

# REPORTING ON FINANCIAL AND TECHNOLOGY SUPPORT TO DEVELOPING COUNTRIES

UNDER ARTICLE 16 OF REGULATION (EU) N.º 525/2013 OF THE

EUROPEAN PARLIAMENT AND OF THE COUNCIL

(MONITORING MECHANISM REGULATION)

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## **Acronyms**

APA Portuguese Environment Agency
CDM Clean Development Mechanism

**CPLP** Community of Portuguese Speaking Countries

**EDF** European Development Fund

**EFAP** European Financial Assistance Program

**EU** European Union

FPC Portuguese Carbon Fund
GEF Global Environment Fund

**GHG** Greenhouse Gases

IPAD Portuguese Institute for Development Support

MoU Memoranda of Understanding
 MMR Monitoring Mechanism Regulation
 NGO Non-Governmental Organizations
 ODA Official Development Assistance

**OECD** Organisation for Economic Co-operation and Development

PALOP Portuguese Speaking Countries of Africa

**PtC** Portuguese Cooperation

**ptODA** Portuguese Official Development Assistance

UNFCCC United Nations Framework Convention on Climate Change

WTO World Trade Organization

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#### Introduction

Following the entry into force of the Monitoring Mechanism Regulation (MMR)<sup>1</sup> Member States' shall submit to the Commission pursuant to Article 16 of the MMR all relevant information on their financial and technology support provided to developing countries. These reporting provisions are essentially aligned with the requirements of the National communications and biennial reporting to the United Nations Framework for Convention to Climate Change (UNFCCC) for the years 2011 and 2012.

From a geographical point of view, in 2011 and 2012, the Portuguese Official Development Assistance (ptODA) focused mainly in the developing countries which are included in the lusophonous universe. So, the African Countries of Portuguese official language (PALOP) and the Democratic Republic of East Timor were the main targets of the ptODA.

The following report intends to provide an overview of the main features of the Portuguese Development Assistance, including bilateral/geographical/sectoral priorities and multilateral finance disbursements through institution and/or programme.

This report also includes an overview of the projects that have been financed through the portuguese *fast* start commitment and levels of finance that are being disbursed in this context.

## Main features of the Portuguese Official Development Assistance

The Table 1 shows the total amounts of the ptODA for the 2011- 2012 period.

**Table 1**Composition of the Portuguese ODA between 2011 and 2012

	201	11	2012		
	1,000 €	%	1,000 €	%	
Bilateral ODA	343,175	67	309,07	68,4	
Multilateral ODA	165,890 33		142,765	31,6	
TOTAL ODA	509,065	100	452	100	

Source: Camões, IP, 2013

The ptODA evolution had a positive overall trend since 2008. We would like to note that, in 2011, the PtC has overcome the barrier of 500 M€ (in net terms) and reaching the 509 M€. In 2012 the value decreased to 452 M€.

In 2011, the ptODA registered a positive variation of 3.90% (please see Table 2), despite the adverse conditions strongly marked by constraints of budgetary nature that justified a change in priorities given that Portugal is under an Economic and Financial Assistance Program from EU and IMF. However, in 2012, restrictions of budgetary nature induced a decrease in ODA (bilateral level: -9,9%; multilateral: 13,9%).

 Table 2

 Variation rate of the Portuguese ODA (variation rate at current price)

	2008/2009	2009/2010	2010/2011	2011/2012
APD Bilateral	-23,28	50,57	14,76	-9,93
APD Multilateral	-0,90	12,61	-13,11	-13,94
APD Total	-14,37	33,09	3,90	-11,24

<sup>&</sup>lt;sup>1</sup> Regulation (EU) No 525/2013 of the European Parliament and of the Council of 21 May 2013 on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change and repealing Decision No 280/2004/EC entered into force on the 8<sup>th</sup> of July 2013 upon its publication in the Official Journal (OJ L 165, 18.6.2013, p. 13)



Comparing to 2010, the ODA overall positive change in 2011 was due to an increase in bilateral contributions, where Concessional Credit Lines and Loans to partners of PtC countries represent a significant weight in overall ODA. Their availability determines the annual variation of bilateral ODA. The volume of 2012 Multilateral ODA followed a downward trend observed since the previous year. The decrease of ODA contributions through the EU and the World Bank Group institutions (WB) counts up about 24 M€ compared to 2011.

