Global Hydrogen Policy Tracker - South Africa

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# Hydrogen Developments

Development stage

Green Hydrogen in South Africa

**June 2024:** The South African government offers various tax and grant incentives that, to some extent, can support green hydrogen-related investments.

Source: [Green hydrogen Incentives to support decarbonization and attract investments](https://www.taxathand.com/article/34542/South-Africa/2024/Green-hydrogen-Incentives-to-support-decarbonization-and-attract-investments)

**October 2023**: Cabinet announced on Thursday, 19 October 2023, that it has given the Green Hydrogen Commercialisation Strategy (GHCS) the green light for implementation. The move, according to the Minister in the Presidency Khumbudzo Ntshavheni, will ensure South Africa becomes a major producer and exporter of green hydrogen.

Source: [SA’s Green Hydrogen Commercialization Strategy approved by Cabinet](https://www.sanews.gov.za/south-africa/sas-green-hydrogen-commercialisation-strategy-approved-cabinet)

**June 2022:** In February this year, the [South African Hydrogen Society Roadmap](https://resourcehub.bakermckenzie.com/en/-/media/hydrogen/documents/south_african_hydrogen_society_roadmapv1.pdf?sc_lang=en) (HSRM) was published by the South African government. This is the culmination of efforts spread over many years – see our article on the hydrogen timeline [here](https://insightplus.bakermckenzie.com/bm/energy-mining-infrastructure_1/south-africa-green-hydrogen-policy-a-rapidly-growing-timeline-of-important-developments). As the country navigates its energy transition, the Roadmap is considered to be an important marker on its path towards implementing hydrogen development, which is envisaged to be at the center of South Africa’s strategy for economic growth and mitigating climate change.

Source: [South Africa: Hydrogen Roadmap - A Crucial Step in the Energy Transition Journey | Insight | Baker McKenzie](https://www.bakermckenzie.com/en/insight/publications/2022/06/south-africa-hydrogen-roadmap)

**February 2022:** In a speech on 17 February 2022, the Minister of Higher Education, Science and Innovation for the Republic of South Africa, Dr. Blade Nzimande, announced the launch of the Hydrogen Society Roadmap (HSRM). In 2007, the South African Cabinet approved the national hydrogen and fuel cells research, development and innovation strategy (HySA Strategy) which is currently implemented by the Department of Science and Innovation (DSI). In September 2020, the DSI initiated the process to develop the HSRM which led to the appoval of the HSRM on 14 September 2021.

Source: [Minister Blade Nzimande: Launch of Hydrogen Society Roadmap | South African Government](https://resourcehub.bakermckenzie.com/enwww.gov.za)

**November 2021:** As part of South Africa's energy transition, the production, transport, storage and use of green hydrogen, has been the subject of numerous policy updates and public and private sector commitments. The timeline for these hydrogen developments is not expected to slow down as South Africa looks for solutions to its energy needs and the desire to address climate change and deliver on decarbonization targets.

Source: [South Africa: Green hydrogen policy - a rapidly growing timeline of i - Baker McKenzie InsightPlus](https://insightplus.bakermckenzie.com/bm/energy-mining-infrastructure_1/south-africa-green-hydrogen-policy-a-rapidly-growing-timeline-of-important-developments)

**November 2021:** South Africa secures a commitment for USD 8.5 billion from the US, the UK, France, Germany and the EU to speed up its transition to a green economy with a particular focus on phasing out coal. This commitment, which was agreed upon at COP26 in Glasgow will also support investment in green hydrogen production.

Source: [South Africa to get $8.5 bln to shift from coal](https://www.reuters.com/business/environment/us-eu-others-will-invest-speed-safricas-transition-clean-energy-biden-2021-11-02/)

**October 2021:** The deputy minister of the Department of Trade, Industry and Competition announces that the department is in the process of reviewing it's Critical Infrastructure Programme (CIP) to assist in alleviating some of the infrastructure costs associated with hydrogen production, fuelling and transport facilities. The minister was speaking at a webinar on hydrogen titled “Hydrogen Economy – An Opportunity for South Africa to Create an Inclusive Energy Sector with Significant Black Participation.”

Source: [Critical Infrastructure Programme](http://www.thedtic.gov.za/financial-and-non-financial-support/incentives/critical-infrastructure-programme/cipr/)

**October 2021:** the South African government and private-sector partners release a feasibility study that  identifies three green hydrogen hubs in the eastern part of the country that have the potential to form a hydrogen valley. The study also identifies nine pilot projects in the mobility, industrial and buildings sectors, and looks at opportunities for the export of green hydrogen.

Source: [Three green hydrogen hubs proposed for South Africa](https://www.h2-view.com/story/three-green-hydrogen-hubs-proposed-for-south-africa/)

**September 2021:** the government approves the development of the Hydrogen Society Roadmap to prepare the country for a hydrogen economy. The Roadmap is being developed by the Department of Science and Innovation, Hydrogen South Africa (HySA), government and industry stakeholders. It focuses on national ambitions, sector prioritization, overarching policy framework and the macro-economic impact of the hydrogen economy throughout South Africa.

