



صندوق مصر السيادي  
THE SOVEREIGN FUND OF EGYPT



# Egypt Green Hydrogen Program

## Positioning Egypt

# The Region's Green Hydrogen Export Hub

### Abundant Renewable Energy Resources

Extensive wind and solar land availability of up to 1 TW capacity.

Complementary wind and solar profiles ensure cost competitiveness.

### Strategic Location & Proximity to Global Markets

Major shipping hub - easy access to the Mediterranean Sea and Suez Canal.

Green bunkering opportunity through the Suez Canal's vital shipping route.

Proximity to Europe will allow Egypt to capitalize on the ambitious REPowerEU plan.

### Strong FDI Momentum & Partnerships

Ability to attract large-ticket size deals and avail financing.

Strong relationship with blue-chip developers.

Massive investments are currently under study.

### Supportive Infrastructure

Robust grid in place for transmission of green electrons to green hydrogen projects.

Facilities for desalinated water to cater for the project.

### Strong Industrial Base

Egypt is the 9th largest global exporter of Ammonia.

Robust industrial base resulting in comparable inputs procurement and economies of scale.

### Access to Economic Zones

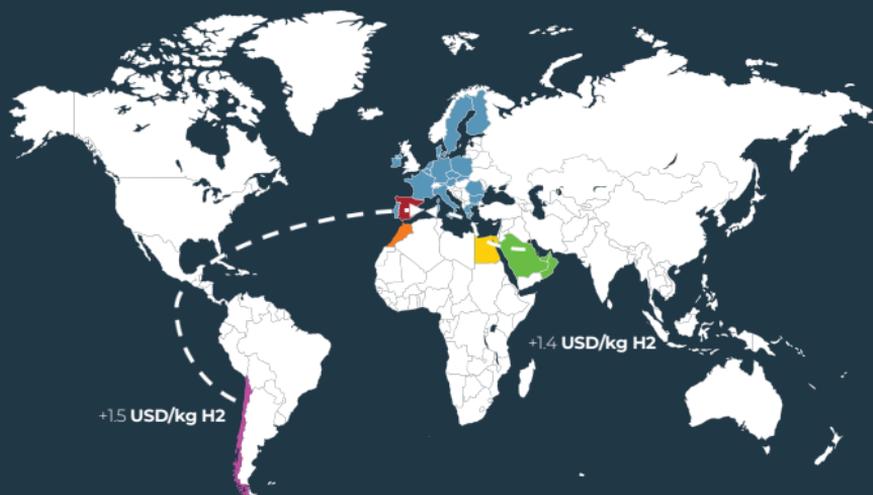
Investment friendly incentives in place.

Additional incentives in the making to catalyse green molecule production.

# Abundant Renewable Energy Resources

## Most Competitive Globally

Indicative Long-term potential Green Hydrogen cost (USD/kg H<sub>2</sub>)



● EU **USD 3.9- 4.2**

● Spain **USD 2.5 -3**

● Morocco **USD 2.1- 2.6**

● Egypt **USD 1.8- 2.3**

● Chile **USD 1.9-2.3**

● GCC **USD 1.9-2.4**

► **Vessel transport using ammonia as carrier, including reconversion cost**

Source: Analyses by Roland Berger's

# Select Government Stakeholders

## Complete Support for Project Development

### 01 | New and Renewable Energy Authority

**NREA** is responsible for the upstream land allocation and leasing for the development of solar and wind parks.

### 02 | Suez Canal Economic Zone

**SCZONE** is responsible for the midstream & downstream land allocation and for availing a “Utility Right of Way”, carrying out all the needed port infrastructure, and building a central Desalination Plant that will feed all projects.

### 03 | Egyptian Electricity Transmission Company

**EETC** is responsible for all grid connections, substations, transmission lines, and transmitting the green electrons for the green molecule production via the national grid.

### 04 | The Sovereign Fund of Egypt

**TSFE** is a catalyst, coordinator and potential Financial Investor in all Green Hydrogen Project with a stake of up to 15%.

**UPSTREAM  
RENEWABLE POWER  
& INTERCONNECTION**



Renewable Power



**NREA**



Renewable Power

Public Network  
for power wheeling

**EETC**

**MIDSTREAM  
GREEN MOLECULE  
PRODUCTION**



Electrolyzer

Desalinated Water



Sea Water

**DOWNSTREAM  
PORT FACILITIES**

E- Methanol



Green Hydrogen  
Conversion Plant

Green Ammonia



Bunkering  
facilities



Ammonia Storage  
Facilities for  
exporting

**SCZONE**

# Second Largest Pipeline of Projects Globally

## 23 MoUs Signed to Date



Egypt has signed 23 MoUs with local, regional, and global consortiums which is set to transform Egypt into a regional hub for Green Fuel Production & a net exporter of Green Hydrogen



Establishing Renewable Energy Capacities of **over 100 GW.**



Producing Green Hydrogen Capacity of over **5 million tonnes** annually.



Generating a Total output of Over **28 million tonnes** of Green Fuel annually.

# A Streamlined Development Process

## Clear and Swift Project Development

### 01 | MoU Signature

Government Sponsors sign a **Memorandum of Understanding** with potential developers which is set to outline:

- . The roles and responsibilities of each party
- . The Project Capacities
- . Any special arrangement relating to power or utilities for the project



### 02 | Preliminary Studies



**Preliminary Studies** are carried out by the potential developers and submitted to the Government Sponsors for review and acceptance

## 03 | Framework Agreement Signature

**A Binding Framework Agreement** is signed by the parties which outlines:



. A significant commitment from the government on the land allocation and electricity transmission for the entire project to enable the lead developer to conduct their feasibility studies with certainty

. Commitment from the lead developer on a detailed project implementation schedule

## 04 | Final Feasibility Studies



**Final Feasibility studies** are carried out by the developers and submitted to the Government Sponsors, including:

- . Technical Study
- . Financial Model
- . Master Schedule for the Project Execution
- . Commitments on offtake and financing arrangements

## 05 | Final Investment Decision (FID)

The Lead developer signs the binding project documents with the Government Sponsors



## 06 | Financial Close

Lead Developer Secures Financing Package Necessary for Project Execution

GH2

## Incentives Summary

### Scope

**The entire GH2** Value Chain as well as the **manufacturing & distribution** of key components and inputs will benefit from the incentives law across Egypt

### Term

Eligibility **within 5 years** from the effective date of this Law  
Once eligible **benefits are for the entirety of the project(s)** life  
future expansions must be developed **within 7 years** from the initial COD

## The Eligibility Criteria

- . Transfer of know-how and technology to Egypt and implementation of training programs
- . Development of local communities in line with Article 15 of the Investment Law No. 71 of 2017
- . Commercial Operation achieved within 5 years
- . 70% foreign capital funding
- . 20% Local Content

## Incentives Offered



**33% to 55%**  
Income Tax  
Rebate



Exemption from  
Property/ Real  
Estate Tax, Stamp  
Tax, Registration  
Fees & Custom  
Duties



VAT  
exemption  
on **Imports**  
& **Exports**



**25% & 20%**  
reduction on  
Industrial Land  
Usufruct fees  
and Port Land  
Usufruct fees  
respectively



**30%**  
reduction of  
Transit/ Port  
fees



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