# Biomass Partnerships with Namibia

Development of Biomass Industrial Parks (BIP)

Identifying Potentials – Optimizing Processes – Creating Value

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## Zero Emission Campus Concept

## International Green Metric Ranking

In Germany Nr. 1 Worldwide Nr. 6



- 100% renewable heat supply based on waste wood, biogas (co-generation) and solar thermal
- 100% renewable electricity based on cogeneration & PV
- 100% renewable cooling supply based on geothermal, biomass and solar adsorption
- Maximised Energy Efficiency
  - ✓ Passive and Plus-Energy Buildings
  - ✓ Energy efficient lighting (indoor and street lighting)
  - ✓ Efficiency and building automation system (heating and lighting)



Item	Encroached	Savannah	Delta	
Carrying Capacity	300 cattle (25ha/lsu)	600 cattle (12.5 ha/lsu)	50%	
Evapotranspiration	1.3 Mio. m <sup>3</sup> /d	0.34 Mio. m <sup>3</sup> /d	74%	
Profit	N\$ 280,000 / year (€ 17,600)	N\$ 680,000 / year (€ 42,800)	59% Farm Winnie, Outjo a	area



## Background Namibia Bush Encroachment

#### **Problem**

- >30-45 million ha of productive rangeland bush encroached at an annual growth rate of 3-5%
- Severe impact on biodiversity, groundwater recharge and livestock productivity
- Annual agronomic losses of 100 million EUR due to reduced rangeland productivity (2/3 of total productivity)

## **Opportunity**

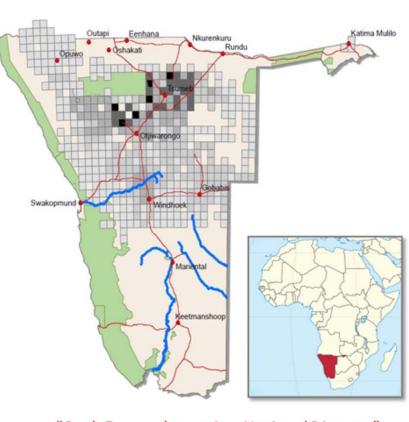
- >300-450 million tons of standing "unwanted" but valuable biomass with annual growth of 9-18 million tons
- Increasing demand on regional and international markets
- Socio-economic benefits: rangeland restoration, climate change adaptation, employment, energy supply and transition







#### Total Extent of Bush Encroachment



"Bush Encroachment is a National Disaster"
Hon. Min. MAWF, National Rangeland Policy 2012



## Background Germany Coal phase-out and CO<sub>2</sub> tax

Source: Agora Energiewende and Sandbag (2019): The European Power Sector in 2018. Upto-date analysis on the electricity transition.

#### **Current Elections, Press and Protest (2019)**

- I. Landslide Victory of the Green Party in the European Parliament
- II. Critics of YouTuber "Rezo" pushed green movement among younger generation
- III. "Fridays for Future" Protests introduced to Germany



- I. Renewable electricity share 2050 shall be 80% and the reduction of GHG shall amount to 80-95% in comparison to 1990.
- II. Shutdown of first coal power plants by 2022 (*Lignite* = 146 TWh<sub>elt</sub> ca. 100 Mio. t)
- III. Total coal phase-out by 2032 (Hard Coal = 84 TWh<sub>elt</sub> ca. 28 Mio. t)
- IV. Carbon Dioxide Tax (or Emission Trading Certificates)
  - I. UN-Climate Conference Estimate: 20-80 €/tCO<sub>2</sub> [2020] 50-100 €/tCO<sub>2</sub> [2030]
  - II. Federal Environmental Agency (UBA): Environmental Damage 180€/tCO<sub>2</sub>

#### Bilateral Talks (Namibia-Germany)

- I. National Planning Commission Steering committee joins all affected ministries (MAWF, MME, MET, MITSMED) and institutions of Namibia (N-BiG, GIZ, NamPower, NamPort, TransNamib, etc.)
- II. September 2019 De-bushing and BIP entered as a topic into the bilateral talks



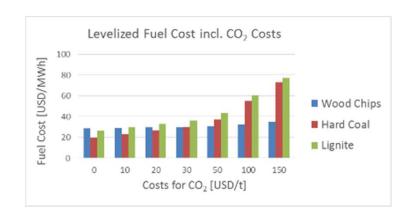


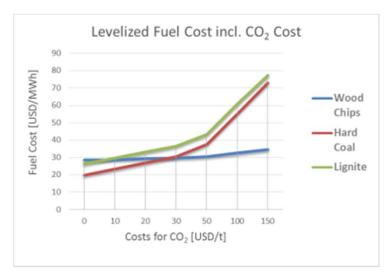




# De-bushing — Woodchips VS Hard Coal and Lignite Export of Fuel (Woodchips [P30-P100])

Fuel	Wood Chips	Hard Coal	Lignite	Unit
Calorific Value	4.20	8.06	4.17	kWh/kg
GHG Emission	0.04	0.35	0.34	kg CO <sub>2e q</sub> /kWh
GHG Price		35		USD/t CO <sub>2eq</sub>
	0.2	2.9	1.4	kg CO <sub>2e q</sub> /kg
GHG Cost	0.006	0.10	0.05	USD/kg
	0.001	0.012	0.012	USD/kWh
Price CIF	102	66	82	USD/t
Rotterdam	0.10	0.07	0.08	USD/kg
Price incl. GHG	0.11	0.17	0.13	USD/kg
	0.026	0.021	0.032	USD/kWh
Total Cost	25.69	20.57	31.54	USD/MWh
	108	166	132	USD/t