Regarding the weight of ptODA to gross national income (ratio ODA/ GNI), the percentage recorded in 2012 was 0.28% (a decline comparing to 2011). This decrease is one of the results of the implementation of the Program of Economic and Financial Adjustment that Portugal is subject to. Nevertheless, the Portuguese efforts to increase ODA continues to fall short of the commitment to reach an ODA/ GNI ratio of 0.33%, which should have been achieved in 2006.

In this context, the goal of 0.7% in 2015 also resembles difficult to achieve. The current period of control the public deficit and fiscal consolidation has conditioned its fulfillment. Bilateral ptODA is, on average, 62% of Total ODA and traditionally feature a strong geographical concentration into PALOP countries and East Timor, while the Multilateral ODA assumes a relative weight of 38%, mainly channeled through the EU institutions, WB and the United Nations (UN).

#### **Bilateral ODA**

In 2012, the Portuguese Bilateral ODA reached 309 M€, representing 68% of total PT\_ODA. Despite the negative change rate of 9.9% comparing to 2011, its weight remains equivalent to the previous year (67%). On average, between 2008 and 2012, the bilateral ODA accounts for 62% of total aid.

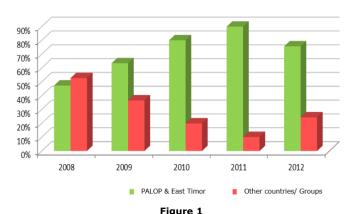
Regarding the weight of the Loans component (Concessional Loans and Lines of Credit), this totaled 70% of the bilateral ODA while the Donations part amounted to 30%. Between 2008 and 2012, the grants data of the Bilateral ODA displays a decreasing trend, with the component Concessional Loans and Lines of Credit gain a strong expression, especially in the last three years.

The distribution of the Bilateral ODA Grants by the Channel Help (Help Channel enables identifying the one responsible for implementing the program/ activity cooperative entity) indicates that the Public Entities of Donor Countries (Donor Government) are the main channel of funding (72%). Other channels could be listed, such as the Local/ Regional and National NGO's (14%), following the set of recommendations made to PtC and discussed in the last Development Assistance Committee (2010), according to synergies should be promoted in order to provide a superior participation of the civil society in the development processes.

## **Geographic priorities**

The ptODA main geographical focus is over the PALOP countries and East Timor, propension more visible in 2010 and 2011, time period in which they received respectively 80% and 90% of the total bilateral ODA. These values declined in 2012 (76%) justifying that by the "percentual weight" of Morocco, which has reached the 15% of bilateral ODA through the use of a Line of Credit in the total amount of 400 M€ (started in 2008), thus becoming the 3rd largest beneficiary of ptODA in 2012 (Figure 1).





Geographic distribution of the Portuguese Bilateral ODA (%)

Analyzing the distribution of Bilateral ODA-Gross Amounts (in order to avoid distortion in the analysis that is introduced by the amounts received), in 2012, Cabo Verde (109 M€) and Mozambique (161 M€) were the main beneficiaries of bilateral aid (please see figure 2). A significant amount of this sum relates to the Concessional Loans and Lines of Credit for the construction of infrastructures and equipments plus investments in the sectors of renewable energy, environment and housing, among others.

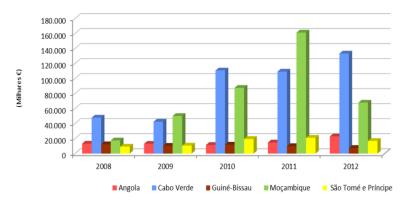


Figure 2
Portuguese Bilateral ODA – Gross Disbursements

#### Sectoral priorities

In sectoral terms, the priorities of the PtC obey two fundamental criteria:

- 1. They should reflect the established by the partner countries in their own documents of national strategies for development.
- The PtC added value should offer a predetermined potential (language and common history). By this means that the PtC should focus is efforts in the areas of education, professional training and capacity building plus the strengthening of the State administrative capacity to promote conditions of good governance.

The "Social Infrastructure and Services" sector (Education, Health, Population and Reproductive Health, Water and Sanitation, Government and Civil Society, Other Social Infrastructure and Services) emerge as the main sector, accounting about 40 % on average of the last 5 years of bilateral ODA (figure 6).

Be noted that the "Not Sectorally Allocable" group (figure 6) as a similar weight of the previous sector and their expression is increasing. The "Not Sectorally Allocable" group includes aid programs, actions related to



debt, humanitarian aid, or support to refugees. In the last 5 years this group represented 44% of the total bilateral ODA, compared with the 25% average in 2007-2010, value resulting from the use of Concessional Loans and Lines of Credit by some of the PtC partners countries such as: Morocco, Cabo Verde, Mozambique and São Tome e Principe.

