



**AFRICAN UNION
INFRASTRUCTURE AND ENERGY DEPARTMENT**

**AUC Regional Geothermal Training Workshop
on Policy Development and Harmonization
Kigali, Rwanda
7-11 December 2010**

KIGALI RECOMMENDATION ON THE WAY FORWARD

RECOMMENDATION ON THE WAY FORWARD ON POLICY DEVELOPMENT AND HARMONIZATION TO ACCELERATE DEVELOPMENT OF THE GEOTHERMAL ENERGY RESOURCE IN THE EASTERN AFRICA COUNTRIES

KIGALI, RWANDA

DECEMBER 10, 2010

Representatives of Eastern African countries, the African Union Commission (AUC), Ministry of Infrastructure (MININFRA) Rwanda, institutions with geothermal support programmes (Federal Institute for Geosciences and Natural Resources (BGR), Icelandic International Development Agency (ICEIDA), United States Development for International Development (USAID)), investment and development partners (German Development Bank (KfW) World Bank (WB), African Development Bank (AfDB), French Development Agency (Afd), European Union (EU), International Finance Corporation (IFC)) and the private sector (Reykjavik Geothermal) met for the Regional Geothermal Training Workshop on Policy Development and Harmonization that was held in Kigali, Rwanda from 7 to 11 December, 2010. The workshop was organized by the AUC in collaboration with the Government of Rwanda.

The participants of the Workshop expressed their appreciation to the Department of Infrastructure and Energy (DIE) of the AUC, MININFRA and the Belgian Technical Cooperation (BTC) for making the workshop a success.

The participants:

CONSIDERING that severe shortage of electrical energy supply in the East African Rift countries has inhibited socio-economic development in spite of the vast untapped geothermal energy resource in the region;

AWARE OF the fact that Eastern Africa countries wish to develop and utilize their geothermal energy resources to diversify their sources of energy, to meet the energy demand of their peoples, to ensure security of energy supply, and to mitigate deforestation and the use of firewood as a primary source of energy;

RECOGNIZING that a clear and coherent policy, regulatory and institutional framework is urgently required to attract private investment with a view to increasing the participation of private developers in Public Private Partnership (PPP) and as Independent Power Producers (IPPs) to accelerate development of geothermal resource in the region;

BEING AWARE OF the urgent need to strengthen the regional and national capacities for addressing, on continuing bases, **policy and regulatory issues** with a view to sustainably accelerating geothermal exploration and development;

TAKING INTO ACCOUNT the need to establish **regional collaboration** for effective information generation as well as for the exchange of knowledge and experience;

RECOGNIZING the need for each country to organize an appropriate **institutional framework** as well as the human resources, laboratory and field equipment, and other facilities that are required for exploring the geothermal resources on the one hand, and on the other, the institutional framework that is required for the promotion and regulation of their development;

BEING FAMILIAR WITH the importance of **regional cooperation** in technical exchanges as well as in collaboration in the exploration and development of cross border geothermal resources;

REALIZING that the Governments of the Eastern Africa countries should assume **leading roles** in the effective and expeditious exploration and development of their geothermal resources to ensure that geothermal energy development contributes to rapid socio-economic development;

RECALLING the “**Road Map**” and “**Action Plan**” adopted at the Regional Geothermal Stakeholders’ Workshop in Nairobi, Kenya on March 16, 2010 wherein it was stipulated to harmonize and develop policy in the region with a view at addressing the major barrier to attracting private investment in the region for the development of geothermal resources being the inadequacy of the policy, institutional and regulatory framework;

REAFFIRMING the “**Recommendations on the Way Forward**” made at the aforesaid Regional Geothermal Stakeholders’ Workshop on the need to develop and harmonize policy with the objectives of diversifying the sources of energy supply and attracting private investment in geothermal energy development; and,

TAKING INTO CONSIDERATION the recommendations and mandates given to AUC by the **Addis Ababa Declaration on Geothermal Energy** of 10 June 2009;

Recommend the following on the way forward:

The governments should:

- Determine under which law(s) geothermal resource exploration, development and utilization appropriately fit: Mineral or Energy legislation;
- Take the leading roles in geothermal exploration and development by minimizing the risk to resource development investment which is associated with geothermal resources by funding the up-front costs of exploration of the geothermal resources and by regulating their development;

- Take the initiative and ameliorate the insufficiency of:
 - the technical information required for the development of the resources by establishing national institutional structures for the study of the geothermal resources of their countries and endowing them with the necessary capacities with regard to institutional mandate, human resources and infrastructure ;
 - the knowledge, experience and investment resources of the countries for the rapid development of the geothermal resources, by putting in place enabling policies, the enactment of laws to govern the participation of the private sector in the development of the resources, and by creating and developing appropriate regulatory organs.

The African Union Commission (AUC) should assume responsibility for:

- Assisting governments in the implementation of the foregoing recommendations by proposing guidelines, availing the required resources and technical assistance, by facilitating collaboration and exchange of knowledge and experiences among the countries, and in maintaining coherence between the policies and legislations of the different countries;
- Soliciting support and mobilizing resources for assisting the geothermal resource exploration and development activities of countries which are not beneficiaries of current funding initiatives (Burundi, Comoros, DRC, Malawi, and Zambia);
- Encouraging the active involvement and participation of the Regional Economic Communities (e.g. EAC, COMESA, IGAD, SADEC, and CEPGL) and the inclusion of geothermal development programmes in their development action plans;
- Identifying national focal points and create as well as establish a “Regional Working Group” to document and develop a detailed action plan of implementation of the Regional Geothermal Programme initiated by the DIE of AUC;
- In the spirit of regional and national capacity building, promoting and supporting the use of experts, consulting firms, service providers and private investors and developers which exist in the region for their participation in the exploration and development of the geothermal resources;
- Actively participating in: (i) capacity building, targeting both the public and private sectors, all aspects of geothermal exploration and development, including technical and business skills, natural resource law, energy economics, environmental studies and management, etc, (ii) regional networking, (iii) the establishment, promoting and supporting a regional geothermal association, (iv)

the establishment of a regional geothermal training institution and centers of excellence for research and development the promotion of geothermal studies in the region's universities, and (v) examining options and assisting in the implementation of pooling resources within the region.

- Taking the lead in sensitizing national governments and through them local governments and communities as to the needs, possibilities, diverse utilities and means of geothermal resource development, including by promoting and supporting direct use application prototypes which communities may learn from.

**Done in Kigali, Rwanda
On 10 December 2010**