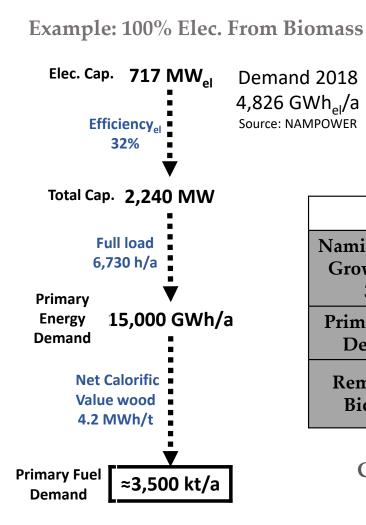


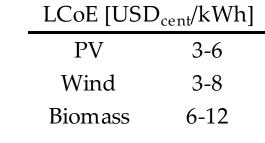


## Electricity demand of Namibia

#### **Electricity Portfolio Namibia**

Energy Source (Plant)	Installed Capacity Namibia (MW <sub>el</sub> )	Operating Modus	
Ruacana hydro- electric	347	Flexible - Depends on water level	
Van eck coal-plant	80	Emergency Stand-by	
Anixas Diesel	22	Emergency Stand-by	
Solar + Wind (2019-2023)	110	Flexible	
Highest Peak (2017)	717	100%	
Local generation	193	27 %	
	Import 73% 524MW	Local 27% 193MW	





#### Fuel Demand VS Bush Stock

	2019	2029	
Namibia Bush Growth rate 3 %	9,000 kt/a	12,000 kt/a	
Primary Fuel Demand	- 3,500 kt/a		
Remaining	~ 5,500 kt/a	~ 8,500 kt/a	
Biomass	61%	71%	

Consequence: Export needed!



## International Biomass Partnerships (IBPS)

## **Biomass Partnership**

Long-term bilateral partnership agreement aiming at:

- I. transfer of innovative technology to improve efficiency,
- II. advanced energy production from renewable sources,
- III. reaching GHG emission reduction targets,
- IV. up-grading infrastructure
- V. land restoration & adaptation and biodiversity safeguarding

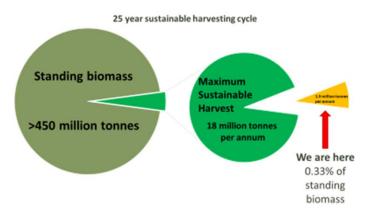
## Objectives, Strategy and Benefits in Namibia

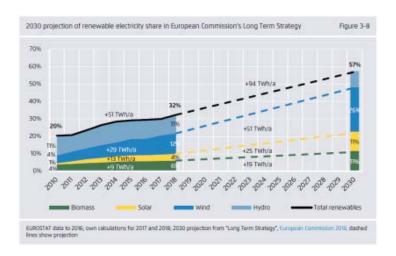
- I. Harvesting at least 9 Mio. t/a by 2024
- II. Stop encroachment by harvesting 18 Mio. t/a by 2030
- III. Development of Biomass Industrial Parks (BIPs) to leverage masses
- IV. Implement a job-creating bush-to-value industry

## Objectives, Strategy and Benefits in Germany

- I. Supply Security for alternative fuels
- II. Pro-active development support for BIPs and technology transfer
- III. GHG mitigation and contribution to energy transition

