

# Unlocking Geothermal Potential Between the Three Seas: Key Takeaways

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*Roundtable summary | 28 April 2026 | Dubrovnik, Croatia*

## Key Points

- **Geothermal needs political prioritization and targets** — targets help align governments, investors, local governments and regulators.
- **Municipalities are key players on the ground** — municipal heat offtake agreements are as important as drilling or geological data.
- **Three Seas countries should create a shared geothermal project pipeline** — potentially framed around “TSI Next 10 GEO” priority projects.
- **Public finance should de-risk early stages** — exploration, drilling risk, permitting and heat-network connection need support before private capital can scale.
- **International banks can finance viable projects, not create the market alone** — EIB and others can lend, advise and structure, but governments must create the funding frameworks and project pipelines.
- **Geothermal is undervalued** — current cost comparisons often miss 24/7 reliability, grid flexibility, small land footprint, energy security, local jobs, long asset life and European supply-chain value. Therefore, geothermal should be valued as European energy infrastructure for 2050 and beyond, not just as today’s expensive generation technology.

## Main messages

The event positioned geothermal energy as a **strategic infrastructure asset**, not simply as another renewable technology. Speakers consistently linked geothermal to energy security, reliable local heat supply, industrial competitiveness, grid stability, and European technological leadership. The central message was clear: geothermal can provide reliable, domestic, 24/7 energy, but it will not scale without clear political targets, faster permitting, risk-sharing finance, and bankable heat offtake structures.

### What this means for the CEE region

For Central and Eastern Europe, the strongest message was that the region has the essential foundations for geothermal deployment: favourable geology, existing district heating networks, and significant industrial and municipal heat demand. However, it still lacks the full delivery framework needed to turn this potential into bankable projects. A key CEE-specific takeaway was that geothermal must move beyond small municipal, pilot, or recreational uses and become part of the region’s baseload energy system. The next practical step is to map geothermal resources, match them with heat demand, and develop national roadmaps aligned with EU policy and local heating and cooling plans.

### What this means for Three Seas countries

For the Three Seas countries, the discussion made clear that geothermal should become a **regional cooperation agenda**, not only a collection of national project pipelines. Julije Domac stressed that the Three Seas geothermal benchmark cannot rest on one country’s ambition alone. Croatia, Hungary, Slovakia, Poland, and other countries across the region all have relevant resources, projects, and policy experience to contribute. The practical ask was for Three Seas countries to work together on common project models, including standardised heat purchase agreements, municipal offtake contracts, permitting approaches, and cross-border “learning by doing” exchanges. The Dubrovnik Geothermal Declaration should support stronger national and local 2030 targets, greater involvement of cities and municipalities, reliable district heat, local job creation, and cascading uses of geothermal energy.

Another important point was that national plans alone will not be enough. Geothermal targets in NECPs must be matched by municipal and regional heat plans, because real deployment will happen at the city level — in places such as Karlovac, Miskolc, Cluj, and other municipalities with heat demand and geothermal potential.

### **Financial support and international banks**

The financing discussion was clear: international banks and financial institutions have an important role to play, but public money, risk-sharing mechanisms, and national prioritisation must come first. The European Investment Bank can provide long-term loans on favourable terms, which is particularly relevant for geothermal because projects are capital-intensive, long-lived, and infrastructure-heavy. EIB also brings experience from financing geothermal projects in Europe and beyond, and can help tailor instruments for both mature projects and more innovative early-stage developments. However, member states ultimately decide whether geothermal becomes a national funding priority. This means governments must create the right frameworks so that development banks, international financial institutions, and private investors can step in with confidence.

The most important financial takeaway was the call for **dedicated geothermal funding windows**. It was argued that although Three Seas countries are eligible for support through instruments such as the EU Modernisation Fund, geothermal has not yet benefited meaningfully from these sources in the region. TSI countries should replicate programme-level geothermal funding models, such as Portugal's approach, rather than relying on isolated one-off project support. Going forward, international banks, national development banks, and regional investment platforms should support geothermal through dedicated financial schemes, including exploration-risk insurance, concessional loans, project-preparation facilities, blended finance, and support for municipal heat offtake structures. These instruments would help move geothermal from a promising resource to a bankable regional infrastructure pipeline.

### **Dubrovnik Declaration**

The Dubrovnik Geothermal Declaration was proposed at the roundtable to translate the shared political, technical, and financial messages of the discussion into a concrete regional framework for action — giving Three Seas countries a common platform to accelerate investment, reduce project risks, harmonise permitting, mobilise international financial institutions, and turn geothermal potential into a bankable infrastructure pipeline. The document is expected to be endorsed by the Croatian TSI Presidency and passed on to Slovakia as the next host of the TSI Presidency.