



**Green Hydrogen
Economy -
The role of DFIs**

INTRODUCTION

Our role goes beyond that of just being lenders

Making the green hydrogen economy a reality

- Africa is expected to become the preferred location for the green hydrogen economy
- Abundant natural resources, greater land availability, easy access to water sources, and access to resources such as platinum used in fuel cells .
- Enable Africa to position itself as a major hydrogen export hub
- DFIs in collaboration with other stakeholders have a significant role in making this possible

1. Collaboration and partnerships

Stakeholders

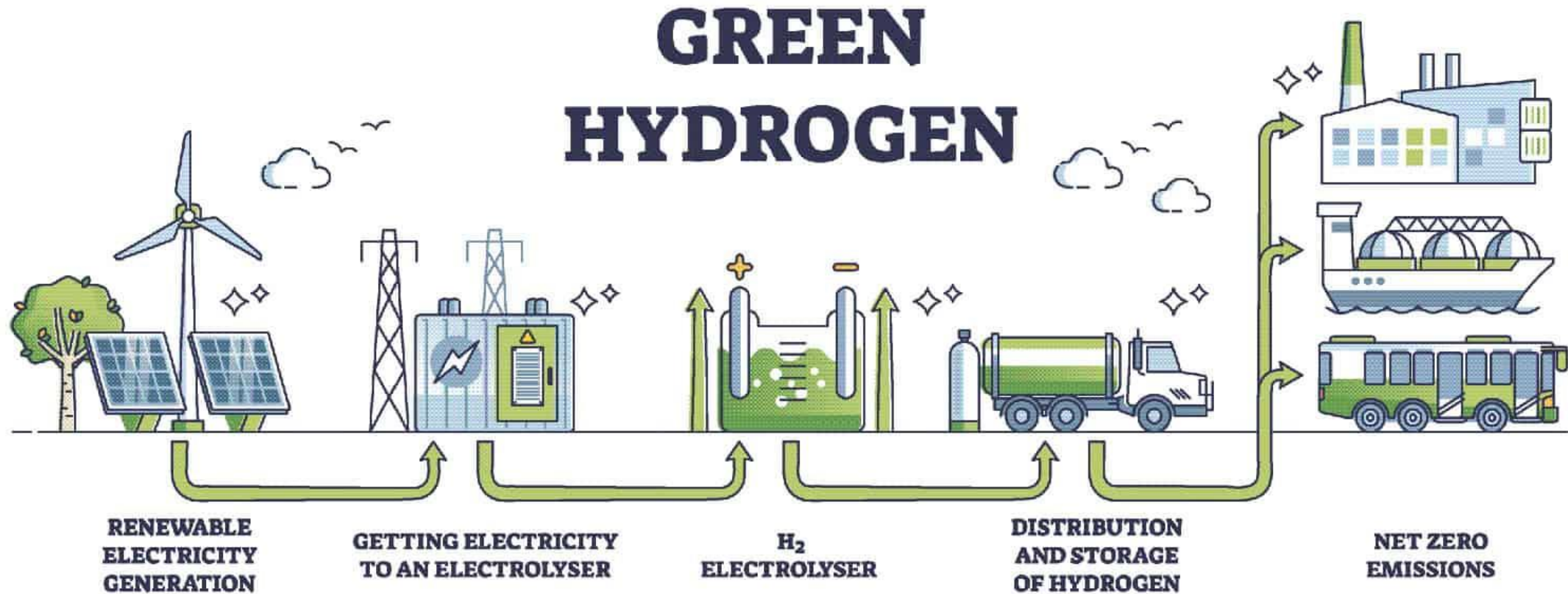
- Government entities
- Developers
- Regulators and policy makers
- Financiers
- Import countries
- Downstream industries
- Others across the value chain

Benefits

- Appropriate and applicable standards
- Clear emissions thresholds and sustainable development requirements
- Clarity to developers in preparing projects
- Effective creation of downstream links
- Others

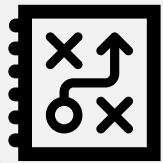
THE ECOSYSTEM

Playing across the value chain in a way that supports the ecosystem



DBSA - PROJECT PREPARATION DIVISION

Playing a critical role in providing risk capital in the preparation stages of sustainable infrastructure developments



Planning Unit

Infrastructure planning support to under resourced municipalities and other qualifying DBSA clients with the aim of identifying sustainable infrastructure projects and unlocking funding for municipalities.



Project Development Support

Supports project developers, project owners and / or concessionaires in both public and private sector to prepare projects up to financial close by addressing key limitations to bankability.



Climate & Environmental Finance

Provides dedicated advisory, investment and implementation support to access funds from climate financing mechanisms - Global Environment Fund, Green Climate Facility & Green Fund.



Programme Development Innovation & Execution

Aims to address the complexities associated with infrastructure planning & delivery by developing standardized frameworks to develop projects at scale.



Product Innovation

Structures complex investments in infrastructure with a focus on fintech, climate finance and early-stage equity opportunities.

SUPPORTING PROJECTS IN THE PREPARATION PHASE

De-risking green hydrogen projects and catalysing the significant funding required

Examples of what goes into successfully preparing a green hydrogen project

Technical feasibility

Engineering studies and activities related to all components
Technical expertise of developers, supported by competent advisors
Feeds into financial modelling and debt capacity analysis

Regulatory

Permits and licenses for the renewable energy component
Grid connection process
Water use licenses
Land and servitudes
Ports Act
Environmental authorisations and others

Market/offtake

Targeting local use or exports
Exploring the various markets and their regulatory requirements
Stimulating the domestic market – hydrogen powered trucks, fuel cell and electrolyser industries
Importance of supporting pilot projects

EXAMPLES OF PROJECTS SUPPORTED BY DBSA

Supporting infrastructure investment in South Africa, the SADC region and further afield on the African continent

SA H2 Fund

Establishment of South Africa Hydrogen new financing platform to attract and deploy funding towards green hydrogen projects in South Africa.



Hyphen Hydrogen

Development of a large-scale green ammonia project in Namibia

EUR 5 million PPF



Upilanga Green Hydrogen and Solar Park

Development of a 100 MW green hydrogen project in Upington

ZAR 14.5 million PPF



Other projects being explored

- Development of a 1 Mt green ammonia plant located in the Coega Special Economic Zone
- Development of wind farms in Beauford West to supply renewable energy to a green ammonia plant
- Development of a fuel cells plant



THANK YOU