Delegates resolve to synergize efforts for accelerated geothermal development in the Eastern Africa region

Addis Ababa November 4, 2016 – The Sixth ARGeo Conference was officially closed by Mr. Masresha Gebre Selassie (Director General, Geological Survey of Ethiopia). Harouna Samba representing UN Environment, Office for Africa, delivered closing remarks. In closing the conference, Mr. Gebre Selassie, noted with pride that the conference had been extremely excellent and thanked the organizing committee. Samba Harouna, on behalf of Juliette Biao, UN Environment - Regional Director, office for Africa - observed that geothermal is the green solution to Africa’s energy needs.

All players have resolved to synergize and collaborate through the existing geothermal support programmes. Governments of East African Rift countries have been asked to develop and harmonize energy policies and to include geothermal energy in their National Power Development Master Plans. The governments have also been asked to allocate adequate national budgetary funds for exploration and development of their geothermal resources for both power generation and direct use applications. In addition, governments have been asked to establish appropriate institutional and infrastructural frameworks to facilitate the exploration, development and utilization of geothermal energy resources in their respective countries, to attract private sector participation.

The conference resolved that countries need to seek innovative financing solutions that range from utilizing capital markets, pension funds, carbon and green funds. A regional geothermal Centre of Excellence will be established in Kenya to spearhead capacity building efforts and build a critical mass of geothermal experts. Further a regional geothermal information system (AGID Web-GIS) has been set up to facilitate collation and sharing of geothermal information and data easily through the internet.

The 8th ARGeo Steering Committee meeting agreed that the next ARGeo Conference (ARGeo C7) will be held in Kigali, Rwanda. Representatives from Rwanda’s Energy Development Corporation Ltd (EDCL-Rwanda) confirmed that Rwanda is ready and keen to host and organize the event.

The conference was hosted by the Government of Ethiopia and co-organized by the UN Environment and endorsed by the International Geothermal Association (IGA). It was sponsored by the Federal Government of Ethiopia, Geothermal Development Company (GDC), Corbetti Geothermal, Global Environmental Facility (GEF), MFA-Icelandic International Development Agency (ICEIDA), United States Agency for International Development (USAID), Federal Institute for Geosciences and Natural Resources (BGR), and International Geothermal Association (IGA).
The ARGeo Program has come of age and in the next phase (2017-2018) the program will focus on matured institutional support having focused on project-based support in its first phase. The institutional support to the Eastern Africa countries will be provided through the establishment of the Africa Geothermal Centre of Excellence (AGCE) and the IGA-Africa Regional Branch. The need for a Centre of Excellence for Africa is more real now than ever. Africa needs to meet increasing geothermal development capacity building needs. Various local, regional and continental geothermal forums have recognized the AGCE to be a vehicle to ensure the development of skilled manpower for sustainable geothermal development in the continent.

The Centre has already been conceptualized and steps have been put in motion to ensure its realization. All stakeholders in the region have agreed that the Centre of Excellence will be constituted under the Kenya law and will be recognized by the AUC as a Regional Centre of Excellence. The Centre will be hosted by the government of Kenya and based in GDC, with a satellite campus in KenGen.

**Strategy and policy for geothermal development in power generation and direct use application**

A plenary session on appropriate strategies for the development of geothermal resources both for power generation and for direct use application was held on November 3, 2016. Panelists were drawn from the UN Environment, Ethiopia Ministry of Water, Irrigation and Electricity, Reykjavik Geothermal, and the East Africa Geothermal Energy Facility (EAGER). Meseret Zemedkun, the ARGeo Program Manager, made a presentation on the central role that ARGeo continues to play in serving member countries and meeting their specific needs in response to their resource development challenges. Meseret shared the milestones that ARGeo program has achieved in its first phase since its inception in 2011. She noted that the second phase of ARGeo Program will focus on matured institutional support through the regional Africa Geothermal Centre of Excellence.

There was jubilation in the room and particularly among geothermal developers as Ethiopia announced that a new geothermal law had been established and gazetted, paving way for a more supportive legal and regulatory environment. Sahle Tamru of the Ethiopia Ministry of Water, Irrigation & Electricity pointed out that the new law creates an enabling environment for developers to undertake geothermal operations in an orderly and sustainable manner and specifies licensing regimes.

Tholeifur Finnsor of Reykjavik Geothermal noted that independent power producers (IPPs) faced several challenges particularly regarding an enabling regulatory framework. He underscored the need for governments to support initial IPPs to succeed so that more IPPs get encouraged to participate. One way of supporting IPPs is through incentives programs. John Heath of the East Africa Geothermal Energy Facility (EAGER) shared five different geothermal development models that have been used in various geothermal projects globally and pointed out that time had come for governments to consider hybrid models that entail having the public sector work with the private sector in undertaking geothermal projects together.

Delegates will visit one of the Ethiopian Geothermal Fields i.e. Aluto - Langano Geothermal Field on 5-6 November 2016.