The third group to be noted is the "Economic Infrastructure and Services" (Transportation, Communications, Banking and Financial Services), which concentrated 13% of bilateral ODA (figure 3).

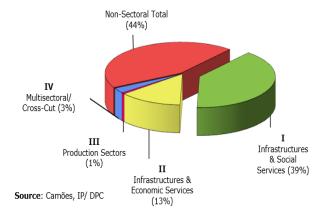


Figure 3
Sectoral distribution of Portuguese bilateral ODA (2008-2012)

## **Multilateral ODA**

The Multilateral ODA is on average 38% of total aid. In 2012, the amount totaled 143 M€ and this represents a decrease of 14% compared to 2011. This decrease is explained by the adjustment of the ODA contributions (minus 24 M€) available through the EU and the WB institutions.

The major part of the Portuguese Multilateral Aid, 76% is available through the EU institutions such as:

- a) European Development Fund (EDF): which supports the EU Aid to Africa, Caribbe and Pacific (ACP);
- b) European Commission (EC): the budget of EC supports the developing countries not covered by the EDF.

The contributions to Regional Development Banks, the WB and the WTO together total about 17% of the aid. The UN institutions are responsible for turn available, on average, 5% of the Portuguese multilateral ODA (figure 4 and table 3).

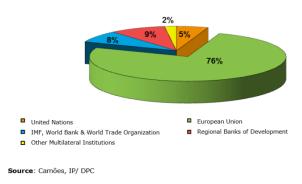


Figure 4
Average distribution Multilateral ODA (2008-2012)



 Table 3

 Financial contributions to multilateral institutions and programmes

Institution or programme	Contribution (	(million USD)
	2011	2012
1. World Bank	20,958,472	1,735,219
2. International Finance Corporation	0	0
3. African Development Bank	2,033,660	2,387,743
4. Asian Development Bank	6,627,920	6,105,398
5. European Bank for reconstruction and development		
6. Inter-Americam Development Bank	552,489	824,382
7. United Nations Development Programme - specific programmes	897,244	571,127
8. United Nations Environment Programme - specific programmes	50,993	0
9. UNFCCC - Supplementary Fund	54,499	96,865
10. Other		
10.1 UNICEF - The United Nations Children's Fund	0	207,683
10.2 UNRWA - United Nations Relief and Work Agency	0	245,821
10.3 WFP - World Food Programme	0	102,410
10.4 UNHCR - Office of the UN High Commissioner for Refugees	309,536	311,523
10.5 IFAD	0	0
10.6 UNFPA - United Nations Population Fund	347,608	0
10.7 Other UN	9,340,362	10,209,573
10.8 EDF - European Development Fund	48,104,867	38,431,877
10.9 EC - European Commission	129,769,188	111876,607
10.10 EIB - European Investment Bank	2,708,231	3,491,003
10.11 Regional Banks	14,453,223	14,303,701
10.12 IFAD		
10.13 IMF - International Monetary Fund		
10.14 Other Multilateral	3,547,432	1,517,206
10.15 EC for Part II of DAC		
10.16 Other Multilateral Institutions for Part II of DAC		

In order to contribute to the resolution of global environmental problems, including those arising from Climate Change, Portugal contributed to the Global Environment Facility (GEF), according the data in Table 4.

Table 4

Flow	Currency	2011	2012
Commitment – Issuance of promissory notes (110)	USD*	0	0
communent issuance of promissory notes (110)	EUR	0	0
Disbursement – Use of promissory notes (311)	USD*	1,210,000	995,630
Disbursement Ose of promissory notes (311)	EUR	870,232	774,600

#### **ODA Environment and Climate Change**

In Portugal, the ODA for environment has a limited significance comparing to the total values. This is justified by the predetermined strategic priorities (Education, Health, Security and Justice), which emphasize the sustainable development and the figh against to poverty as the main goals to achieve.

Regarding the ODA related to Climate Change, the mitigation strategy has been representing between 51% (rate recorded in 2007) and 93% (rate recorded in 2012) of the total environment ODA. This scenario is confirmed by the table 5, which data emphasize the last three years (more than 80%) as the highest rates of the statis .



