President H.E. Dr. Hage G. Geingob Office of the President, State House Laurent Desire Kabila Street, Auasblick President Bag 13339 Windhoek NAMIBIA

Your Excellency, President Geingob

APPEAL TO REFRAIN FROM SIGNING ANY BINDING TRADE AGREEMENTS RELATED TO THE EU-NAMIBIA STRATEGIC PARTNERSHIP AGREEMENT ON CRITICAL RAW MATERIAL VALUE CHAIN AND RENEWABLE HYDROGEN.

APPEAL TO RECONSIDER THE HYPHEN GLOBAL NORTH INDUSTRY HYDROGEN/AMMONIA AGREEMENT.

APPEAL TO CONSULT AND INFORM THE PUBLIC ON ANY ONGOING GREEN HYDROGEN RELATED PROJECTS.

We are writing out of deep concern to obtain your commitment towards refraining from signing any legally binding agreements related to the EU-Namibia strategic partnership on sustainable raw materials value chains and renewable hydrogen on behalf of the government of the Republic of Namibia until pertinent issues are clarified. We noted with appreciation that our Minister of International Relations and Cooperation recently stated that Namibian government will not sign the Namibia-EU partnership agreement in its current form. We hope that this announcement paves the way for an agreement that primarily serves Namibia's social and developmental interests which we will fully support.

We also urge you to reconsider the multibillion-dollar Green Energy loan/debt agreement between the Namibian government and Hyphen Global North Industry Hydrogen/Ammonia until an inclusive consultation process with the local population and the resulting adjustments are made.

There is controversy surrounding both the EU-Namibia and the Hyphen agreements due to a lack of adequate public consultations and checks and balances, especially with the indigenous communities who will be directly impacted by the activities thereof. The people of Namibia are the rightful owners of all natural resources within the boundaries of Namibia as per Article 100 of the Namibian Constitution. It states that "Land, water and natural resources below and above the surface of the land and in the continental shelf and within the territorial waters and the exclusive economic zone of Namibia shall belong to the State if they are not otherwise lawfully owned." The people need to know all the implications of the agreements and give free, prior, informed consent. Community involvement in natural resource and

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¹ https://www.lac.org.na/laws/annoSTAT/Namibian%20Constitution.pdf

land governance is mandated in our laws. Adequate public consultations and environmental, economic and social impact assessments are required and need to be carried out thoroughly. The same applies to the Erongo Green Hydrogen Hub [which plans to draw freshwater from local sources in its first project phase], and the Dâures Green Hydrogen project which threatens to deplete the groundwater in an already water-stressed area that the indigenous communal farmers depend on for survival. No consultations with local communities on those projects took place.

The United Nations Declaration on the Rights of Indigenous Peoples, which Namibia is a signatory to, requires States to consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them (article 19). States must reach consensus arising from consultations before any of the following actions are taken:

- The adoption of legislation or administrative policies that affect indigenous peoples (article 19)
- The undertaking of projects that affect indigenous peoples' rights to land, territory and resources, including mining and other utilization or exploitation of resources (article 32).²

The EU-Namibia and Hyphen agreements are pursued with no regard to the principle of free, prior, and informed consent or other guarantees of the above-quoted declaration.

There are many red flags in the Hyphen project. According to the Procurement Tracker Namibia report that was published by the Institute for Public Policy Research (IPPR) on 8th March 2022, the awarding of the green hydrogen tender to Hyphen was not transparent. The lack of accountability and transparency right from the beginning of the project is worrisome. No disclosure or due diligence was carried out by the Namibian government in selecting Hyphen for Namibia's largest tender in history.³ There is a need for open access to information in order for Namibians to be informed on the implications of the choices that the Namibian government is making on their behalf. We believe that secrecy allows corruption to take place. Public confidence in the green hydrogen project depends on transparency and accountability.

The Namibian government has jumped on the hydrogen bandwagon but there are concerns about possibly signing away our natural resources and property rights without adequately considering the risks that come with it. There is concern that the Namibian government is entering into agreements not on its own terms and without fully grasping the long-term economic, ecological and social implications of the said trade agreements on the Namibian people's lives. No economic, ecological and social impact assessments have been carried out to date, but the country is already contractually bound by the Hyphen tender allocation. We are deeply concerned that the EU and Hyphen are not only influential players bulldozing the Namibian government into signing unfavourable trade deals, but also setting the rules by which the sovereign Namibian government should play.

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https://www.ohchr.org/en/indigenous-peoples/un-declaration-rights-indigenous-peoples#:~:text=The%20Declaration%20addresses%20both%20individual,all%20matters%20that%20concern%20them.

