

 Early Warning System

AFDB-P-NA-FZ0-003

NAMIBIA - Project Preparation Facility for Hyphen Green Hydrogen
Energy (PTy) Limited



Quick Facts

Countries	Namibia
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	A
Voting Date	2025-12-01
Borrower	Hyphen Hydrogen Energy (Pty) Limited
Sectors	Energy
Investment Type(s)	Advisory Services, Grant
Investment Amount (USD)	\$ 10.00 million
Grant Amount (USD)	\$ 10.00 million
Project Cost (USD)	\$ 109.11 million



Project Description

According to the AfDB, the main objective of this project – a SEFA Reimbursable Grant (RG) - is to support the advancement of critical preparation activities that are required to de-risk and contribute to the Hyphen GH project's bankability. SEFA will share development risk through an RG of USD10 million, alongside other funding sources the RG beneficiary will deploy in project development. As GH is a new development in Africa, this project will provide a strong demonstration effect of the viability of GH and encourage private sector participation and investment in expanding the continent's production capabilities.

Hyphen Hydrogen Energy (Pty) Limited, incorporated in Namibia in 2023, is the project company established to execute the Project and will be the beneficiary of SEFA's Reimbursable Grant (RG). The rationale is support for the de-risking of a first-of-a-kind, multifaceted and large scale Green Hydrogen (GH) project, which is expected to help harness part of Namibia's significant renewable energy resources and grow the GH sector; mitigate climate change effects; diversify export revenues through the production of low-cost GH and derivatives; and contribute to socioeconomic development. At the end of Phase II, the Project is expected to result in: (i) the installation of 7GW of renewable energy capacity in Namibia; (ii) mobilisation of capital of at least EUR15.0 billion (iii) achieve CO2 avoidance estimated at 5 million tons annually; and (iv) an estimated 15,000 and 3,000 jobs during the construction and operations phases, respectively –complemented by support for the development of local value-chains based on the SED Framework; as well as the augmentation of potable water supplies through desalination.

Hyphen Hydrogen Energy (Pty) Limited is developing a vertically integrated green ammonia project in Namibia, with capacity to produce about 2 million tonnes per annum (Mtpa). Hyphen is a special purpose vehicle (SPV) established in Namibia to implement the Project, with ENERTRAG SE, Nicholas Holdings Limited and the GRN as the beneficial owners. The Project will be implemented in two phases, with production capacity of 1Mtpa in each phase. The Phase I scope includes wind and solar energy generation (3.5GW), electrolyser capacity (1.5GW), pipelines and associated storage facilities, green ammonia production, and common user infrastructure (CUI) -e.g.pipelines, transmission lines and substations ; as well as port facilities. Hyphen was selected as the preferred bidder by the Government of the Republic of Namibia (GRN) after a competitive bidding process in 2021. The Feasibility and Implementation Agreement (FIA)-a 40-year concession agreement that stipulates the obligations and responsibilities of Hyphen and the GRN in the development, implementation and operation of the Project-was signed in May 2023. The FIA includes a Socio-Economic Development (SED) Framework to promote employment, skills development, local value chains and supplementary infrastructure. The Bank will support Hyphen through a SEFA-funded project preparation facility, covering Front-End Engineering Design (FEED) studies for solar and wind generation; battery energy storage systems (BESS); electrolyser capacity; and desalination infrastructure. Hyphen will be responsible for the implementation of SEFA-funded FEED activities in line with the terms of the project preparation facility agreement and the Bank's Procurement Policy.



Investment Description

- African Development Bank (AFDB)



Private Actors Description

As stated by the AfDB, Hyphen is a special purpose vehicle (SPV) established in Namibia to implement the Project, with ENERTRAG SE, Nicholas Holdings Limited and the GRN as the beneficial owners. ENERTRAG SE has a 25-year track record, including the implementation of close to 2GW of wind and solar projects in Germany, France and Poland. Nicholas Holdings Limited was established 33 years ago as an investment and project development company, mainly in infrastructure and logistics. Website: <https://hyphenafrika.com/>



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Hyphen Hydrogen Energy (Pty) Limited	Client	Energy



Contact Information

AfDB Team Leader:

Moeketsi Enos Thobela

Email: m.thobela@afdb.org

ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents>. Under the AfDB's Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at <https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process>.

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: <https://www.afdb.org/en/independent-review-mechanism/>



Bank Documents

- [Project Summary Note](#)



Other Related Projects

- IFC-608975 Hyphen High Level ES Advisory