**Table 5**Climate change related ODA

		Significant objective	APD Bilateral TOTAL - Mitigação		
2011	€	2,068,687	15,414,281	17,482,968	
2011	2011 %		88%	100%	
2012	€	444,791	14,475,621	14,920,412	
2012	%	3%	97%	100%	

		Significant objective	Principal objective	APD Bilateral TOTAL - Adaptação		
2011	€	1,085,255	140,731	1,225,986		
2011	%	89%	11%	100.00%		
2012	€	213,955	29,085	243,040		
2012	%	88%	12%	100.00%		

Source: Camões, P.I./DPC

These rates registered between 2010 and 2012 are due primarily to the financing of renewable energy projects under the Line of Credit for Cabo Verde and two ongoing projects in Mozambique which were funded under the Portuguese Fast Start Implementation Initiative (Fast Start).

In general, Portugal has been paying particular attention to Climate Change, especially its integration in terms of Development Cooperation, thus seeking to follow through international guidelines.

Our country has been following the negotiations on adaptation under the UNFCCC and, at EU and OECD level, in the latter two cases, in particular with regard to the integration of adaptation to Climate ChangeC in Development Cooperation policy. In order to comply with the recommendations of the OECD and in line with what is advocated in the examination of the Development Cooperation policy in 2010, a number of initiatives were carried out, namely:

- a) Translation into Portuguese of the OECD Guide on "integrating adaptation to climate change in Development Cooperation";
- b) Camões 's in-house awareness actions on integrating Climate Change in Development Cooperation;
- c) Professional training on Climate Change adaptation and Development Cooperation, attended by technicians of public administration related to the area of PtC;
- d) In 2011, was held in Lisbon the 4th Lusophone Meeting on Environment and Development, in which particular attention was paid to Climate Change integration in Development Cooperation, attended by representatives of the Ministries of Foreign Affairs, External Affairs and Environment from the PALOP and East Timor;
- e) Actions to raise awareness on integrating Climate Change, in particular on adaptation, in the development policies among Portuguese teachers who participate in education programs (professional training) with Angola and Guiné-Bissau;
- f) Strengthening the implementation of the OECD marker for adaptation, which aims at the classification of ODA;
- g) Creation of a working group responsible for the adequacy of forms, drafting new rules for submitting projects and new analysis criteria, aiming to integrate Climate Change adaptation in Development Cooperation.

Regarding other initiatives in disaster's risk reduction (DRR), a new eligible area was added. The "Resilience/ Disaster Risk Reduction" area belongs to the Support Mechanism of the Development Cooperation Project for Portuguese NGDO, a joint initiative between Calouste Gulbenkian Foundation, EDP Foundation, Luso-American Development Foundation, Portugal Foundation-Africa (promoting Foundations), with the support of Camões, IP, Cooperation and Language Institute. This initiative is intended to support financially the NGDO in the development of applications for several international funding, a matter which requires preparation, knowledge and financial resources.



Under the Fast Start initiative, in 2010-12, Portugal undertook towards the European Council (held on 10-11 December 2009) a commitment of 36 M€ in order to support developing countries on measures on Climate Change, focusing on strategies to reduce emissions, increase resilience and adaptation to the impacts of Climate Change and capacity building. This national contribution was integrated into the EU Financial Envelope, European mechanism that pursuit the same goals, whose amount to 7.2 billion€ for the 2010-12 time period. This financial contribution should be considered as an instrument of Development Cooperation policy, with special focus on partner countries of PtC and focused on actions related to Climate Change and actions that integrate Climate Change issues. Accordingly to that, the PALOP and East Timor are the main targets for the national cooperation in this thematic area.

In order to operationalize its commitment, several technical and political contacts were made, at different levels. These contacts led to the Memoranda of Understanding (MoUs) established between Portugal and preference-receiving countries (please see Table 6). These MoUs serve as a framework for the submission and approval of projects under the Fast Start.

 Table 6

 MoU between Portugal and preferential countries in terms of cooperation, 2010-2012

Country	Financial Envelope	Signature Date
Moçambique	9 M€	March 2010
Angola	9 M€	November 2010
Timor Leste	1,5 M€	December 2010 (Conferência de Cancun)
Guiné-Bissau	1,5 M€	February 2011
São Tomé e Príncipe	1,5 M€	março 2012
Cabo Verde	1,5 M€	junho 2012

Given the increase interest and impact of the Environment and Climate Change issues whithin the Portuguese cooperation efforts, an inter-ministerial task force was established following the Copenhagen Conference, which were composed by the representatives of the Ministry of Foreign Affairs and the Environment to coordinate this file.

