DNV, the global independent energy expert and assurance provider, signed a memorandum of understanding (MoU) with PETROJET, a leading regional Engineering-Procurement-Construction (EPC) contractor, to strengthen their collaboration for the energy transition in Egypt through the development of green hydrogen and its derivatives (including ammonia).

The MoU aims to scope areas in which DNV can support PETROJET with its technical expertise in design verification and project assurance, as PETROJET is seeking a leading role as a green hydrogen EPC contractor. The agreement also encompasses renewable power generation and energy storage projects, technical studies for natural gas and hydrogen/natural gas blend infrastructure, along with other technical services for CO2 or low-carbon hydrogen projects.

The agreement was signed at Egypt Petroleum Show (EGYPS 2023) by PETROJET’s Chairman & Managing Director Waleed lotfy Hamed and DNV’s Vice President and Area Manager for North Africa Hisham El-Grawany. The signing was witnessed by HE Tarek El-Molla, Minister of Petroleum and Mineral Resources, and HE Hilde Klemetsdal, Ambassador of Norway.

“Supporting the emergence of a robust hydrogen economy aligns with our commitment to the ambitions of the Paris Agreement, said Santiago Blanco, Executive Vice-president and Regional Director Southern Europe, Middle East and Latin America, Energy Systems at DNV. The scaling-up of green hydrogen is central for hard-to-abate sectors looking for low-carbon solutions to reach Net Zero before 2050”.

“Egypt has great potential for the cost-effective production of low-carbon hydrogen and its derivatives, and is at a geographic nexus, added Hisham El-Grawany. Our energy transition research shows that the region is set to become a key global supplier in the emerging global hydrogen market, and is expected to be the main exporter of pure hydrogen to Europe.”

The country is well on its way to being a hydrogen powerhouse, as recent announcements by Middle-Eastern and European players have pushed estimated investments past $100 billion. Some 70% of these investments are linked to projects unveiled following COP 27 last November, when nine major projects were announced – totaling a combined production capacity of 2.1 million tonnes per year (Mt/yr).

Egypt is taking serious steps to diversify energy sources as an economic growth strategy. It has some of the region’s largest renewable energy programmes and has brought its target for 42% renewable powerforwards to 2030 (5 years earlier than initially planned). Thanks to these investments, the country is emerging as an export hub for low-carbon LNG and green ammonia.