

## Third Geothermal Dialogue: Lessons on the role of public finance in Geothermal

16 June 2015  
Hofburg Redoutensäle  
Josefsplatz, 1010 Vienna

A meeting organized by **Climate Policy Initiative**  
in partnership with the **Climate Investment Funds**

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This meeting is the third of a series of **Geothermal Dialogues** that **bring together major actors from the world of energy finance in developing countries, to explore how to scale geothermal energy deployment.** Building upon the [First Geothermal Dialogue](#), held in Copenhagen on 24 October 2014, and the [Second Geothermal Dialogue](#), held in Munich on 2 March 2015, the meeting will assemble countries receiving support from the CIF for geothermal projects and host countries involved in other ('non-CIF') geothermal projects, donor countries, project developers & financiers, multilateral development banks, representatives of the CIF Administrative Unit and a few selected additional participants.

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8:30- 9:00      *Registration and Light Breakfast*

### 9:00 - 9:30      **Welcome and tour de table**

- **Zhihong Zhang**, Senior Program Coordinator, Administrative Unit, Climate Investment Funds
- **Barbara K. Buchner**, Senior Director, Climate Policy Initiative

This session revisits the purpose and objectives of the Geothermal Dialogues, describing the main reasons of why this research project focuses on geothermal. Drawing on early experiences in financing geothermal projects, this Third Geothermal Dialogue is aimed at providing broader lessons as to why and in which circumstances public support is required to enable a scale up in geothermal energy. A tour de table will first introduce all participants and identify priority areas of interest of the Group.

### 9:30 - 11:00      **Enabling private geothermal development: The role and effectiveness of the public support in exploration, construction and operation of geothermal plants**

Risks, combined with high upfront costs, in exploration and drilling are high for private sector actors to take on, particularly in developing countries. Once resources are proven, geothermal plants hold significant benefits in terms of cost and stability to a country's electricity mix. This session focuses on the different policies and public finance instruments that can be deployed to enable more private exploration, and on the appropriate national pricing and regulatory policy that makes deployment of geothermal plants attractive for both the public and private sector, including structures that reflect costs for exploration.

Chair: **Zhihong Zhang**, Senior Program Coordinator, Administrative Unit, Climate Investment Funds

Framing Presentation:

- **Valerio Micale**, Analyst, Climate Policy Initiative

Opening Comments:

- **Özlem Çingiloglu**, Chief Strategy Officer, Maspo Energy
- **Martin Schubert**, Senior Project Manager, KfW Development Bank
- **Migara Jayawardena**, Senior Energy Specialist, The World Bank

Roundtable Discussion

11:00 - 11:30 *Coffee Break*

### 11:30 - 13:00 **Country models for geothermal development**

Is private sector exploration suitable in all developing countries? To what degree do existing energy market structures play a role in identifying the best role of the public sector? How can risk be hedged at portfolio level? The session will focus on private financing in the geothermal sector, the different public/private models adopted, and the country specific conditions that dictate which would be the best model.

Chair and Framing Presentation: **Pierre Audinet**, Senior Energy Economist, ESMAP

Opening Comments:

- **Patrick Avato**, Program Leader, Clean Energy and Cities, Europe & Central Asia, and **Kruskaia Sierra-Escalante**, Head, Blended Climate Finance, International Financial Corporation (IFC)
- **Amanda Lonsdale**, Senior Geothermal Advisor, Power Africa
- **Enrique Nieto**, Director of Sustainable Projects, S.N.C., Mexico
- **Ariel D. Fonda**, Chief, Geothermal Energy Management Division, Department of Energy, Philippines

Roundtable Discussion

13:00 - 14:15 *Lunch*

### 14:15 - 15:45 **The role of international development finance in supporting geothermal deployment in developing countries**

Development Banks have been the major provider of finance to geothermal projects in developing countries. This session will discuss how public finance resources and instruments may be best used to scale up deployment in emerging geothermal markets, in particular: supporting commercial banks to provide finance to projects; support the expansion of geothermal fields once operational; and their ability to participate in risk-reduction schemes by providing risk capital.

Chair: **Gevorg Sargsyan**, Program Manager, World Bank

Framing Presentation:

- **Padraig Oliver**, Analyst, Climate Policy Initiative

Panelists:

- **Thierno Bah**, Principal Energy Specialist, African Development Bank
- **Adonai Herrera-Martinez**, Senior Manager, Energy Efficiency, European Bank for Reconstruction and Development (EBRD)
- **Stephen Jacob**, Underwriter, Geothermal, Munich RE
- **Christian Santana Oyarzun**, Division Chief, Renewable Energy Division, Ministry of Energy, Chile

Roundtable Discussion

15:45 - 16:15     *Coffee Break*

### 16:15 - 17:00     **Wrap up: Emerging lessons and next steps**

Chair: **Barbara Buchner**, Senior Director, Climate Policy Initiative

The concluding session aims to draw lessons from the three Geothermal dialogues and three case studies (Turkey, Kenya, Indonesia), and additional experiences from participants in the room, and highlight key issues that require further attention to render the financing of geothermal energy effective. Based on the previous sessions, participants will discuss key areas of further collaboration among various stakeholders of the geothermal development.

*Closing of the meeting*

- **Zhihong Zhang**, Senior Program Coordinator, Administrative Unit, Climate Investment Fund
- **Barbara Buchner**, Senior Director, Climate Policy Initiative

19:30             *Social Dinner*