In the purpose of regulating the implementation of the fast start commitment of Portugal, the application rules as well as the responsibility for its implementation through the establishment of a working group (WG-Fast Start) were established by Cabinet order no. 15295/2010, of 11th October.

Apart from the seven projects supported by Camões, IP, that were integrated within Fast start (a total of 800,000 euros), in 2011 the Portuguese Government, through the Carbon Fund (FPC), signed a contract for two projects in Mozambique, namely:

- a) "Atlas of the renewables energies in Mozambique" envisaging the characterization of Mozambique renewable resources (solar, wind, hydroelectric, geothermal, biomass/ MSW, waves) and;
- b) "Installation of photovoltaic systems in 50 villages" envisaging the installation of photovoltaic systems for the electrification of 50 villages in Mozambique.

In March 2013, Portugal concluded the approval process of five new fast start projects, namely:

- a) "Capacity Building for the Low Carbon Resilient Development Strategies";
- b) "National Energy Plan for Forest Biomass for Angola";
- c) "Integrating Adaptation to Climate Change into Development planning";
- d) "Implementation of Pilot Projects Local Adaptation Program of Action in Mozambique";
- e) "National Support Plan for Urban Sanitation regarding Emission Reduction and Adaptation to Climate Change".

Note that the project "Development and implementation of a system for monitoring agro-forest vegetation" (SiMoFlor, with a budget of about 940,000€), also submitted and then analyzed with positive technical assessment, was not approved. its support was suspended until the constitutional order is resumed and there



is a re-engagement with the Guinean authorities democratically elected. For the same reasons, the participation of Guiné-Bissau in the project "Capacity Building for the Low Carbon Resilient Development Strategies" was also suspended until approved budget revised accordingly (decrease of 350,000 €).

In this context it should be noted that under the Fast Start bilateral cooperation the following amounts are budgeted (table 7) up to 2015:

- a) 24 million euros in MoUs;
- b) Some 14,3 million euros in projects with Ministerial approval;
- c) 10,9 million euros in contracts in progress/ completed;
- d) 1,9 million euros in a project to be contractualized in a near future with the promoters.

 Table 7

 Total amount approved and distribution by major measures and by country

Total amount approved	14,259,547.09 €
Mitigation	11,199,562.66 €
Adaptation	2,115,155.02 €
Capacity building	944,829.41 €
Total	14,259,547.09 €
Bilateral cooperation	14,250,207.09 €
Angola	1,973,683.51 €
Cabo Verde	566,545.11 €.
Mozambique	10,402,780.36 €
Guiné-Bissau	635,181.00 €
São Tomé e Príncipe	672,017.11 €
Timor Leste	- €
Multilateral cooperation	- €
Others	9,340.00 €
Total	14,259,547.09 €

Until December 2012, payments were made amounting to 5.7 M€ (disbursement of about 69% of the total amount committed by contract). Furthermore, under the Fast Start initiative, there are still some projects in the pipeline.

In addition to the amount recorded for the purposes of undertaking fast start, it should be noted that, through the co-financing of some projects, it was possible to mobilize an additional amount of funding for these countries of 1.6 M€ (public and private financing).

Note also that the funds allocated by the FPC under the Fast Start initiative are counted as ODA but are addicional for they are earmarked in its own budget (FPC) to cooperation projects in the area of Climate Change. Therefore, this is not a question of a diversion of funds that could be channeled to another type of cooperative actions for Climate Change theme. Further amounts related to fast start, will be allocated in the following years not only dued to phased disbursements related to implementation of approved projects but also due to late approval of other projects in the pipeline.

With regard to the values of multilateral ODA intended to Climate Change, since 2010 these have been reduced. A justification to this lies in the fact of Portugal does not have formally established any commitment regarding a potential national contribution to the 5th replenishment of the Global Environment Fund.

#### **Technology transfer**

Concerning the technology transfer and considering the definition formally accepted in the UNFCCC text, particularly item c, paragraphs 1 and 5 of the Article 4, in several cases the Programs, Projects and Activities



(PPA) developed by the PtC under the context of ODA involve technology transfer, practices and appropriate processes to each area of the PPA as well as the necessary knowledge to implement these technologies.

Notwithstanding what was already said, it becomes difficult to specify a case since the policy of statistical report of the OECD/ DAC currently does not foresee a marker for the transfer of technology that allows the qualification of the PPA in this perspective or to specifically identify the technology or technologies transferred in each case. This omission does not mean that in the review and approval process that identified technologies are not taken into account, and their assessment is not part of the criteria.

