GreetGeo

HUNGARIAN GEOTHERMAL ASSOCIATION

Geothermal in HUNGARY

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Brief historical overview – the main periods of development

1. Beginnings
   - 1878: Drilling the second deepest well of the world, 970 m – Budapest, City Park
   - 1929: Complex use of thermal water: gas separation, electricity generation, heating, bathing – Szolnok, Hotel Tisza
2. 1958-1975: Progress with high speed
   - The main type of use: agriculture – horticulture
3. 1975-1990: Progress with moderate speed
   - Innovative initiatives: reinjection, well insulation, long shaft deep well pump, heat mining with ammonia.
4. 1990-2005: Stagnation
   - Balance between outgoing and incoming users. No funds, municipal and private investments. Significant progress in surface technologies.
5. 2005-2010: A new golden age
   - Abundant funds from the EU, smart and effective investments. Main beneficiaries: the local governments.
6. 2010-2016: Growth in the Darkness (the Orbán era)
   - Public funds to privileged companies, enormous financial and moral damages. Still, geothermal DH systems in Miskolc, Győr and Szeged.

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Comparison of the keys to success

1958-1975: Progress with high speed

- Centrally planned socialist economy

- Low or moderate geological risk
- Low drilling costs
- No need for reinjection
- Existence of energy (heat) distribution networks

Harnessing of the low-hanging fruits.

2005-2010: A new golden age

- Free-market capitalist economy

- Low geological risk, well known reservoirs
- Low drilling costs
- Mandatory reinjection
- Lack of energy (heat) distribution networks

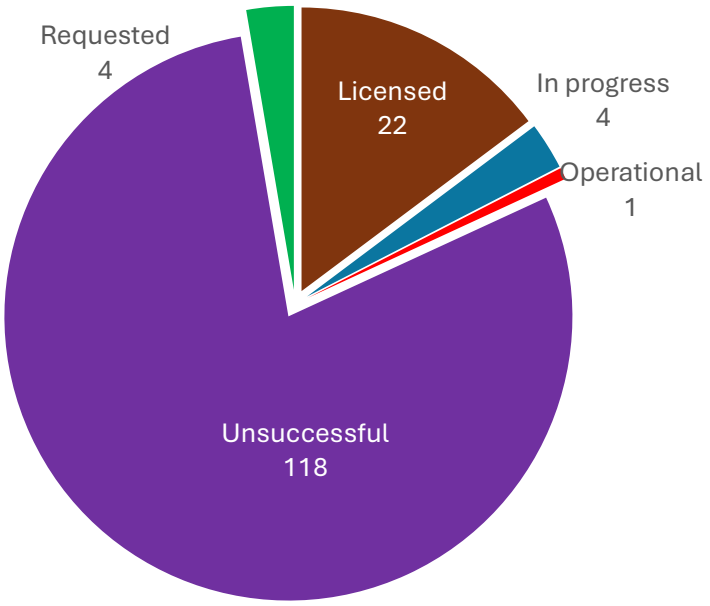
Compensating higher investment costs with EU funding.

Current situation

- Licensing: since March 1, 2023, two different procedures have been in effect:
  1. Conventional: water right permit
  2. New: mining permit

  More trouble than benefit.
- Funding (currently available):
  1. Geological Risk Mitigation (for exploratory drilling)
  2. Geothermal-Based Electricity Generation
  3. Interest free loan (after successful drilling)

  Thinking only of large investors, low level of interest.



Key figures of the new licensing system as of October 27, 2026

Task already in the near future

- RESET
    1. Geothermal policy
    2. Energy policy
    3. Hungary





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Thank you!

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