions

Almost all EU Member States recognise the important role of hydrogen in their national energy and climate plans for the 2021-2030 period. About half have explicit hydrogen-related objectives, focussed primarily on transport and industry. Consequently, the EU moved to double its target for clean hydrogen use to 20 million tonnes by 2030, with half expected to come from imports. With this demand gap, Namibia began to position itself as a large-scale green hydrogen producer and exporter.

Namibia, one of the world's driest and least densely populated countries, has placed green hydrogen at heart of its development vision (Vision 2030), seeking to progressively harness its vast potential for solar and wind energy to produce green hydrogen, and to position as a green hydrogen hub in southern Africa for green hydrogen production, use and export. The Namibian government sees



*EU and Namibia strategic partnership on green hydrogen: matching goals and meeting them in tandem*

green hydrogen as “a spark” that will not only drive industrialisation in Namibia, but also promote wider economic prosperity. Green hydrogen production could allow Namibia to benefit from excess renewable energy and become more energy independent - currently the country imports 40% of its energy needs from South Africa. It could also provide Namibia with a chance to reach its decarbonization goals. Though a very small emitter globally, its dependence on South Africa – whose electricity production depends for more than 80% on coal – makes its energy mix far from being green. With its long value chain, the hydrogen economy potentially offers significant potential for job creation and for attracting international investment into the region of its production, thus contributing to economic growth and development

Namibia is among the priority countries in the EU's "Global Gateway strategy" – a fact that helps to actualize and facilitates the two party's ambition and cooperation. The German government has already agreed to invest 40 million euros (\$41.8 million) in Namibia's green hydrogen, and Belgian and Dutch companies are also operating in the country in that field. EU initiatives such as the H2- Global, to facilitate and catalyse green hydrogen and Power-to-X (PtX) products importation into Europe, and the International Hydrogen Ramp-Up Program (H2-UPPP) to support SMEs (small and mid-size enterprises) in developing and emerging countries in pilot projects development; are already in place, spear-headed by the German government.

## **Towards meeting EU and Namibia's ambitions in tandem.**

The EU and Namibia need to understand what they need, the common grounds and how they can be met complementarily. To achieve this requires constant frank communication and dialogues on needs assessments to identify interests of both parties and areas where each party can support each other. The EU needs to secure access to energy sources in line with its decarbonization agenda. Therefore,, it seeks to import part of its required clean hydrogen from more competitive sources while upholding important sustainability standards for production and export. Namibia, on the other hand would like to see that the export of green hydrogen from its geography leads to increased economic growth and development through increase in energy and water access, job creation and skills development. The import and export mechanisms and conditions for achieving these need to be realistically clarified to avoid market gaps and wasted production. Policies, regulations and quotas needs to be clear to both parties.

The development of green hydrogen for export requires massive infrastructure and technological investments and therefore requires ample financial and technical supports. The high-risk nature of green hydrogen project development implies that finance from Development Finance institutions (DFIs), in form of concessional loans, grants, and blended funds, and Export Credit Agencies (ECAs), in form of export credits will play a major role, especially at the early construction stages of the projects. EU's support is therefore crucial at this stage and will further help to unlock further financing from commercial banks and the private sector. Additionally, EU can support Namibia by providing the needed equipment, investing in training and skill to ensure that we have the right local labour content for the projects, and supporting in research and development.

## **An opportunity for a renewed hope**

In November 2022, Namibia and the EU signed a Memorandum of Understanding establishing a strategic partnership on sustainable raw materials value chains and renewable hydrogen. The operational roadmap, launched and endorsed on the 24th of October 2023 for the upcoming period 2023–2025, details the concrete actions in which the partnership will advance its goals, in close cooperation with EU and Namibia financial and private sector stakeholders. These are right steps in deepening the partnership between Namibia and the EU to build a stronger more sustainable economies together and tighten cordial longstanding relationships. The EU has committed to co-developing, co-investing, co-financing hydrogen projects in partnership with Namibia and other African countries to ensure sustainability and in a win-win situation. Namibian government's commitment to its promise to provide the enabling and conducive environment for safe and profitable foreign investments in green hydrogen and other infrastructure projects to thrive is also key. It is, however, important to match promises with concrete commitments, if this win-win scenario is to be achieved.

## About IAP

Integrated Africa Power (IAP) is a multi-unit enterprise specialized in energy and infrastructure development on the African continent. We seek to solve Africa's energy deficits, through integrated systems solutions, resource pooling and cross-border cooperation. Our approach is based on our philosophies of tailored suitability, cost-effectiveness, sustainability and energy-development linkages.

**Author:** Chigozie Nweke-Eze  
CEO, Integrated Africa Power (IAP)

November, 2023