However, Portuguese cooperative action in the context of tackling Climate Change has increased significantly since the establishment (in 2005) of the Network of Climate Change Offices of CPLP countries (RELAC), wich seeks the implementation of developing actions in the area of training and cooperation above all with its partner countries, including PALOP's and East Timor. In this context, the Portuguese Ministry of Environment started the promotion of some activities and projects which focused on the know-how transfer, processes and technology for these countries, in different sectors and aligned with the Strategic Vision for Portuguese Cooperation. The energy sector, and particularly the renewables, has been a recorring commitment of the PtC and two worthy examples to highlight are the projects conducted in Mozambique in the last years.

Project / Program: Supply and Installation of Photovoltaic systems for the electrification of 50 villages in Mozambique

**Objective**: aims to promote the use of renewable energies on solving specific problems of energetic nature, such as: to provide clean water to education and health sectors of energy, education and rural health centers, establishing itself as a capacity building model for implementing projects of a Clean Development Mechanism.

Country Mozambiana	Costoni Engrav	Total funding:	Implementation	years:	2011-2013	(extension
Country: Mozambique	Sector: Energy	3.850.000,00 M€	foreseen)			

**Description:** The project is to provide 50 remote villages, covering all provinces of Mozambique, with solar PV systems in schools and health centers and associated housing (teachers and nurses) that will allow basic access to electricity in a way to allow not only illumination but also refrigerators for vaccines and water pumping systems, thus given access to health and education to the population that does not have these resources. The project also provides training for local technicians to maintain the systems.

**Factors that lead to the success of the project**: Education and the provision of basic health services to rural Mozambican population are two important vectors of PARPA-Action Plan for the Reduction of Absolute Poverty in Mozambique. Through the electrification of schools and rural hospitals several goals of great importance can be achieved, namely:

- Duplicate the professional training capacity of schools by enabling schools to be open at night, the most suitable for adult training period, which during the day are devoted to agricultural activities and grazing;
- Allow hospitals to have means for storage of drugs and vaccines (Refrigerators and the possibility of better care at night).

By enabling the electrification of staff and physician homes, this action also has a great impact in creating better housing conditions for the technical staff, which translates in an increase of the ability to attract personnel.

Transferred Technology: solar photovoltaic

Impact on GHG emissions: The project does not foresee an Emission monitoring system;



Project/ Program: Atlas of the Renewable Energies of Mozambique

**Purpose:** Mapping and assessment of renewable resources in Mozambique: Wind, Solar, Water Resources, Geothermal, Biomass/ MSW, Waves

**Country:** Mozambique | **Sector:** Energy | **Total funding:** 3.699.218,45 € | **Implementation Years:** 2011-2013

**Description:** Based on the objectives identified in the "New and Renewable Energy Development Policy", identification, location, characterization and evaluation of the potential of renewable resources have become a priority in Mozambique. To achieve this goal, this project mapped the following potential sources of renewable energy: Solar, wind, water, hydro, geothermal, biomass/ MSW and wave energy. This maps main purposed I to became a basis for consultation and work for all renewable energy projects that will be developed in Mozambique.

**Factors that lead to success of the project**: Create conditions and promote the development of projects that will maximize the use of existing and available natural resources in Mozambique.

**Technology transfer:** The identification and characterization of renewable potential in order to create the foundation for the development of decentralized renewable energy projects, enabling a progressive electrification of the whole country and the creation of small local networks that will gradually be expanded and linked to other local networks and subsequently interconnected to the transmission system.

Impact on GHG emissions: The project does not foresee an Emission monitoring system.

Portugal has also been involved in the translation of several technical documents related to Climate Change - the guidebook for "Integrating Adaptation to Climate Change in Development Cooperation" was recently translated. This guidebook provides ways to identify approaches in order to integrate adaptation into national development policies at a sectoral and project level, both in the urban and rural environment.

Currently Portugal has in the pilpeline others in the initial implementation phase, more projects with its partner countries that promote technologies transfer, practices and processes in different sectors.

## Strengthening institutional capacity

When it comes to Development Cooperation, including the PALOP countries and East Timor whether in the bilateral context or in the Community of Portuguese Language Countries, Portugal has paid special attention to capacity building at institutional level. This is true both for PPA that are exclusively dedicated to this matter and to the inclusion of a capacity building component in different PPA, trying to adapt them to change demand, to State institutions, to strengths and weaknesses of existing national systems in the recipient countries in a way to produce capabilities of autonomous problem solving.