Source: [South African Hydrogen Society Roadmap](https://www.dst.gov.za/images/South_African_Hydrogen_Society_RoadmapV1.pdf)

**July 2021:** Sasol Limited and the Industrial Development Corporation (IDC) conclude a memorandum of cooperation to jointly develop and shape an enabling environment to advance South Africa's green hydrogen economy. Under this memorandum, the parties will collaborate to advocate for enabling policy frameworks, develop pilot and commercial scale hydrogen projects, access local and international financing options, and pursue strategic projects that benefit the country's energy transition and economic development goals.

Source: [Sasol and IDC formalise partnership to develop South Africa Hydrogen](https://www.sasol.com/media-centre/media-releases/sasol-and-idc-formalise-partnership-co-develop-south-africa-s-hydrogen)

**June 2021:** The “Super H2igh Road Scenario for South Africa” report demonstrates how green hydrogen can lead to a win/win situation for South African employment and its decarbonization goals. The study, which was commissioned by the German green energy think-tank, Agora Energiewende, highlights South Africa’s potential to become a key exporter of green hydrogen, and cut its greenhouse gas emissions by 70% if it were to capitalize on opportunities presented by the hydrogen economy.

Source: [Super H2igh Road Scenario for South Africa](https://www.ee.co.za/wp-content/uploads/2021/06/IHS-Markit-Super-H2igh-Road-Scenario-for-South-Africa-Public-Report-6-21.pdf)

**May 2021:** German development bank KfW initiates a EUR 200 million programe to support the establishment of green hydrogen projects in South Africa. The Council for Scientific and Industrial Research (CSIR) and Meridian Economics are appointed by KfW to help it identify and evaluate high-potential projects for implementation.

Source: [Germany KfW launches green hydrogen programme for South Africa](https://www.miningweekly.com/article/germanys-kfw-launches-green-hydrogen-programme-for-south-africa-2021-06-02)

**April 2021:** The Department of Trade, Industry and Competition announces steps it has taken to support the development of the green hydrogen economy in South Africa. These include mandating the Industrial Development Corporation (IDC) to be the commercialization champion for South Africa’s hydrogen economy and to partner with the private sector in funding opportunities across the hydrogen value chain, and the start of the local production of fuel-cells. The announcements were made by Minister Ebrahim Patel at a webinar titled “Renewable Hydrogen and Green Powerfuels.”

Source: [DTIC announces steps supporting Green Hydrogen in SA](https://www.gov.za/speeches/minister-ebrahim-patel-outlines-potential-south-african-green-hydrogen-economy-and-sets-out)

**February 2021:** President Cyril Ramaphosa says that South Africa is ready to start manufacturing hydrogen fuel cells to be used as an alternative source of energy. He also announces the government’s plans to establish a Platinum Valley bringing together various hydrogen applications to form an integrated hydrogen eco-system.

Source: [Ramaphosa announces Platinum Valley and supports hydrogen technology](https://www.h2bulletin.com/ramaphosa-announces-platinum-valley-and-supports-hydrogen-technology/)

**February 2021:** a report on power fuels and green hydrogen published by the Council for Scientific and Industrial Research (CSIR), confirms South Africa’s advantage in producing and exporting green hydrogen due to its wind and solar resources and vast platinum group metals (PGMs) reserves. South Africa has 75% of the world’s platinum reserves, and is the world’s largest producer of PGMs.

Source: [CSIR Report on Powerfuels and Green Hydrogen](https://www.euchamber.co.za/wp-content/uploads/2021/02/Powerfuels-Summary-Report-South-Africa-EU-SA_Partners-for-Growth-Final-28-Jan-2021.pdf)

**2019:** The HySA Infrastructure team is tasked with conducting a study to determine the costs of transporting hydrogen by land and sea, including shipping to Japan.

Source: [HySA determines cost of transporting hydrogen to Japan](https://www.miningweekly.com/print-version/south-africa-well-placed-to-supply-competitive-clean-hydrogen-csir-2019-08-28)

**December 2018:** the Department of Science and Innovation and the South African Agency for Science and Technology Advancement (SAASTA) host the 30th International Partnerships for Hydrogen and Fuel Cells in the Economy (IPHE) Steering Committee Meetings.

Source: [SAASTA hosts 30th International Partnerships for Hydrogen and Fuel Cells](https://www.saasta.ac.za/media-room/news-articles/30th-international-partnerships-for-hydrogen-and-fuel-cells-in-the-economy-iphe/)

**2008:** Hydrogen South Africa or HySA is officially launched by the then Department of Science, Technology and Innovation (now the Department of Science and Innovation). Its objective is to develop the hydrogen economy with a distinct focus on drawing in platinum group metals (PGMs), given South Africa’s rich endowment of PGMs.

Source: [Hydrogen South Africa (HYSA) officially launches](https://www.hysa-padep.co.za/about/)

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[Hydrogen South Africa (HYSA) officially launches](https://www.hysa-padep.co.za/about/)

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