³ https://ippr.org.na/wp-content/uploads/2022/04/PTN16-web-2.pdf

We are concerned that Namibia's dependence on foreign entities in the production of green hydrogen makes it subservient in the league of giants determining the know-how, finance and technology that shape the adoption and use of global green hydrogen and its derivatives.⁴ This deepens and cements the continuation of exploitative neo-colonial extractivism which has severe socio-economic and ecological implications and will not be beneficial for Namibia.

Experts at the Corporate Europe Observatory assert that it is big European industries that are set to benefit from the green hydrogen sector through state funding, subsidies and selling hydrogen production technologies. The risks are not covered by corporate Europe but by the producer states that invest public funds towards the development of green hydrogen. Corporate Europe is successfully hyping green hydrogen to "greenwash", maintain, and expand existing fossil fuel production and consumption models. There is fear that this will extend the life of fossil fuels for corporate Europe to continue profiting. ⁵ Therefore, we are skeptical of how green hydrogen will aid in decarbonising global industries or curb fossil fuel-induced climate change.

The green hydrogen sector faces high risks, mainly due to the high investment of capital that is required to achieve large-scale deployment, as well as the unforeseeable/ (volatile) economic breakeven.⁶ With Namibia's ailing economy, taking on other significant public debt to finance the green hydrogen project will only worsen our economic prospects if demand does not meet expectations. Namibia's current national debt is 70% of its GDP. Green Hydrogen development is a costly exercise that Namibia cannot afford to invest in.⁷ Should these investments backfire, Namibia will be stuck with an exorbitant generational debt and no resource for the coming generation to bargain with or survive from, which will further expose the youth and future generation to social exploits.

It is a huge gamble for the Namibian government to enter into green hydrogen agreements without having fully understood the financial implications for the Namibian nation through adequate feasibility studies. The feasibility and implementation agreements between the Namibian government and Hyphen are contradictory. We wish to emphasise that feasibility should be done independent and prior to signing binding agreements.

Numerous environmental and conservation concerns surrounding the green hydrogen project are not talked about, or are simply dismissed by stakeholders involved in its development. The region within the Tsau ||Khaeb National Park in which Hyphen is planning to set up Namibia's very large green hydrogen plant (in excess of 2000 square kilometers) is mostly pristine but very sensitive and internationally

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 $[\]frac{\text{https://www.kas.de/documents/279052/279101/lssues\%252C+Challenges+and+Opportunities+to+Develop+Green+Hydrogen+in+Namibia.pdf/a4729b11-5f95-11fc-3203-737fad34543a?version=1.0\&t=1638951171809$, **23** pp

⁵ https://corporateeurope.org/en/dirty-truth-about-EU-hydrogen-push

⁶ https://www.un.org/osaa/sites/www.un.org.osaa/files/exploringtheroleofgreenhydrogen.pdf , 23-24 pp

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recognised as a global biodiversity hotspot as the Namibian part of the Succulent Karoo Biome and the most bio-diverse hyper-arid area in the world. The management plan of the park (MEFT 2020) identified 11 centres of plant endemism, of which 3 or 4 will be heavily impacted or completely destroyed by phase 1 of the Hyphen project. These include the Lüderitz Peninsula, as well as critical habitats for endangered species and areas of unique and of very high biodiversity and conservation value within the footprint of the Hyphen project. The choice of this region for such a large industrial project is in complete contradiction with the *management plan* and the *tourism development plan* adopted by the Ministry of Environment, Forestry and Tourism (MEFT) in late 2020 and will have very negative consequences for endangered species, biodiversity (including endemic plants, endangered bird and mammal species, endemic reptiles, etc.), and on the ecological functioning of the whole park and the tourism potential of the region as a whole⁸. There is also a highly likely worsening of the environment that will result from either the hydrogen gas leak or the brine residue [waste material] from the desalination facilities.

