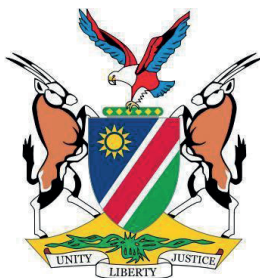


JOINT COMMUNIQUÉ OF INTENT

Between



THE GOVERNMENT OF THE REPUBLIC OF NAMIBIA

And



THE FEDERAL REPUBLIC OF GERMANY

On

COOPERATION IN THE FIELD OF ENERGY RESOURCES

INTRODUCTION

The Government of the Republic of Namibia and the Government of the Republic of Germany (jointly hereinafter referred to as “Sides” and in the singular as “Side”) affirm the strong political, societal and economic ties between Namibia and Germany.

The Sides recognise that they have a common interest in the energy sector, specifically in green hydrogen, which is produced by using renewable energies to electrolyse water, thereby separating the hydrogen atoms within it from oxygen (hereinafter: green hydrogen) and that they will benefit from increased cooperation and exchange of knowledge and experience.

The Sides are mindful of the valuable cooperation in research over many years, as well as the significant potential of both countries in the production, storage, transport and use of green hydrogen; and wish to enhance bilateral cooperation in the field of energy resources on the basis of mutual social, economic and environmental benefit to the Sides in order to promote sustainable development.

NOW THEREFORE, the Sides have reached the following understanding:

SECTION 1 PURPOSE

1. The purpose of this Joint Communiqué of Intent (hereinafter referred to as the “Communiqué”) is to provide a framework for the Sides to promote and enhance cooperation in the field of renewable energy resources, based on the principles of equality and mutual respect of the Sides’ sovereignty and policies, whilst taking into account their expertise.

SECTION 2 SCOPE OF COOPERATION

2. Subject to their national laws, the Sides will promote cooperation in the fields of green hydrogen and its associated derivatives, renewable electricity and associated infrastructure development
 - 2.1. exchanging information regarding their respective renewable energy policies, institutional arrangements and regulatory frameworks;
 - 2.2. enhancing strategic and technical partnership between the two countries’ national hydrogen institutions, energy regulatory authorities and national power utilities;
 - 2.3. technology transferring and cooperating in research and development;
 - 2.4. addressing the challenges of global climate change, especially carbon dioxide emissions from power plants using fossil fuels;
 - 2.5. conducting of feasibility studies immediately after the subscription signing of this joint communiqué between the Sides and third parties to enable the:
 - 2.5.1. Assessment of Namibian potential to produce green hydrogen and green hydrogen-based energy carriers using renewable energies for domestic use as well as for export to Germany and other markets;

- 2.5.2. Analysis of the economic, social and ecological opportunities and risks of large-scale production of green hydrogen (including its derivatives) and, specifically, desalination of seawater in Namibia;
 - 2.5.3. Comparison of the various current seawater desalination technologies applying social, economic, ecological and technological criteria;
 - 2.5.4. Impact of seawater desalination to on the local environment, especially to on maritime biodiversity;
 - 2.5.5. Identification of economic, scientific, technological, regulatory and logistical barriers of the feasibility of the supply chain;
 - 2.5.6. Comparison of the current green hydrogen technologies and research readiness levels along the whole supply chain and applicability in Namibia;
 - 2.5.7. Identification of economic, technological and regulatory requirements for the transport of and trade in green hydrogen and green hydrogen-based energy carriers;
 - 2.5.8. Determination of demand and end use for green hydrogen and green hydrogen-based energy carriers in relevant industries in Namibia and Germany and other markets;
 - 2.5.9. Where necessary, fast tracks can be defined in the study for priority issues.
- 2.6. Prospectively, based on the outcomes of the various study results (and the fast tracks), joint pilot projects will be conducted. These pilot projects will demonstrate:
- 2.6.1. Production of green hydrogen and green hydrogen-based energy carriers (e. g. ammonia) using renewable energies and further input materials;
 - 2.6.2. Transport of green ammonia from Lüderitz and/or Walvis Bay port to Europe;
 - 2.6.3. Renewable energy-powered desalination of seawater for electrolysis;
 - 2.6.4. Direct seawater electrolysis;
 - 2.6.5. Energy security and the development of regional energy networks;
 - 2.6.6. electricity generation, transmission, distribution and supply;
 - 2.6.7. Energy conservation and energy efficiency; and
 - 2.6.8. Any other energy related matters of mutual benefit to the Sides.

