



NAMIBIA

## A blueprint for Namibia's **green** **industrialisation**



Namibia has made substantial strides in establishing a comprehensive framework for its green hydrogen ambitions, demonstrating strong political will and a clear strategic vision. The nation's Green Hydrogen and Derivatives Strategy, integrated with national development plans like Harambee Prosperity Plan II and Vision 2030, signals a deep commitment to socio-economic transformation beyond mere energy production.

**The Green Industrialisation Blueprint, released in August 2024, further solidifies this commitment by providing a detailed roadmap for leveraging green hydrogen to drive broader economic diversification, job creation, and export growth.**

Strategic international partnerships, particularly with the European Union and Germany, have been instrumental in mobilising significant blended finance and attracting substantial private investment, exemplified by the SDG Namibia One fund and the government's equity stake in the Hyphen project.

The establishment of the Implementation Authority Office as a centralised "*one-stop-shop*" further underscores a proactive approach to streamline processes and reduce bureaucratic hurdles. The burgeoning pipeline of projects, including the flagship Hyphen initiative and early-stage production from Hylron and Daures, demonstrates tangible momentum, building domestic technical expertise and proving the viability of the green hydrogen value chain.





The government's emphasis on Common Use Infrastructure and skills development initiatives further de-risks investments and aims to foster local benefits, with the Blueprint detailing specific plans for rail, port, and electricity infrastructure development to support these goals. To fully unlock its potential and realise its vision of a green industrial economy that benefits all Namibians, several key areas require focused attention:



**Legislative Enactment:** The swift and transparent enactment of the Synthetic Fuels Act is paramount. This legislation will provide the much-needed legal certainty, reduce operational uncertainty for developers currently relying on less formal agreements, and establish robust environmental and safety standards crucial for attracting and sustaining long-term investment. The Green Industrialisation Blueprint explicitly calls for this regulatory framework to be developed and implemented.



**Transparency and Governance:** Implementing and enforcing strict transparency rules for all tenders, contracts, and financial transactions is vital. Adopting and adhering to international standards, such as the Extractive Industry Transparency Initiative, can significantly enhance accountability, build public trust, and mitigate the risks of socially exclusive deals. The Green Industrialisation Blueprint supports streamlining processes, which can contribute to greater transparency.



**Environmental Stewardship:** Developing and rigorously implementing comprehensive, long-term environmental management plans is critical, particularly for sensitive areas like national parks where large-scale projects are located. This includes robust strategies for managing brine disposal from desalination plants and a holistic assessment of cumulative environmental impacts. Transparent and inclusive public consultations are essential to ensure the sustainability of development and maintain international credibility.



**Local Content Implementation:** Refining local content policies to include quantitative targets and clear mechanisms for local value addition and equitable revenue-sharing is crucial. Exploring options such as direct dividend payments to citizens or community co-ownership models will maximise socio-economic spillovers and address concerns about "green neocolonialism," ensuring that the benefits of this new industry are genuinely widespread. The Blueprint sets ambitious job creation and human capital development targets, underscoring the importance of effective local content strategies.

Namibia is uniquely positioned to emerge as a global green hydrogen hub, capitalising on its world-class renewable resources and strategic geographical location. The successful navigation of the legislative, environmental, and governance challenges will be the determining factor in attracting sustained investment and realising its ambitious vision.



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