



Press Release
76th Cairo Climate Talks
July 6, 2021

On the 6th of July 2021, the Cairo Climate Talks (CCT) hosted their 76th panel discussion in which experts from Germany and Egypt discussed the potential of investing into green hydrogen for the future.

Most governments have pledged carbon neutrality and joined the common targets of the Paris Agreement, Omar S. Ibrahim, stressed how these pledges now need to be translated into action: “electrification based on renewables is the most cost-effective and most efficient option for decarbonization. However, there are some sectors that have power needs which cannot be met by electrification. Industry and transportation make up 35% of global greenhouse gas emissions. Iron and steel, cement, chemical production, along with heavy transportation such as shipping, aviation and heavy-duty trucks are all significant CO² emitting activities which are hard, or completely impossible, to electrify. **Transitioning these sectors to zero carbon needs fresh thinking, because without addressing these hard-to-electrify sectors, the climate will continue to warm.**”

Stefanie Sörensen, Deputy Head of German Development Cooperation in Egypt, opened the discussion on behalf of the Embassy of the Federal Republic of Germany and stressed that “global energy consumption is set to grow by 50 per cent by 2050; in developing countries and emerging economies it will increase by as much as 70 per cent; this means that green hydrogen is essential to a successful energy transition and to achieving international climate goals.”

“Energy derived from green hydrogen is considered a revolution in the field of renewable energy” added Dr. Ahlam Farouk, Advisor and Head of Central Department for Energy & Enhancing the Industrial Environment, who opened the event on behalf of the Ministry of Environment of the Arab Republic of Egypt. She emphasized the importance of green hydrogen globally and for Egypt as “the best choice for the environment and an attractive solution to reduce emissions” and while it is still new in the Egyptian context, it has great potential when added to the Egyptian energy mix.

The German government has been committed to its Energiewende, transitioning from nuclear and fossil fuels towards renewable energy since the 1990s explained Dr. Kathrin Goldammer, Managing Director of Reiner Lemoine Institute. Supported by strong policy-measures and subsidies, 50% of Germany's energy demand is now sourced from renewable energies. But for industries hard to decarbonize, green hydrogen is an attractive solution.

Martin Neussel, Head of the Joint Committee for Energy Efficiency (JCEE) at the German Development Cooperation (GIZ), underlined: **“Green hydrogen is not an energy source, but green hydrogen is actually an energy carrier – as it converts a source of energy to be transported.** It is produced solely and 100% by renewable energy, so there are no emissions produced, unless maybe through marine transport but pipelines will reduce this cost.” As such offers new trade opportunities.

Egypt is looking at a double-win situation according to Dr. Nahla Ismail, Head of Renewable Energy Group at the Centre of Excellence at the National Research Centre (NRC): its climatic conditions offer yet untapped potential for renewable energy production and its strategic location between Africa, Europe, and Asian markets, makes it a vital player in global energy trade, and offers friendly conditions for large scale European investment into green hydrogen, to meet Europe's high energy demand.

Proof of these investments are the recently announced Memorandum of Understanding (MoU) between Egypt and German company Siemens, as well as the planned MoU with thyssenkrupp Industrial Solutions. Egypt's Country CEO & Executive Board Member at thyssenkrupp Andreas Beckers stressed the potential that comes with being adjacent to the European market and highlighted the pioneering role Egypt has in the field: “in the early 1950s the Suez high dam was using hydropower to produce green hydrogen – and then from green hydrogen to green fertilizers. What a great success story.”

While Germany has already introduced a National Hydrogen Strategy as well as a foreign policy approach through the initiative H2global, the panelists concurred that Egypt is currently implementing research facilities and conducting feasibility studies to soon announce their own green hydrogen strategy, offering regulatory measurements for emission rights and reduction certificates as well as reaching their own ambitious 2035 energy transition milestones.

Background Information:

The Cairo Climate Talks are conceived, organized and hosted as a cooperation between the German Embassy in Cairo, the Egyptian Ministry of Environment, the German Academic Exchange Service (DAAD) and the German Corporation for International Cooperation (GIZ).

You can find the recordings for all talks here: www.youtube.com/cairoclimatetalks

And the reposts for all talks here: https://bit.ly/CCT_report

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