Department for International Development



GRMF Workshop DFID Opening Remarks

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Increasing Access to Clean, Reliable, Modern Energy has many benefits

- Improved productivity of industry from more reliable energy source;
- Improved productivity of people, as less time needed to collect wood or buy kerosene etc.;
- Cost savings (e.g. alternatives such as kerosene and backup generators can be very expensive);
- Children can study longer;
- Health benefits e.g. reduced air pollutants;
- Low greenhouse gas emissions.





Lots of Infrastructure Needed

- AfDB project that to achieve universal energy access in Africa by 2025, need:
 - -1.9 times current grid capacity (160 GW)
 - -2.6 times current household grid connections
 - -20 times current household off-grid connections
- DFID working to increase clean energy supply by:
 - -On-grid, such as Geothermal
 - -Off-grid, such as Solar Home Systems
 - -Mini-grids.





Geothermal Resource in East Africa

- In the East African Rift there is more than 10 GW of potential capacity that could be developed from geothermal energy.
- More than double the existing capacity across the five East African countries.
- High upfront capital cost and risk in resource exploration, long lead times and the nature of technical expertise required make it a less attractive option for investment.
- DFID seeking to de-risk geothermal investments.





EAGER: East Africa Geothermal Energy Facility

- Funded by DFID, operated by Adam Smith International.
- An independent advisory facility established in May 2015 to provide highquality, on-demand advice to public and private stakeholders involved in developing geothermal energy for power generation in Ethiopia, Kenya, Rwanda, Tanzania and Uganda.
- Example advisory services:
 - Policy advice relating to power and energy markets and the role of geothermal energy;
 - Legal and regulatory advice to provide a framework for geothermal power generation;
 - Capacity building in public institutions to enable implementation of geothermal policy and regulations;
 - Advice to help introduce geothermal specific power purchase agreements (PPAs); and
 - Dissemination of best practice on geothermal power generation, for example case studies on its practical application.





GRMF: Geothermal Risk Mitigation Facility

- Financial support to public and private investors to assist in mitigating the geothermal exploration risk.
- DFID contribution ending end March 2019, therefore aiming for significantly more projects to be implemented in the coming year.
- Hope that the new regulations announced today, and the 5th Application Round, will allow this.

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Questions?