#### Sustainability of Resource



















## Biomass Industry Park: Synergies



Harvested Material 250 000 t<sub>FM</sub>/a



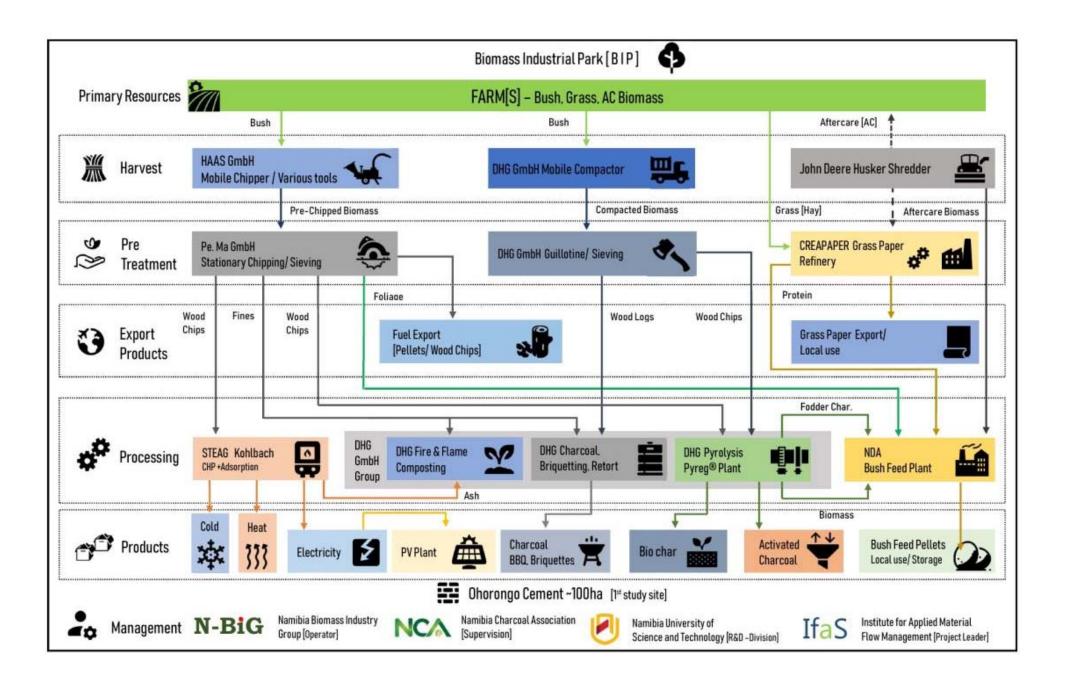


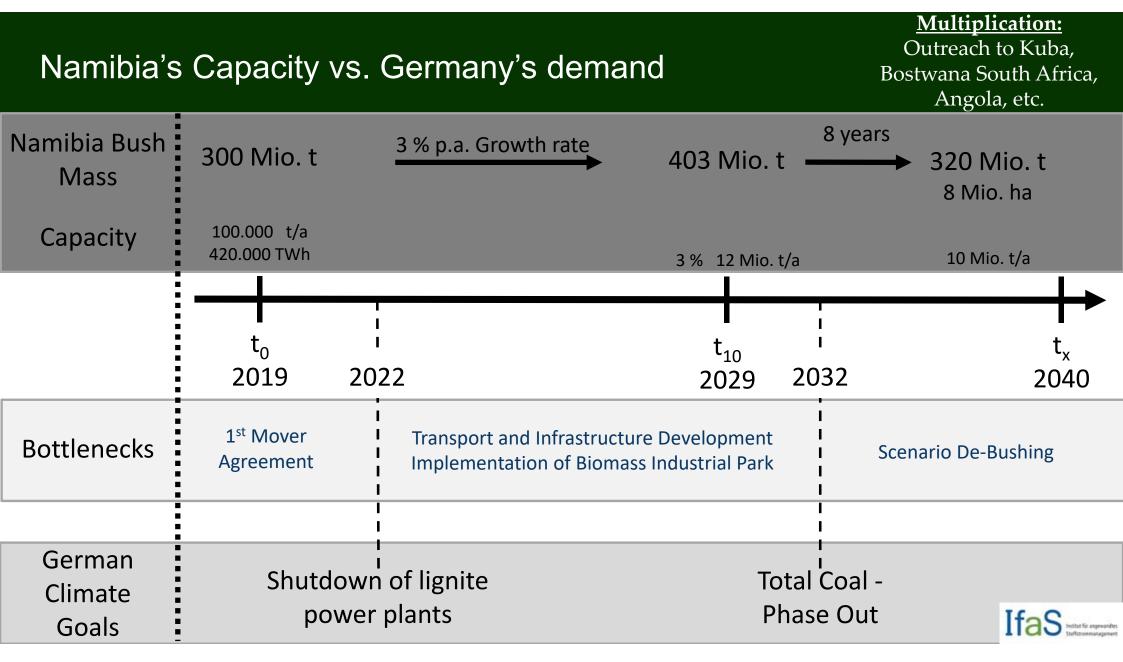
**A:** Manufacturing & Service Businesses

B: Residential Area

**D:** Academic and R&D Area

**C:** Energy, Water, and Waste Management.





## Petition – Way forward

What does Namibia need? What does the Biomass Industry strive for?

- a. Official **expression of interest** that the partners are ready to acknowledge biomass from Namibia as a potential resource. Comprising no concerns at the socio-ecological level. (*Catchwords: over-exploitation, over-felling, GHG balance, child labor, biodiversity, etc.*)
- b. Clear **commitment** that testifies the willingness to mutually work out (proactively think) solutions for large-scale biomass valorization (*from harvest via BIP to power plant*) with the overarching goal to guarantee supplies, lower unit costs and built-up a new biomass industry in Namibia strengthening local economy.
- c. Design of a **draft contract** to illustrate how a 10 year contract shall look like, incl. obligations and requirements. Goal is to generate a Bankable Off-take Agreement.