This stands in contradiction with Chapter 11, Article 95 of the Namibian Constitution, which mandates the maintenance of ecosystems, essential ecological processes and biological diversity of Namibia and utilisation of living natural resources on a sustainable basis for the benefit of all Namibians, both present and future. Sustainable development is understood as a process during which environmental concerns are considered and the loss of biodiversity is halted (for example, the Convention on Biological Diversity of which Namibia is a signatory and the recently adopted Global Biodiversity Framework). Target 1 of the management plan states: "Ensure that all areas are under participatory integrated biodiversity inclusive spatial planning and/or effective management processes addressing land and sea use change to bring the loss of areas of high biodiversity importance, including ecosystems of high ecological integrity, close to zero by 2030, while respecting the rights of indigenous peoples and local communities.⁹

In addition, the Hyphen project will impact the unique coastal and marine habitats along the Lüderitz Peninsula, at the core of the only Marine Protected Area in the country (NIMPA, proclaimed in 2009). These are crucial for many species of marine mammals and endangered seabirds, as well as fish, rock lobsters and many migratory species. These habitats are recognised internationally as part of an *Important Bird Area* as well as a newly designated *EBSA* (Ecologically or Biologically Significant Area) and are critical for several endangered local endemic species including the African penguin, the Cape gannet, the Bank and Cape cormorants, etc. Furthermore, the Lüderitz Peninsula, being the only freely accessible part of the coastline in the entire southern half of the country, is a major attraction for locals as well as visitors for sightseeing, recreational fishing, small-scale subsistence fishing, mariculture, and general tourism. In addition to its unique biodiversity, it contains archaeological sites, historical sites, a National Monument, a rock lobster sanctuary, etc. The severe impact of the Hyphen development will affect the terrestrial biodiversity as well as the coastal and marine habitats, curtail access to the coast, and therefore considerably diminish the tourism value of Lüderitz and southern Namibia as a whole.

⁸ Management Plan, Tsau//Khaeb (Sperrgebiet) National Park, 2020/2021-2029/ 2030. Ministry of Environment, Forestry and Tourism, Directorate of Wildlife and National Parks, 172 pp.

⁹ Management Plan, Tsau//Khaeb (Sperrgebiet) National Park, 2020/2021-2029/ 2030. Ministry of Environment, Forestry and Tourism, Directorate of Wildlife and National Parks, 172 pp.

A large-scale project like that of Hyphen should not have been envisaged before a comprehensive Strategic Environmental and Social Assessment (SESA) is conducted, including considerations for the provisions of the Marine Spatial Planning (MSP), to enable proper, inclusive and transparent planning. This has not happened and we expect the environmental clause in the Namibian constitution to be respected.

The hopes of opening more areas in the Tsau//Khaeb to tourism for local communities in Lüderitz and Aus to make a living will be undermined by the Hyphen project. The Nature Conservation Amendment Act 5 of 1996 provides for the utilisation rights over wildlife to community members. In this way, the Act allows communities to generate income from wildlife, while at the same time encouraging the sustainable use of wildlife resources.¹⁰

Green hydrogen production requires vast areas of land which the indigenous people lost during the 1904-08 genocide. This led to the skewed land distribution and widespread landlessness. Granting Hyphen access to land while no compensation is offered to the victims of land dispossession opens old wounds and indicates that the indigenous communities do not own the natural resources that rightfully belong to them.

An analysis by an independent Namibian scientific consultant, Dr. Detlof von Oertzen, asserts that despite its vast potential for wind and solar, Namibia is a non-industrialised country that lacks a technical manufacturing base and is fully dependent on the import of all liquid fuels and more than half of its electricity demand. This creates massive dependencies for Namibia. Dr. von Oertzen advises that large-scale green hydrogen production that serves the Global North should be avoided. Instead, it must be used to help Namibia meet its own developmental goals and should be a driver for local development. The ramping up of domestic renewable energy production is needed to serve Namibia first and reduce power costs. An assessment of local supply chain requirements needs to be carried out in order to improve the ability to support and benefit from emerging green hydrogen production and processing. National and local research, development and education must be strengthened to help establish and improve productive Namibian sectors. Additionally, a national infrastructure master plan needs to be designed to ensure that Namibia's water, electricity, communications, information and transport infrastructure (including ports) is systematically developed to meet national needs while benefiting from internationally funded climate-neutral developments. Details a non-industrialised country that lacks are technical to a non-industrialised country that lacks a technical technical to a non-industrialised country that lacks a technical technical to a non-industrialised country that lacks a technical technical to a non-industrialised country that lacks a technical technical to a non-industrialised country that lacks a technical techni

In order to improve democratic governance in Namibia, and to allow the Namibian nation to make informed decisions about the above-mentioned processes that affect their lives, we demand the following:

 $^{^{10}\,\}underline{\text{https://www.npc.gov.na/wp-content/uploads/2022/06/Nature-Conservation-Amendment-Act-5-of-1996.pdf}$

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 $[\]frac{\text{https://www.kas.de/documents/279052/279101/lssues\%252C+Challenges+and+Opportunities+to+Develop+Green+Hydrogen+in+Namibia.pdf/a4729b11-5f95-11fc-3203-737fad34543a?version=1.0\&t=1638951171809}$

