

Session 3 – Global overview on risk mitigation

Wednesday 29 April 2020 – International webinar

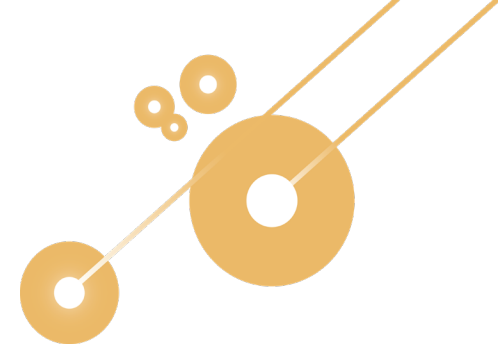
AFPG - GEODEEP

Virginie SCHMIDLE - BLOCH

GEORISK

1. RMS general overview
2. Selection and assessment of targeted countries
3. KENYA - Country Fiche

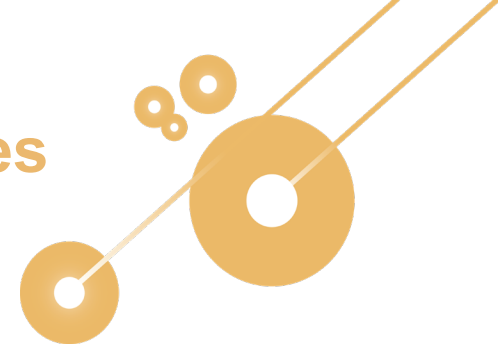




Lessons learned from previous WP :

- Benchmark study where 21 major schemes have been inventoried and level of success can be observed -> Deliverable soon available
- Determination of important criteria when establishing a RMS : **public** / **private-public** / **private**

- 1. Legal and regulatory boundary conditions:** *What is the basis for a specific risk transfer mechanism?*
- 2. Identification of the risk(s) to be addressed:** *Which precise risk(s) need(s) to be transferred?*
- 3. Funding of the risk transfer scheme:** *How is the risk transfer mechanism financed?*
- 4. Procedural aspects:** *What is the process for granting aid?*
- 5. Performance indicators:** *How is the RMS performing?*



Aim: Replication of best practices from the experienced countries to 8 European countries (3 member of the consortium) and 4 selected third countries



How:

WP 5.1 Analyse of targeted countries market conditions (AFPG-GEODEEP)

WP 5.2 Creation of liaisons with decisions makers, international & national (CRES)

WP 5.3 Capacity building (TBK)

Expectations: establishment or adaptation of RMS's basis 3 years after GEORISK project completion

5 /

2- Selection and assessment of targeted countries

CHILE

- **MIRIG :**
 - First financed by the World Bank's "Clean Technology Fund" with USD 53 million in 2013-2014
 - is providing as a service concessional loan repaid to fund in both success and failure cases.
- **Inefficiency of the Fund notably because the competition of geothermal energy with other renewable sources are cheaper and more developed.**

-> **GEORISK focus to the barriers in order to find a solution to deploy the geothermal sector**