SECTION 3 FORMS OF COOPERATION

3. The Sides will cooperate through
- 3.1. the exchange of visits by policymakers and technical experts responsible for the development and implementation of energy policies;
 - 3.2. the promotion of research, education, innovation and academic exchange on the development of a green hydrogen economy between the two Sides, including student exchange, knowledge exchange of professors and teachers, joint workshops;
 - 3.3. the training of suitable professionals in the academic and non-academic sectors as a key factor for the successful development of a hydrogen economy in Namibia. With this in mind, the

Sides aim to establish a joint support programme for the education of Namibian youth in the field of green hydrogen through the provision of full scholarships; and

- 3.4. cooperation and assistance for the development of related policies and the exchange of experience in the establishment and organization of regulatory and management agencies for the industry.
- 3.5. The terms and conditions of each programme or project arising from this Communiqué will be agreed to by the Sides as contained in separate agreements.

SECTION 4 COMPETENT AUTHORITIES

4. The competent authorities responsible for the implementation of this Communiqué are:
 - 4.1. in the case of Namibia, the National Planning Commission; and
 - 4.2. in the case of Germany, the Federal Ministry of Education and Research,

SECTION 5 WORKING GROUPS

5. The Sides will establish the following Working Groups that will be responsible for implementing this Communiqué:
 - 5.1. A Strategic Working Group comprised of the Federal Ministry of Education and Research of Germany and the Namibian Green Hydrogen Council chaired by the Director General of the National Planning Commission of Namibia. The Strategic Working Group will meet whenever necessary and will be responsible for the following activities:
 - 5.1.1. providing guidance on the implementation of this Communiqué;
 - 5.1.2. evaluating and monitoring of projects;
 - 5.1.3. reviewing progress;
 - 5.1.4. overseeing the utilization of funds
 - 5.1.5. considering reports and matters arising from the Technical Working Group that will be formed under article 5.2 below; and
 - 5.1.6. considering any other aspects relevant to this Communiqué.
 - 5.2. A Technical Working Group comprising officials nominated by the Sides' respective Competent Authorities and chaired by the Namibian Green Hydrogen Commissioner will be a forum for matters of common interest in relation to the programmes and projects arising from this Communiqué and will be responsible for:
 - 5.2.1. assisting the Competent Authorities in the implementation of this Communiqué; and

- 5.2.2. reporting on progress or issues arising from the implementation of the Communiqué to the Strategic Working Group.
- 5.2.3. The Technical Working Group will meet whenever necessary and will be responsible for the following activities:
- 5.2.4. Project management of the various components of the programme;
 - 5.2.4.1. Developing quarterly progress reports; and
 - 5.2.4.2. Issuing of payment certificates.
- 5.3. The agenda, time and place of the meetings of the Working Groups will be agreed upon by the Sides. Meetings of the Strategic Working Group will be preceded by meetings of the Technical Working Group.

SECTION 6 FINANCIAL ARRANGEMENTS

- 6. The implementation of the Communiqué will be subject to the availability of funds and resources of the Sides.
 - 6.1. In connection with this Communiqué, each Side will cover the costs of its own participants in the programmes and projects of cooperation, the meetings of implementing agencies as well as the Working Groups.
 - 6.2. Germany commits to contributing up to EUR 40 million in grant funding to deepen green hydrogen cooperation with Namibia in the aforementioned priority areas. As a result, Germany and German partners from science and industry will be given a privileged role in Namibia's green hydrogen strategy.
 - 6.3. The Sides intend to jointly utilise the proposed funding to:
 - 6.3.1. Develop detailed and pre-feasibility studies for various sites;
 - 6.3.2. Develop a pilot plant following a pre-feasibility report in the Karas Region;
 - 6.3.3. Develop a Namibian National Green Hydrogen Strategy to be jointly launched at COP 26 in November 2021;
 - 6.3.4. Develop relevant policies and legislation to promote the green hydrogen industry in Namibia;
 - 6.3.5. Grant up to 25 scholarships for Namibians over a 5-year period in Germany; and
 - 6.3.6. Seed the establishment of a Green Hydrogen Institute in Namibia.
 - 6.4. The release of the funds will be subject to a no objection declaration from the Sides' respective Green Hydrogen Commissioners, after a review of the payment certificates issued under 5.2.3.3 by the Technical Working Group.
 - 6.5. Both Sides will use this Communiqué as a means to leverage public and private investment in support of joint initiatives.

