GRMF Hydrogen Webinar

15 Nov 2023

African position on the development of Green Hydrogen in Africa

Outline

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- Proposed Decisions

Background

- Green hydrogen is an important new commodity with vast potential for the decarbonisation of hard-to-abate sectors like heavy transport, air transport, heavy manufacturing etc
- Africa is endowed with resources to produce green hydrogen at competitive rates.
- In view of Africa's potential to develop the green hydrogen value chain for its sustainable development requirements and for the global market, the AUC commissioned a study to carry out detailed analysis of the likely ***technical, economic, social and political impacts and produce a common African position to guide policy and strategy development*** on the continent.
- The study was aligned to the African Common Position on Energy Access and Transition adopted by the Executive Council (EX.CL/Dec.1169(XLI), para 38) in July 2022

REQUESTS the Commission in collaboration with continental and regional institutions to *develop a continental programme on green hydrogen to create sustainable and cost-effective domestic and international markets* and ***develop appropriate financing, policy and regulatory frameworks and partnerships*** with other world regions to develop the technologies **(EX.CL/Dec.1169(XLI)**

Study Objectives & Methodology

- **Overall objective -** to develop an African position on the development of green hydrogen in Africa taking into account its technical, economic, social and political implications as well as Africa's strategic priorities and long-term vision under AU Agenda 2063

- Specific Objectives:

1. Ensure that Africa benefits from the production and trading of green hydrogen undertaken within and outside the continent
2. Ensure that Africa is not disadvantaged by production and trade of green hydrogen with other regions
3. Ensure that production of green hydrogen in Africa contributes to its energy, infrastructure and industrialization development

- Methodology:

i. Extensive literature review

ii. Broad consultations

iii. Analysis including PESTLE, SWOT and TIS analysis

Study Results and Recommendations

The key findings of the study include:

1) Africa has the potential to be a major player in green hydrogen based on its abundant renewable energy resources (solar, wind, hydro and geothermal), its access to key minerals, existing trade relationships and proximity to export markets.

2) The export of green hydrogen, hydrogen derivatives and low carbon footprint value added products including low carbon minerals and manufactured goods are major opportunities for Africa.

3) Within Africa, green hydrogen can play a critical role in the decarbonisation of hard-to-abate sectors, contribute to the resilience and reach of electricity networks, and promote sustainable economic development.

4) Efforts should be made to create enabling environment to develop local green hydrogen market/value chain in an equitable way including through local value additions and balancing local needs with export potential.

5) Acknowledging that Africa includes several countries with large natural gas resources both blue and green hydrogen should be supported especially in the short term.

6) The priorities for green hydrogen in Africa must be set by Africa.

Recommended Actions

The study recommends that the AUC should lead other stakeholders in the following continental efforts:

- Developing a Continent-wide Green Hydrogen Strategy
- Establishing Regulation, Codes and Standards and Certification Mechanisms
- Building Partnerships and Collaboration
- Research, Development, and Innovation
- Capacity Building and Skills Development
- Stakeholder Engagement and Awareness
- A range of studies such as Resource Mapping and Availability; Infrastructure Assessment; Policy and Regulatory Analysis; and Market Analysis; etc.

STC Decisions

The STC adopted the following decisions in September 2023:

1) Adopted the report of the study on “African position on the technical, economic, social and political implications of green hydrogen development in Africa”

2) Requested the AUC in collaboration with key stakeholders to implement the recommendations of the study

3) Requested the AUC and its partners to develop continental and regional policies and regulatory frameworks including a protocol on green hydrogen development in Africa

African Union

Thank you
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