¹² Ibid

- 1. That the Namibian government refrains from signing any legally binding agreements or carrying out collaborations related to the EU-Namibia strategic partnership on sustainable raw material value chains and renewable hydrogen on behalf of the Namibian people until consultations and comprehensive impact assessments have taken place. The negotiation process must include the public disclosure of the details of the agreement, adequate public consultations to obtain the Namibian people's consent on any agreements or collaborations.
- 2. That the Namibian government reconsiders the multibillion-dollar Green Energy agreement with Hyphen. The Namibian government should not bind itself to the purchase of a 24% stake in Hyphen and instead publicly disclose details of the feasibility and implementation agreement. Environmental, financial and social impact assessments will have to be conducted before the purchase of any stake in Hyphen can be considered. A project of this magnitude certainly requires the Namibian people's prior and informed consent as it affects the generations to come.
- 3. That the Namibian people be adequately consulted on the green hydrogen legal framework that is currently being developed.
- 4. That the Namibian government adopts the ILO Indigenous and Tribal Peoples Convention, 1989 (No. 169) to show commitment towards the full enjoyment of its citizens' fundamental human rights.

We also have several questions which we would like to raise:

- 1. Are there value addition plans included in the implementation agreements to facilitate employment creation for Namibia? Will Namibia's natural resources be used for the export market only?
- 2. How many jobs have been envisioned to be created by the green hydrogen and ammonia project during and after the construction phase? How many of those [strategic] jobs will be filled by Namibians? How will skill transfer take place? The attractiveness of becoming a future exporter of green hydrogen and related products also depends on human resource development.
- 3. Are there plans to build an electrical power grid/transmission infrastructure between Lüderitz and Keetmanshoop to increase Namibia's chances of becoming energy self-sufficient? Or will green hydrogen and ammonia be solely used for export?
- 4. What is the long-term purpose of the above-mentioned green hydrogen projects?

We demand assurance that the agreements signed by our government will be mutually beneficial, and that they are not a continuation of neo-colonial exploitation of Namibia by the industrialised Global North.

No agreement between two sovereign countries or between a government and a private entity should be shrouded in secrecy when there are public funds, resources and concerns involved. We would like to respectfully remind Your Excellency that the Namibian government's responsibility should be first and foremost towards its citizens – not foreign entities [such as the EU and Hyphen] whose main agenda is to exploit Namibia's natural resources for their own benefit.

We sincerely thank you for considering the issues raised in this letter. We are concerned about Namibia's economic, environmental and social development and want to play our part in ensuring the most benefits possible for our country. We concur with Pope Francis who said: "A technological and economic development which does not leave in its wake a better world and an integrally higher quality of life cannot be considered progress."

We look forward to hearing from you and hope to receive a response on this urgent matter within 14 days.

Sincerely yours,

Andries Indongo
Researcher/Youth Social
Development

Bertchen Kohrs Earlife Namibia Christian Max Cornelius

Aus Community Conservation

Association

Claudius Riruako
Comrades Association

Corinna van Wyk Legal Assistance Centre Doufi Namalambo
Economic & Social Justice Trust

Manalambo



Dr. Jean-Paul Roux

Marine Biologist/Conservation

Ecologist



Eckhardt Tjazamo Omutati Development Organisation



Herbert Jauch
Economic & Social Justice Trust

Merosch

Jimmy | | Areseb Youth Activist

1 Baroch

Joseph Garoeb Namibia National Labour Organisation

Lloyd Bock Real DC Dreamcatcher

Gows J

Monika Jailus
Comrades Association



Nafimane Hamukoshi Comrades Association

Nagson Uapingene

YZK Charity Organisation

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Paul Fleermuis Rise Namibia



Rinaani Musutua Economic & Social Justice Trust



Ronny Dempers
Namibia Development Trust



Sima Luipert

Contact:

Rinaani Musutua +264 (0)81 561 5191 esjtrust1@gmail.com

CC: Tom Alwendo – Minister of Mines and Energy
Pohamba Shifeta – Minister of Environment, Forestry and Tourism
James Mnyupe – Green Hydrogen Commissioner of Namibia
Hyphen Global North Industry Hydrogen/Ammonia
United Nations Human Rights Committee
Namibia Green Hydrogen Association
Green Hydrogen Technical Committee Namibia
Namibia Green Hydrogen Research Institute
European Center for Constitutional and Human Rights (ECCHR)
Minority Rights Group International
Enhancing Participatory Democracy in Namibia