

OPEN LETTER: EUROPE RISKS MISSING THE GEOTHERMAL REVOLUTION

Brussels, 10 April 2026

To: Commission President Von der Leyen, Commissioner Jørgensen,
Commissioner Hoekstra, Commissioner Ribera, Commissioner Séjourné

CC: Heads of State, Council President Costa

Europe faces yet another grave energy crisis. Still reliant on fossil fuel imports vulnerable to supply disruption, Europe urgently needs to strengthen its energy security and decarbonise, all the while lowering energy prices for citizens and industry, and meeting growing electricity demand. The only way out of this predicament is to rapidly deploy domestic clean electricity and heat.

Europe's geothermal energy potential is massive, and advances in next-generation systems can unlock far greater potential across much of the continent. They alone could generate [301 TWh](#) of electricity in the EU annually – equivalent to roughly 42% of EU coal- and gas-fired generation. Geothermal can fast-track industrial decarbonisation, support grid stability and replace imported natural gas across heating and power – the Achilles heel of Europe's energy system. Geothermal resources also enable domestic production of critical raw materials such as lithium, strengthening Europe's strategic autonomy. What's more, geothermal systems are largely underground and distributed, making them harder for adversaries to attack.

This is not a niche resource, but a **system-scale opportunity** that can benefit the wider European industrial supply chain, including by repurposing oil and gas expertise, infrastructure and jobs. Global competitors have understood this and are moving ahead at full speed: the **United States is deploying significant public funding** and supporting first-of-a-kind projects to accelerate next-generation geothermal, while China is massively scaling deployment – often using European expertise. Without rapid action, Europe risks continued fossil dependence, loss of industrial leadership, and missing another strategic window to scale clean industry.

The European Commission's intention to publish a **Geothermal Action Plan** in May is a timely recognition that geothermal must play a greater role in Europe's energy system. However, without significantly greater ambition, the plan risks focusing too narrowly on heat, failing to kick-start a significant market, and leaving geothermal treated as a secondary priority. **We urgently call on the Commission to significantly strengthen the ambition of this plan, demonstrate its political determination to prioritise this, and put Europe in a position to lead the geothermal revolution.**

Geothermal energy in Europe is not constrained by technology – Europe is a world leader in geothermal technologies and has the skills needed for a geothermal revolution. The real challenges are **insufficient political support, translating into critical gaps in financing, risk-sharing and market design**. In particular, the cost and risk profile of initial drilling remains the primary bottleneck to scaling deployment. The absence of dedicated de-risking instruments means developers cannot absorb early-stage exploration and drilling risks, preventing otherwise viable projects from reaching financial close and becoming bankable at scale. Second, the lack of long-term revenue frameworks limits demand visibility, slowing investment. Third, complex permitting, land-use and grid connection create bottlenecks for deployment.

We urge the European Commission to make the upcoming Geothermal Action Plan not just another strategy, but a **real investment catalyst**, supported by **clear political prioritisation** for heat and **power generation** – including through a dedicated, stand-alone, **high-profile Communication**. This means:

- **Announcing a dedicated EU geothermal de-risking facility, with a clear and substantial funding envelope**, for early-stage exploration and drilling, including first-of-a-kind projects. The latest EU funding commitments to SMRs and the Battery Booster show the EU can put money on the table for strategic sectors;
- **Setting up bankable long-term revenue frameworks**, including two-way CfDs, clean firm heat and power auctions, and support for corporate PPAs and heat purchase agreements, alongside structured demand-side mechanisms such as tripartite agreements to aggregate long-term offtake from industrial, municipal and commercial users (e.g., data centres);
- **Accelerating permitting** through streamlined and time-bound procedures, clear guidance to Member States, and strengthened public

engagement, alongside the establishment of an **EU-wide geothermal atlas for subsurface data** to reduce exploration risk and accelerate project development;

- **Creating a European Geothermal Industry Alliance to fast-track the scale-up of the geothermal industry**, with a mandate to implement an ambitious action plan and facilitate industrial success. Prioritise the rapid scale-up and deployment of next-generation geothermal technologies.

We stand ready to work with the European Commission to help deliver this opportunity – investing, innovating and building the projects that will underpin Europe’s clean, secure and competitive energy future.

Yours sincerely,



Lita

marble



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