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P. O. Box 3243, Addis Ababa, ETHIOPIA Tel.: (251-11) 5525849 Fax: (251-11) 5525855 Website: <u>www.africa-union.org</u>

Remarks by H.E. Dr. Elham Ibrahim, Commissioner for Infrastructure and Energy

African Union Commission (AUC)

At the

Signing Ceremony of Grant Agreement for the Surface Studies and Exploration Drilling Geothermal Risk Mitigation Facility (GRMF)

03 March 2014 Addis Ababa, Ethiopia

- Your Excellencies
- Ladies and Gentlemen:
- It's my pleasure to welcome you all on behalf of the African Union Commission and on my own behalf, at this very special event, on Signing Grant Agreements for supporting Surface Studies and Exploration Drilling for geothermal projects in Ethiopia and Kenya under our Geothermal Risk Mitigation Facility Program.
- 2. What we have just witnessed is another key milestone in the implementation of this important program. I would like to congratulate the grant beneficiaries and to emphasize that successful implementation of these projects will be an important step in realizing our commitment to developing geothermal energy in Africa.
- 3. As you are aware, the first application round for the GRMF grants, which was launched in October 2012 focused on five (5) countries as pilot projects including Uganda, Kenya, Tanzania, Ethiopia, and Rwanda. The first application round has produced five (5) winning grant beneficiaries. The total grants awarded to these five (5) projects is about US\$22 million, and this amount may increase to US\$32 million if all developers apply for continuation premium, which is an additional incentive set in the GRMF.
- 4. As it was mentioned earlier, the second application round for grants was launched in October 2013. It extends the GRMF grants eligibility to additional six (6) countries, making a total of elven (11) countries in the GRMF program, including Burundi, Eritrea, Ethiopia, Comoros, Democratic Republic of Congo, Djibouti, Kenya, Rwanda, Tanzania, Uganda and Zambia.

Your Excellencies

Ladies and Gentlemen:

5. I would like to stress that the ultimate goal of the GRMF program is to improve and expand access to modern energy services in Africa. And we, at the Department of Infrastructure and Energy of the African Union Commission are committed to supporting, mobilizing and developing partnerships as well as coordinating African and Global efforts to tackling the modern energy access challenge in Africa.

6. The major energy challenge for Africa has always been how we can efficiently exploit the huge potential of diversified energy sources and convert it into sustainable and modern energy services, that is critical to meeting our increasing energy demand and achieving Africa's economic growth.

Your Excellencies

Ladies and Gentlemen:

7. It is worth mentioning that our efforts are also shared by partners from different international organizations including ICEIDA, UNEP, USAID, and BGR, just to mention a few.

8. I would like here to acknowledge the financial support and collaboration of the German Ministry for Economic Cooperation, the EU-Africa Infrastructure Trust Fund and KfW in setting up this GRMF. We highly appreciate the DIFID willingness to contribute to the Facility and welcome all interested partners to join us to build and move together to achieve Africa's contribution to the SE4ALL goals.

9. For our MS; your support and active participation is essential for developing more and more concrete projects in this important sector.

10. Once again, I would like to congratulate the grant beneficiaries and to express our sincere wishes to all eligible countries to be part of the program and succeed to use it for accelerating geothermal energy development in the region.

Wishing you all success,

and thank you for your kind attention.