

## State of Hydrogen Technology Innovation in Iran

**Opportunities, Challenges and Startups** 

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Hydrogen technology is being recognized worldwide as a viable clean energy alternative, and Iran is no exception.

With its vast natural resources and strategic location, Iran has significant potential to develop hydrogen as a key energy carrier.

This section explores the innovations, opportunities, challenges, and startups in advancing hydrogen technology in Iran.





### Latest Advancements in Hydrogen Technology in Iran

Iran is achieving significant advancements in the field of hydrogen technology focusing on various aspects of production, storage, and application. Here are some of the latest advancements:

### 1. Green Hydrogen Production

Iran is investing in projects aimed at producing green hydrogen through electrolysis powered by renewable energy sources. Recent initiatives include:

• <u>Solar-Powered Electrolysis:</u> Several pilot projects are being developed to harness solar energy for hydrogen production, particularly in regions with high solar potential, such as Yazd and Kerman.





### 2. Hydrogen from Natural Gas

Given Iran's abundant natural gas reserves, there is a focus on producing hydrogen through Steam Methane Reforming (SMR). This method is being optimized to reduce carbon emissions:

• <u>Carbon Capture Technologies:</u> Efforts are underway to integrate Carbon Capture and Storage (CCS) with SMR processes to minimize the environmental impact of hydrogen production.



### 3. Hydrogen Fuel Cells

Advancements in fuel cell technology are being pursued for various applications:

- <u>Transportation</u>: Research is ongoing to develop Hydrogen Fuel Cell Vehicles (FCVs), with prototypes being tested for public transport and commercial use.
- <u>Stationary Power Generation</u>: Fuel cells are also being explored for use in backup power systems and renewable energy integration.

#### 4. Research and Development Initiatives

Iranian universities and research institutes are increasingly involved in hydrogen technology research:

• <u>Collaborative Projects:</u> Partnerships between academic institutions and industry players aim to innovate hydrogen production methods and improve fuel cell efficiency.

• <u>Government Support:</u> The Iranian government is promoting research initiatives through funding and policy frameworks that encourage innovation in clean energy technologies.



#### 5. International Collaborations

Iran is seeking partnerships with foreign entities to enhance its hydrogen capabilities:

- <u>Joint Ventures</u>: Collaborations with international companies can facilitate technology transfer and access to advanced hydrogen production techniques.
- <u>Knowledge Exchange:</u> Participation in global forums and conferences allows Iranian researchers to share insights and learn from global best practices.

### 6. Infrastructure Development

Efforts are underway to develop the necessary infrastructure for hydrogen distribution and storage:

• <u>Pilot Projects</u>: Initial projects focus on establishing small-scale hydrogen refueling stations, particularly for fuel cell vehicles, to support the growing interest in hydrogen as a transportation fuel.







## Innovations in Hydrogen Technology

Iran is focusing on several innovative approaches to harness hydrogen technology:

- <u>Electrolysis</u>: Development of efficient electrolysis systems to produce hydrogen from water using renewable energy sources such as solar and wind.
- <u>Hydrogen Production from Natural Gas:</u> Leveraging existing natural gas infrastructure to produce hydrogen through Steam Methane Reforming (SMR), which could serve as a transitional technology.



• <u>Fuel Cells:</u> Advancements in fuel cell technology for applications in transportation and stationary power generation, aiming to reduce reliance on fossil fuels.

## **Benefits of Hydrogen Fuel Cells**













The potential for hydrogen technology in Iran is substantial:

- Renewable Energy Integration: Iran's abundant solar and wind resources can be harnessed to produce green hydrogen, contributing to energy diversification and sustainability.
- Export Potential: As global demand for clean hydrogen increases, Iran can position itself as a significant exporter of hydrogen, particularly to neighboring countries and markets in Europe and Asia.
- **Job Creation:** The development of a hydrogen economy can stimulate job creation in engineering, manufacturing, and research sectors.

## **Challenges**

Despite the opportunities, several challenges hinder the advancement of hydrogen technology in Iran:

- <u>Infrastructure Development:</u> Significant investment is needed to build the necessary infrastructure for hydrogen production, storage, and distribution.
- Regulatory Framework: A lack of clear regulations and policies regarding hydrogen production and usage may deter investment and slow down development.
- <u>Economic Sanctions</u>: International sanctions impact access to technology and investment, limiting the growth of the hydrogen sector.



### Role of Entrepreneurship and Startups

Entrepreneurship plays a crucial role in driving innovation within the hydrogen sector:

- <u>Startup Ecosystem:</u> Emerging startups are focusing on various aspects of hydrogen technology, including production methods, fuel cells, and applications in transportation. These companies often seek to collaborate with universities and research institutions.
- <u>Investment Opportunities</u>: There is potential for both domestic and foreign investment in Iranian startups focused on clean energy solutions. Venture capital can help scale innovative projects that address local energy needs.
- <u>Public-Private Partnerships:</u> Collaborations between government entities and private companies can facilitate research and development initiatives aimed at overcoming technical challenges.



