

Geothermal Donors' Collaboration Meeting
May 26, 2014

Address by
Mr. Gunnar Bragi Sveinsson
Minister for Foreign Affairs

Excellencies, distinguished guests, ladies and gentlemen,

It is a great pleasure to welcome you here in Iceland for this meeting on donor collaboration for geothermal development in East Africa. We are very pleased that Iceland, through the cooperation with the Africa Union Commission, is co-hosting this event with the AUC. We are happy to have an opportunity to provide you with insights into the development and utilization of geothermal here in Iceland, and share with you the knowledge that has been built up here in the past decades.

While the international community is busy discussing the Post 2015 Development Agenda, in the face of severe consequences of global warming for many African countries, I am proud to be a part of a gathering that can say to the world: we are doing something about it. This meeting is a good indication of the growing interest and commitment to develop geothermal energy in East Africa.

In the work on the Post Development Agenda and the Sustainable Development Goals, Iceland places particular emphasis on four areas; geothermal energy being one of them.

Geothermal energy holds great potential. It is indeed an important part of providing access to green energy for African countries. No one can deny developing countries the right to provide access to energy to their citizens. And people will find basic energy any way they can, for example, by cutting down trees to cook food and heat water - unless energy is provided in an easier way and at reasonable cost. Unfortunately, many countries have limited options and have to rely on fossil fuels.

Luckily, a few countries in the Rift Valley Region are blessed, like my own country, with steaming hot water underground, waiting to be harnessed for energy production. But the process of geothermal deployment is often long and complicated. And sometimes it involves spending large amounts of money on exploration costs, through drilling deep boreholes into the ground, without the certainty of finding enough of the desired resources. For countries with limited financial means the exploration risk associated with geothermal resource assessment are a real barrier to their ability to move forward.

Against this background, I am personally very pleased to be working with the AUC Geothermal Risk Mitigation Facility and the World Bank's Global Geothermal Development Plan which has the objective to help governments to reduce the risk associated with drilling.

Our role, through the Icelandic/NDF geothermal exploration programme, is focused on the early stages –the upstream activities. The emphasis is on assisting countries finding their geothermal energy resources and to explore them to the point of pinpointing the place where drilling has the highest likelihood of success. This sounds simple, but it is absolutely crucial. And if this early exploration work is not done well, tens of millions of dollars may be wasted on non-productive wells. Exploration studies of high quality reduce the risk of unsuccessful drilling. In order for successful geothermal prospects to enter the next phase of development, it is crucial that stakeholders collaborate. I therefore highly welcome the signing of the agreement today between the AUC and Reykjavik Geothermal. This collaboration is certainly a step in the right direction for geothermal development in Ethiopia and a great example of public-private partnership going forward.

Iceland has for a long time tried to help countries with geothermal potential to build their capacity in research, exploration, drilling and utilization of geothermal energy. The main vehicle for this has been the United Nations University's Geothermal Training Programme in Iceland. I am aware that among participants in this meeting there are many experts who have graduated from the programme and have returned home to do great things in building up the energy sectors of their home countries. We are further increasing this commitment to knowledge transfer within the ICEIDA programme, which is supporting various training courses in East Africa. Importantly, this is also carried out in cooperation with regional partners such as Kenya's Geothermal Development Company and KenGen. We hope these efforts will contribute further to the development of a regional center of excellence while simultaneously creating mutual learning opportunities and adding to the pool of geothermal expertise in Africa. In this context I am furthermore pleased to inform you of a new capacity building and knowledge exchange initiative that Iceland is undertaking in close cooperation with IRENA, the International Renewable Energy Agency in forming a Global Geothermal Alliance. The main objective of the Alliance is to be a platform for dialogue among partners and a coalition for action to increase the share of installed geothermal energy generation globally.

In all these endeavours we however cannot forget about women's empowerment and gender equality. Integrating gender perspectives in energy programs and policy dialogues is essential to ensure equal access to services, benefits and opportunities for women and men and limit disproportional exposure to risks. I therefore encourage all of us to further consider and implement effective approaches for gender mainstreaming into our work in geothermal energy development.

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From your visit you will see that in Iceland we have managed to put geothermal to use in many different ways, resulting in not only an important power generation but just as well and importantly by

creating a host of revenue streams, which we refer to as Resource Parks and include aquaculture, biotechnology, food drying and tourist resorts, to name but few.

It is my sincere hope that the closeness with geothermal energy and your first hand encounters with geothermal resources here in Iceland in the course of the next few days, will inspire all of us to further strengthen the good collaboration between donor agencies and countries in East Africa – resulting in tangible energy projects for the benefit of the countries involved. As we all know increased access to sustainable energy is a key component for economic development. We here in Iceland hope that our experience and resources may contribute to achieving these results.

Thank you