

## Hyphen Hydrogen Energy signs €35 million agreement with European Investment Bank at COP27

**Namibia, 18 November 2022** – Hyphen Hydrogen Energy (Hyphen) has signed a €35 million letter of intent funding agreement with the European Investment Bank (EIB). The €35 million facility, comprising €10 million in non-refundable grants and €25 million in concessional loans, will be used by Hyphen to partially fund the development of the project up to final investment decision and financial close. Additionally, during COP27 Namibia signed a letter of intent with the EIB for a climate finance facility of [over €500 million](#), which funding is intended to be utilised to fund the establishment of Namibia’s green hydrogen industry and potential equity participation in the Hyphen project.

**Marco Raffinetti, CEO of Hyphen Hydrogen, said:** *“For us at Hyphen, this €35 million facility is a critical step in accelerating the development and implementation of the project, but more importantly, is the first step in forming a deeper relationship with the EIB and the broader European financing community. The EIB is expected to be a significant funder to the project at financial close, together with other European commercial lenders. The €500 million facility offered to Namibia by the EIB is equally important as this facility will provide the funding required to enable the Government to participate as a 24% shareholder in the project in addition to providing funding to Namibia to invest in its green hydrogen industry more broadly.”*

COP27 was a landmark moment in the development of a national hydrogen industry for Namibia. At the Namibian Pavilion several key agreements were signed to rapidly scale up the country’s green hydrogen industry.

Hyphen’s €35 million agreement with the EIB shows confidence in the nascent Namibian hydrogen industry with the bank being a strong supporter of the development of hydrogen and has an established presence in Namibia dating back to 1992.

The Namibian Government also signed a memorandum of understanding with the European Union on hydrogen and rare raw materials to ensure secure and sustainable supply chains.

Hyphen has been awarded the rights to develop sub-Saharan Africa’s largest- and only fully vertically integrated – green hydrogen project. At full scale development, the Hyphen project is expected to produce ~350,000 tons of green hydrogen per annum before the end of the decade for regional and global markets, from 5-6 GW of renewable generation capacity and ~3 GW of electrolyser capacity.

Hyphen and Government are targeting the commencement of construction in January 2025, with commissioning of the first phase by the end of 2026. The total investment in over both phases is ~US\$10 billion, roughly the equivalent of Namibia’s annual GDP.

**-ENDS-**

### Notes to editors:

For media enquiries please contact:

FTI Consulting: [HyphenAfrica@fticonsulting.com](mailto:HyphenAfrica@fticonsulting.com)

## **About Hyphen**

Hyphen is a Namibian registered green hydrogen development company which through a competitive tender process was awarded the rights to develop and implement Namibia's first gigawatt scale green hydrogen project. Hyphen is a joint venture between Nicholas Holdings Limited and ENERTRAG SE.

Hyphen's project is being developed as the first step in the implementation of the Government's strategy for the development of a large-scale green hydrogen industry in various regions in Namibia to support both economic growth in Namibia and assist the world in achieving its decarbonisation goals. At full scale development, the project will produce 2 million tonnes of green ammonia annually before the end of the decade for regional and global markets, from ~7GW of renewable generation capacity and ~3GW of electrolyser capacity, cutting 5-6 million tonnes (annually) of CO<sub>2</sub> emissions, with Namibia's annual 2021 emissions totalling 4.01 million tonnes<sup>1</sup>.

## **About ENERTRAG SE**

ENERTRAG is one of the largest renewable-energy companies in Germany. The company develops, builds, owns and operates utility-scale integrated energy plants that produce reliable electricity and green hydrogen exclusively from wind and sun. ENERTRAG produces 2 Terawatt-hours of electricity per year from 1 Gigawatt of own assets and has more than 10 Gigawatts of wind, solar and green-hydrogen projects under development in ten countries across the globe.

## **About Nicholas Holdings Limited**

Nicholas Holdings Limited is a strategic investment and infrastructure project developer and operator with a 30-year track record of investment and project development in Africa and Europe, mainly through its subsidiary company, Principle Capital.

---

<sup>1</sup> <https://ourworldindata.org/co2/country/namibia#what-are-the-country-s-annual-co2-emissions>