The PPA supported by the PtC usually have a strong technical assistance component with strong focus on the development of national capacities. Portugal tries to pay special attention to the efficiency and aid principles formally assumed in the Declaration of Paris and developed in Accra and Busan, especially:

- leadership and control by beneficiaries so they can strategically earmark their resources;
- enhance existing capabilities as a starting point, avoiding the creation of parallel structures and systematically using the national systems for aid implementation;
- technical driven cooperation for the demand of partners.

Regarding the cooperation projects on Climate Change, Portugal tries to guide beneficiaries to lead and control systematically using for this the national systems for aid implementation. In this area several projects should be highlighted, such as: "50 Villages" and "Atlas of the renewable energy" (developed in Mozambique by FUNAE); "Implementation of Pilot Projects Local Adaptation Program of Action in Mozambique" (developed in Mozambique by MICOA); Development projects with more than one country as a promoter, sucha as the "Capacity Building for the Low Carbon Resilient Development Strategies" and "Integrating Adaptation to Climate Change into Development", both involving Cape Verde, Mozambique and São Tomé e Príncipe.



## Annex I

#### Table 8

Provision of public financial support: contribution through multilateral channels

	Total Amount									
Donor funding	Core/general		Climate-specific		Status	Funding	Financial	Type of	Sector	Comments
	Domestic Currency	USD	Domestic Currency	USD		source	instrument	support		
2011										
Total contributions through multilateral channels										
Multilateral climate change funds <sup>g</sup>										
1. Global Environment Facility										
2. Least Developed Countries Fund										
3. Special Climate Change Fund										
4. Adaptation Fund										
5. Green Climate Fund										
6. UNFCCC Trust Fund for Supplementary Activities				54,499.00	Provided					
7. Other multilateral climate change funds										
Multilateral financial institutions, including regional development banks										
1. World Bank		20,958,472.00			Provided					
2. International Finance Corporation										
3. African Development Bank		2,033,660.00			Provided					
4. Asian Development Bank		6,627,940.00			Provided					
5. European Bank for Reconstruction and Development										
6. Inter-American Development Bank		552,489,00			Provided					
7. Other										
Specialized United Nations bodies										
1. United Nations Development Programme										
2. United Nations Environment Programme										
3. Other										
2012										
Total contributions through multilateral channels										



Multilateral climate change funds <sup>9</sup>					
1. Global Environment Facility					
2. Least Developed Countries Fund					
3. Special Climate Change Fund					
4. Adaptation Fund					
5. Green Climate Fund					
6. UNFCCC Trust Fund for Supplementary Activities		96,865.00	Provided		
7. Other multilateral climate change funds					
Multilateral financial institutions, including regional development banks					
1. World Bank	1,735,219.00		Provided		
2. International Finance Corporation					
3. African Development Bank	2,387,743.00		Provided		
4. Asian Development Bank	6,105,398.00		Provided		
5. European Bank for Reconstruction and Development					
6. Inter-American Development Bank	824,382.00		Provided		
7. Other					
Specialized United Nations bodies					
1. United Nations Development Programme					
2. United Nations Environment Programme					
3. Other					



 Table 9

 Provision of public financial support: contribution through bilateral, regional and other channels

	Total Amount  Climate-specific		Status	Funding	Financial	Type of	Sector	Additional	Comments
Donor funding									
-	Domestic Currency	Domestic Furos (€)		source	instrument	support		Information	
2011									
Total contributions through bilateral, regional and other channels									
Guinea-Bissau /		145,938.00	Provided			Mitigation	Energy		
Angola /		19,880.00	Provided			Mitigation	Energy		
Cape Verde /		11,419,677.00	Provided			Mitigation	Energy		
Mozambique /		3,666,648.00	Provided			Mitigation	Energy		
Sao Tome and Principe /		56,804.00	Provided			Mitigation	Energy		
Cape Verde /		2,674.00	Provided			Adaptation	Not applicable		
Guinea-Bissau /		138,057.00	Provided			Adaptation	Not applicable		
Cuba /		55,922.00	Provided			Mitigation	Energy		
El Salvador /		49,412.00	Provided			Mitigation	Capacity- building		
El Salvador /		49,412.00	Provided			Adaptation	Other Vulnerability Assessments		
2012									
Total contributions through bilateral, regional and other channels									
Guinea-Bissau /		83,327	Provided			Mitigation	Energy		
Mozambique /		17,192	Provided			Mitigation	Foresty		
Cape Verde /		13,178,586	Provided			Mitigation	Energy		
Mozambique /		1,109,766	Provided			Mitigation	Energy		
Sao Tome and Principe /		16,286	Provided			Mitigation	Energy		
Mozambique /		47,659	Provided			Adaptation	Other Vulnerability Assessments		
El Salvador /		12,353	Provided			Adaptation	Other Vulnerability Assessments		



