HYDROLABS ENGINEERING & CONSULTING

INDUSTRY REPORT · GREEN HYDROGEN

2026 Global Green Hydrogen Outlook

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34 pages

PROJECTED 2032 CAPACITY

310 GW

An annual outlook on green hydrogen project economics, electrolyzer manufacturing capacity, and policy developments across major markets, with a regional deployment forecast through 2032.

Market Overview

Global announced green hydrogen project capacity continued to grow through the past year, though the share of announced projects reaching final investment decision remains a persistent gap between headline pipeline figures and actual deployed capacity. This report tracks that conversion rate alongside underlying cost and policy drivers across major markets.

Electrolyzer manufacturing capacity has expanded well ahead of near-term demand across most major supply chains, creating near-term pricing pressure on electrolyzer equipment that is beginning to flow through to improved project economics for developers reaching procurement in the current year.

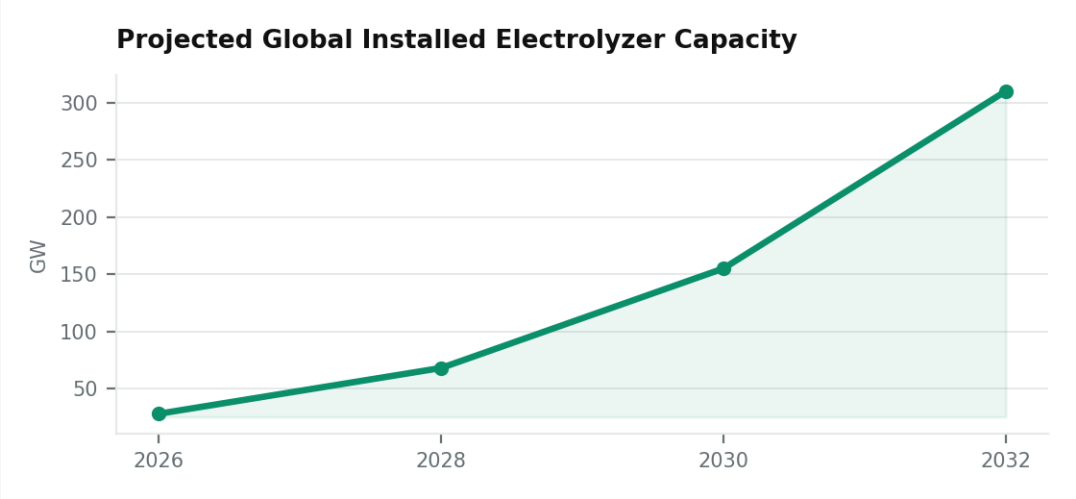
Regional Dynamics

Policy support mechanisms continue to diverge meaningfully across major markets in structure, contracts-for-difference in some jurisdictions, direct production tax credits in others, creating materially different risk and cash flow profiles for otherwise similar projects depending on where they are located, a dynamic increasingly factored into developer site selection alongside traditional resource quality considerations.

Industrial hub-based development, co-locating multiple hydrogen end-uses and shared infrastructure, continues to outpace standalone merchant project development in reaching financial close, reinforcing the cost and risk advantages of shared infrastructure identified in HydroLabs' underlying techno-economic research.

Outlook Through 2032

Our central forecast projects global installed green hydrogen production capacity reaching approximately 310 GW of electrolyzer capacity by 2032, with the pace of growth increasingly dependent on continued policy support durability and offtake market development for hydrogen derivatives, particularly green ammonia and sustainable aviation fuel feedstocks, rather than electrolyzer technology or manufacturing capacity constraints.



Illustrative central forecast scenario; actual deployment pace remains highly sensitive to policy continuity and offtake market development.