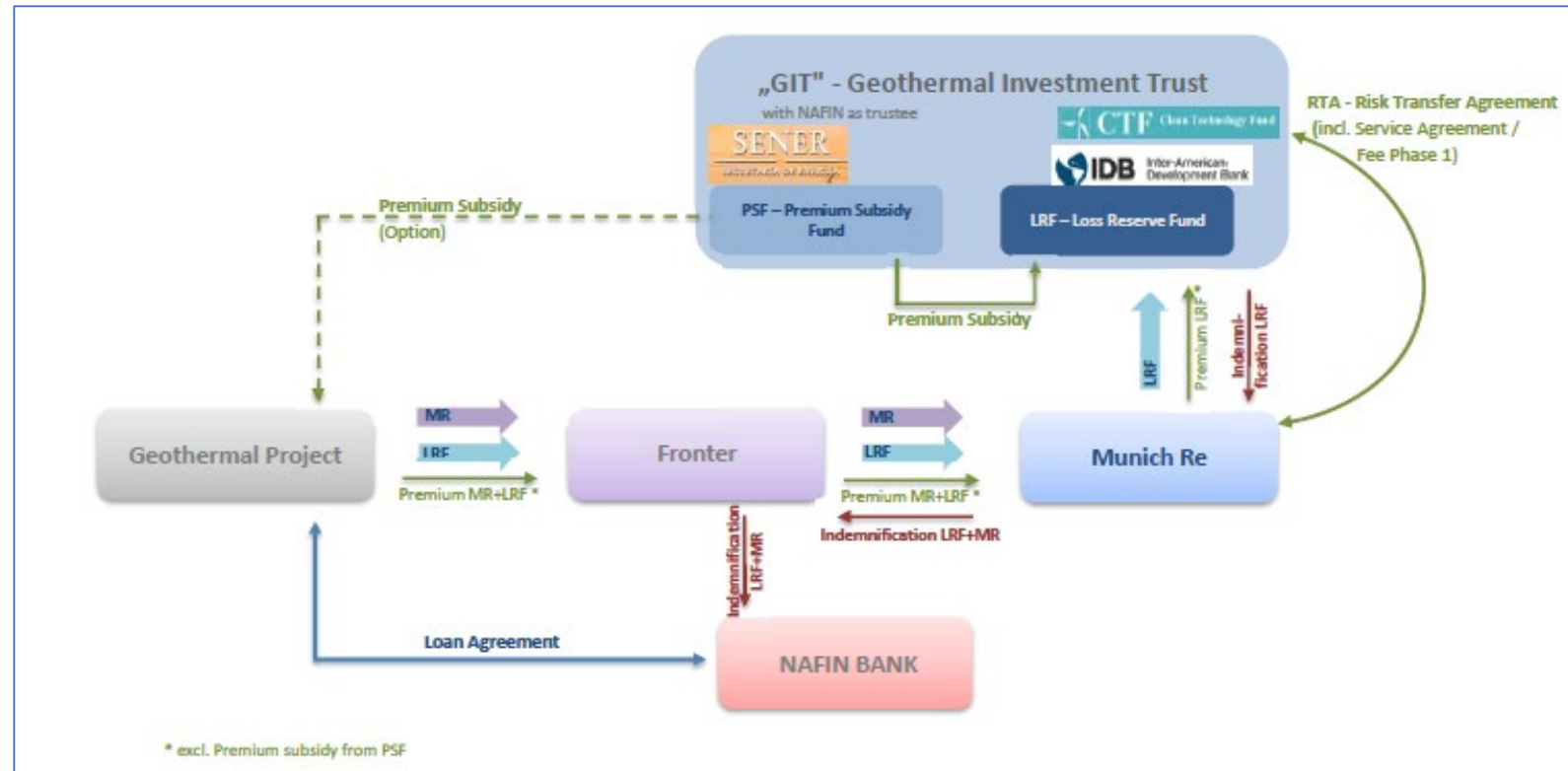
2- Selection and assessment of targeted countries

MEXICO

- Mexico Fund is based on subsidized refundable advances with low/partial repayments to the Fund in case of success
- But Structurally complex and very complicated because too many entities involved

-> GEORISK will propose simplifications

-> GEOLAC September 2020



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71

2- Selection and assessment of targeted countries

CANADA

- Deep geothermal energy development is low at the moment
- But a strong potential for decarbonisation
- No existing RMS

-> GEORISK will find the basis of a RMS in cooperation with the regional government, the Canadian Geothermal Association and District heating developers

2- Selection and assessment of targeted countries

KENYA

- **Until this year, a very dynamic geothermal market** with installed geothermal capacity of 750 MW (ranking #8 worldwide)
- **Interesting case study as a country already covered by the** Geothermal Risk Mitigation Fund (GRMF) for Eastern Africa (launched in 2012)
- **GRMF is yet a very good start**

-> For KENYA, GEORISK will promote complementary measures and acceleration of the process.

-> the 6th Application Round of the Geothermal Risk Mitigation Facility (GRMF) that will be held on 6th of Mai

-> We plan to be present in ARGEO if the event is maintained...

- Presentation of current deep geothermal market conditions in 2019
- Policies and regulations
 - Legislative framework
 - Support schemes
- Market conditions
- Stakeholders
- Perspectives to 2030 and potential developments
- Key recommendations

[Presentation of a KENYA Country FICHE](#)



Question and Answer

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