



Press Release

During her first official visit in the Republic of Djibouti from 27-28 September 2017, the African Union Commissioner for Infrastructure and Energy, H.E. Dr Amani Abou-Zeid, signed a Grant Contract of about USD One Million with L'Office Djiboutien de Développement de l'Energie Géothermique (ODDEG).

Djibouti City, Republic of Djibouti, 28 September 2017: The African Union Commission



(AUC) represented by H.E. Dr Amani Abou-Zeid, Commissioner for Infrastructure and Energy and L'Office Djiboutien de Développement de l'Energie Géothermique (ODDEG) represented by H.E. Mr. Mohamed Hassan Abdillahi, Secretary General of the Government of Djibouti signed a grant contract totalling USD 959,687 on 27 September 2017. The grant represents 80% of the total cost estimated to USD 1.2 million to conduct surface study in Arta Geothermal Prospect located on a broad valley lying on the Gulf

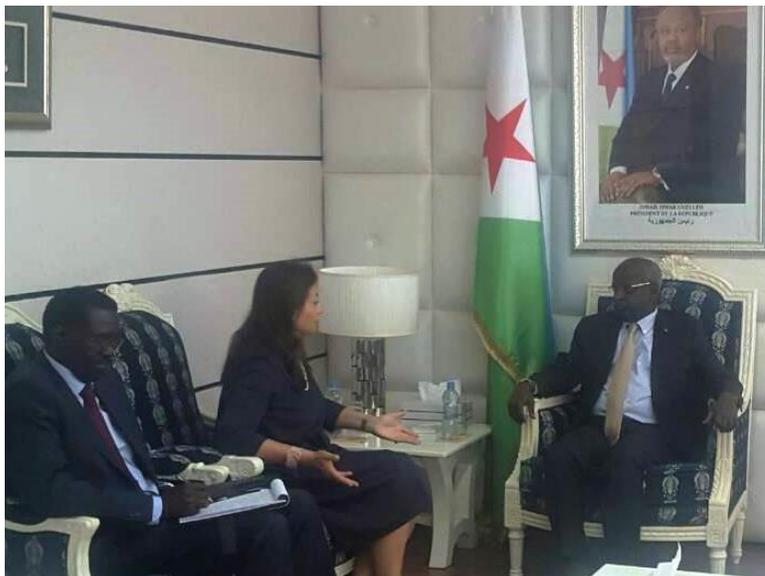
of Tadjoura approximately 30 km east of the Djibouti City. The signing ceremony was held at in Djibouti City, Republic of Djibouti, as part of the AUC efforts to mobilize financial and technical support to Member States through the Geothermal Risk Mitigation Facility (GRMF), as well as the Regional Geothermal Programme, put in place in order to promote electrical energy generation from the abundant geothermal resources in East Africa Rift Valley estimated to more than 20,000 MWe.

The AUC Commissioner for Infrastructure and Energy, in her remarks, expressed her gratitude towards this achievement in geothermal energy development, which will in turn improve the quality of life of the people of Djibouti with access to cheap, clean and sustainable energy. Thanking all stakeholders for their on-going support, she urged the government of the Republic of Djibouti to maintain the momentum of the project and apply for GRMF grant for drilling programme in the upcoming application rounds to the GRMF.

The Commissioner for Infrastructure and Energy also informed the Secretary General about the existing opportunities through the AUC to improving the energy sector in Member States

and the agreements with some partners to mobilize technical and financial support to explore geothermal energy, particularly in Eastern African countries including the Republic of Djibouti.

The Secretary General of the Government of Djibouti, H.E. Mr. Mohamed Hassan Abdillahi in his speech expressed his appreciation to the AUC for its' efforts and financial support of about USD One Million to geothermal energy development in the Republic of Djibouti, which will mark the turning point in achieving the realization of energy generation from indigenous geothermal resources in the country. The Secretary General emphasized that ODDEG will take all necessary action to fulfill its obligations as per the signed Grant Agreement and will make sure to take advantage of the opportunities made available by the GRMF and other technical and financial instruments available.



The GRMF has been established by the AUC, the German Federal Ministry for Economic Cooperation and Development and the EU-Africa Infrastructure Trust Fund, with the technical support of the German Government owned Development Bank, KfW. The objective of GRMF is to encourage public and private investors to develop geothermal prospects for power generation in Eastern Africa by providing cost sharing grants for surface studies and drilling of reservoir confirmation wells. An initial fund totalling 50 million Euros has been made available for such grants. Further contributions and technical assistances were provided by other partners including DFID, UNEP, New Zealand, BGR and others.

The GRMF has achieved significant successes in supporting geothermal energy development in East Africa by awarding around USD 90 million as grants for 26 projects in Comoros, Djibouti, Ethiopia, Kenya, Rwanda and Tanzania in four application rounds since 2012. The 5th application round will be launched in October 2017. For detailed information about the GRMF please visit the GRMF website: <http://www.grmf-eastafrica.org>.

H.E Dr. Amani Abou-Zeid also paid visits to the ports of Djibouti and Djibouti Telecom, in addition to courtesy visits to His Excellency the Prime Minister, the Minister of Energy and Natural Resources and the Minister of Infrastructure and Transport, to exchange views on the support of the African Union Commission to the Djiboutian Government in the energy, transport, ICT and tourism sectors.