SECTION 7 PUBLICATION OF REPORTS AND CONFIDENTIALITY

7. Unless agreed otherwise, the Sides jointly decide to maintain confidentiality regarding any information shared or exchanged as well as outputs or results of specific programmes of cooperation under this Communiqué which are not yet in the public domain.
 - 7.1. If either Side wishes to share the outcome or results of specific programmes of cooperation carried out under this Communiqué with a third party, the prior written consent of the other Side should be obtained.
 - 7.2. The arrangement agreed to under Section 7 hereto will remain in effect after the expiration or termination of this Communiqué.

SECTION 8 NOTIFICATIONS

8. Any notice, request or other correspondences required under this Communiqué or which any Side may otherwise wish to give to the other Side should be in writing and should be delivered through diplomatic channels, sent by facsimile or similar means of delivery to the Side intended to receive same and will be effective upon receipt at the following address:

To the Government of the Federal Republic of Germany:

Dr. Christoph Roevekamp, Head of Division Energy and Hydrogen Technologies
Federal Ministry of Education and Research
53170 Bonn
Germany
Telephone: +49 228 99 57-2360
Email address: christoph.roevkamp@bmbf.bund.de

To the Government of the Republic of Namibia:

The Executive Director National Planning Commissioner
Government Office Park, Block D2
Luther Street. City,
Windhoek,
Namibia
Telephone: 264-(61)-061 283 4111
Email address: wuiras@npc.gov.na

SECTION 9 SETTLEMENT OF DISPUTES

9. Any differences or disputes regarding the interpretation, application and implementation of this Communiqué, including any disputes regarding its existence, validity or termination, will as far as possible be resolved amicably through consultation or negotiations between the Sides through diplomatic channels.

SECTION 10 AMENDMENT

10. This Communiqué may be amended by mutual consent of the Sides through an Exchange of Notes between the Sides through diplomatic channels.

SECTION 11 FORCE MAJEURE

11. In the event that a situation arises that would render impossible the normal implementation of this Communiqué due to acts of force majeure (earthquake, fire or other acts of God, riot, war, act of terrorism, formal restrictions on travel imposed by a governmental agency, or political instability), the Sides will meet to review the situation and jointly decide on the collective measures to be taken.

SECTION 12 COMMUNIQUE NOT LEGALLY BINDING

12. This Communiqué does not create any legally binding obligations or confer any rights on the Sides.

SECTION 13 GOVERNING LAW

13. Any activity to be undertaken under this Communiqué on the territory of any of the Sides will be governed by the laws of that Side.

SECTION 14 COMING INTO EFFECT, DURATION AND END OF COOPERATION

14. This Communiqué will come into effect on the day of signature.
- 14.1. This Communiqué will remain in effect for a period of five (5) years, whereafter it will be automatically renewed for a successive period of five years.
- 14.2. This Communiqué may be terminated by either Side at any time by giving three (3) months' prior written notice through the diplomatic channels of its intention to end this Communiqué.
- 14.3. In the event of termination of this Communiqué, the detailed operational arrangements concluded pursuant to this Communiqué and the implementation of which have not been completed will not be affected, unless otherwise decided by the Sides.

This Communiqué was signed in duplicate in the English language.

Place, Date

For the Federal Republic of Germany

For the Government of the Republic of Namibia

Minister Anja Karliczek MdB
Federal Minister of Education and Research
of the Federal Republic of Germany

Director General Obeth Kandjoze
National Planning Commissioner