## Overview of Hydrogen Entrepreneurship and Startups in Iran

The hydrogen sector in Iran presents a unique landscape for entrepreneurship and startups, driven by the country's natural resources and the global shift towards sustainable energy. Despite challenges, there are significant opportunities for innovation in hydrogen production and related technologies.

## **Current State of Hydrogen Production**

Iran currently produces approximately 700 metric tons of hydrogen daily through its oil refineries, primarily using methods that release carbon emissions. However, there is a growing interest in developing green hydrogen, which is produced via electrolysis using renewable energy sources like solar and wind power. This shift is crucial for reducing environmental impacts and aligning with global trends towards sustainability.



## **Challenges Faced**

- 1. <u>Technological Barriers</u>: The transition to green hydrogen requires advanced technologies that are still underdeveloped in Iran. The country needs to invest in infrastructure capable of supporting these technologies, such as electrolysis systems.
- 2. <u>Financial Constraints</u>: Startups in the hydrogen sector face financial hurdles, including limited access to venture capital and government funding. While some government-backed initiatives exist, they often fall short of providing sufficient support for substantial growth.



## **Challenges Faced**

- 3. Regulatory Environment: The regulatory framework can be cumbersome, with many startups citing rules and regulations as significant barriers to entry and growth.
- 4. <u>Geopolitical Risks</u>: Sanctions and geopolitical tensions have impacted the energy sector, creating an uncertain environment for investment and innovation in hydrogen technologies.





## **Opportunities for Entrepreneurship**

Despite these challenges, there are several pathways for entrepreneurship in the hydrogen sector:

• <u>Government Initiatives</u>: The Iranian government has recognized the potential of hydrogen and is drafting a national hydrogen strategy to enhance production from renewable sources. This initiative could create a more favorable environment for startups focused on hydrogen technologies.





## **Opportunities for Entrepreneurship**

- <u>Innovation Ecosystem</u>: Iran's startup ecosystem is evolving, with increasing numbers of incubators and accelerators supporting tech-driven businesses. The presence of technology parks like Pardis Technology Park fosters collaboration among entrepreneurs, researchers, and industry experts, potentially benefiting hydrogen startups.
- <u>Local Market Demand</u>: As global demand for hydrogen increases—projected to reach \$700 billion annually by 2050—Iran's abundant natural gas resources position it well to enter this market if it can overcome current obstacles.



## **Strategic Recommendations**

To capitalize on the opportunities within the hydrogen sector, Iranian startups should consider the following strategies:

- 1. <u>Focus on Research and Development</u>: Invest in R&D to develop innovative technologies that enhance efficiency in hydrogen production and storage.
- 2. <u>Collaborate</u> with <u>Universities</u>: Strengthening partnerships with academic institutions can facilitate knowledge transfer and technological advancements necessary for the sector's growth.







## **Strategic Recommendations**

- 3. Engage with Government Policies: Actively participate in policy discussions to shape favorable regulations that support the growth of the hydrogen industry.
- 4. <u>Diversify Funding Sources</u>: Explore various funding avenues, including international partnerships, grants from innovation funds, and equity crowdfunding.
- 5. <u>Build Awareness</u>: Increase public awareness about the benefits of hydrogen as a clean energy source to stimulate demand and attract investment.

### **Applications of Hydrogen**

- Fuel Cell Vehicles: Hydrogen as a clean alternative for sustainable transportation.
- <u>Power Generation</u>: Use of hydrogen in fuel cells and gas turbines for electricity generation.

## **Heating and Cooling**

• <u>Hydrogen in Heating Applications</u>: Potential for hydrogen to provide hot water and support absorption refrigeration systems.







• Hydrogen as Backup Power: Clean and efficient alternative to diesel generators for critical facilities.

#### **Portable Power**

• <u>Hydrogen in Outdoor Activities</u>: Portable hydrogen fuel cells for charging devices and running small appliances.

## **Marine and Aerospace Applications**

- <u>Marine Propulsion</u>: Development of hydrogen-powered ferries and potential for larger vessels.
- <u>Aerospace Applications</u>: Use of hydrogen fuel cells in spacecraft and development of hydrogen-powered airplanes.





### **Material Processing and Chemical Production**

- <u>Hydrogen in Steel Production</u>: Reducing carbon emissions by using hydrogen instead of coal.
- <u>Chemical Industry Applications</u>: Hydrogen as a feedstock for ammonia and methanol production.

## **Food Processing and Sustainability**

• **Hydrogen in Food Processing:** Use as a fuel for boilers and refrigeration systems to reduce carbon footprint.

# Thank you for your kind attention



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