



bp to explore potential for green hydrogen production in Egypt

8 December 2022

bp signed a memorandum of understanding (MoU) with the Government of Egypt under which it will explore the potential for establishing a new green hydrogen production facility in the country.

The MoU was signed by bp, Egypt's New and Renewable Energy Authority (NREA), the Egyptian Electricity Transmission Company (EETC), the General Authority for Suez Canal Economic Zone (SCZONE) and the Sovereign Fund of Egypt for Investment and Development (TSFE).

Under the MoU, bp will carry out several studies to evaluate the technical and commercial feasibility of developing a multi-phase, large scale green hydrogen (gH₂) export hub in Egypt. It is intended that high potential locations across Egypt will be considered as part of the feasibility study, targeting best-in-class resources. Green hydrogen is produced by the electrolysis of water, powered by renewable energy.

Anja-Isabel Dotzenrath, bp's executive vice president of gas and low carbon energy, said: "bp is proud of our long history in Egypt and significant role in the country's energy industry. Egypt has world-class renewable energy resources, and we look forward to working with the Government to explore how we can support its ambitious low carbon strategy."

Ayman Soliman, TSFE's chief executive officer, said: "Transitioning into a low carbon energy system is no longer an option but a necessity, as reaffirmed by the whole world during COP27. We are proud of this MoU with bp, demonstrating our role as a catalyst for that transition, providing investors with a wealth of renewable energy sources, an optimal location for exporting and an investor-friendly ecosystem. It builds on TSFE's green hydrogen portfolio and complements our strategy and mandate to transform Egypt into a regional hub for green energy."

Nader Zaki, bp's regional president, Middle East and North Africa stated: Expanding the remit of our business in Egypt is testament to bp's long-term commitment to Egypt. This MoU builds upon Egypt's endeavours to be a regional energy hub and we are glad to be able to be a strategic partner to support the country's green energy transition plans."

Hydrogen is one of bp's five energy transition growth engines. Globally, bp is working on a significant and growing portfolio of options for the development of green and blue hydrogen projects in advantaged markets worldwide, including potential developments in the UK, the Netherlands, Germany, Spain, the Middle East, US, and Australia.

Notes to editors

- bp has a long and successful track record in Egypt, stretching back almost 60 years with investments totalling over \$35 billion.
- bp operates the major West Nile Delta (WND) gas development which currently produces around 900 million cubic feet per day (mmcf) of gas and 27 thousand barrels per day (mbd) of condensate. The development includes five gas fields across the North Alexandria and West Mediterranean Deepwater offshore concession blocks in the Mediterranean Sea.
- bp has a strong presence in the East Nile Delta through its Pharaonic Petroleum Company (PhPC) joint venture and other partners' operated assets. PhPC is a major gas producer with current average production of around 450 mmcf of gas as well as around 10 thousand barrel per day of condensate. Together with our partners, bp currently produces around 70% of Egypt's gas.
- In early 2017, bp acquired a 10% stake in the Shorouk Concession from Eni, which contains the Zohr gas field.
- bp is a 33% shareholder of the UGDC, a natural gas liquids (NGL) plant extracting LPG and propane, in partnership with Eni/IEOC and GASCO (the Egyptian midstream gas distribution company).
- bp is also present in Egypt's customers and products sector through a 40% interest in the NGVC. Established in September 1995, NGVC was the first company in Africa and the Middle East to commercialize natural gas as an alternative fuel for vehicles.

Further information

Contact

- bp press office, London: +44 0000 000000, bppress@bp.com