**Table 10**Provision of technology development and transfer support

Measures and activities related to technology transfer	Recipient country and/or region	Targeted area	Sector	Source of the funding for technology transfer	Activities undertaken by	Status	Additional information	Comments
Provide 50 remote villages in all provinces with solar PV systems in schools and health centers and associated accommodation that will allow basic access to electricity to allow not only lighting but also refrigerators for vaccines and water pumping systems, allowing access to health and education of populations without these resources. Installation of two solar systems heat water in two health centers pilot for future replication.	Mozambique	Mitigação	Energy	Public	Public	Implemented	An extension of the contract is foreseen for 2014 to conclude the work in the remaining villages.	FUNAE (Energy Fund of Mozambique).
Mapping and assessment of the renewable resources of Mozambique: wind, solar, hydro, geothermal, biomass and waves.	Mozambique	Mitigação	Energy	Public	Public	Implemented	FUNAE (Energy Fund of Mozambique).	Concluded. Waiting for the final report.



**Table 11**Provision of capacity-building support

Programme or project title	Recipient country/ region	Targeted area	Description of programme or project	Comments
Implementation of Pilot Projects Local Adaptation Program of Action in Mozambique	Mozambique	Adaptation	Increase resilience to the adverse impacts of Climate Change in 9 villages in Mozambique through implementation of adaptation measures and catalysing local activities.	
Integrating Adaptation to Climate Change into Development planning	Cape Verde, Mozambique, Sao Tome and Principe	Adaptation	Contribute to reducing vulnerability to the impacts of Climate Change in Cape Verde, Mozambique and Sao Tome and Principe, creating capabilities to integrate the response to Climate Change vulnerability in the process of designing policies and projects - Enhance the skills for the design of policies and projects that are resilient to the impacts of Climate Change and simultaneously consistent with the Sustainability Development Goals, particularly poverty reduction and environmental sustainability.	
Installation of photovoltaic systems in 50 villages	Mozambique	Mitigation	The project is to provide 50 remote villages, covering all provinces of Mozambique, with solar PV systems in schools and health centers and associated housing (teachers and nurses) that will allow basic access to electricity in a way to allow not only illumination but also refrigerators for vaccines and water pumping systems, thus given access to health and education to the population that does not have these resources. The project also provides training for local technicians to maintain the systems.	
Capacity Building for the Low Carbon Resilient Development Strategies	Cape Verde, Mozambique, Sao Tome and Principe	Mitigation	Develop the necessary skills to elaborate, implement and Measure, Report and Verify Low Emissions Development Strategies Resilient to a Changing Climate and coherent with the the National Development Plans and, broadly, the Millennium Development Goals.	
Atlas of the renewables energies in Mozambique	Mozambique	Mitigation	Based on the objectives identified in the "New and Renewable Energy Development Policy", identification, location, characterization and evaluation of the potential of renewable resources have become a priority in Mozambique. To achieve this goal, this project conducted a mapping of the following potential sources of renewable energy: Solar, wind, water, hydro, geothermal, biomass/ MSW and wave energy. This mapping is intended to be a basis for consultation and work for all renewable energy projects that will be developed in Mozambique.	



Several initiatives	(for the Group of Portuguese	Multiple Areas		
	Speaking African Countries)		- Translation into Portuguese of the OECD Guide on "integrating adaptation to climate change in Development Cooperation";	
			- In 2011, was held in Lisbon the 4th Lusophone Meeting on Environment and Development, in which particular attention was paid to Climate Change integration in Development Cooperation, attended by representatives of the Ministries of Foreign Affair	
			- Actions to raise awareness on integrating Climate Change, in particular adaptation to the development policies among Portuguese teachers who participate in education programs (teacher training) with Angola and Guiné-Bissau;	
			- Regarding other initiatives in the disaster risk reduction area, a new eligible area was added. The "Resilience/ Risk Reduction Disaster " area belongs to the Support Mechanism to the Development Cooperation Project for Portuguese NGDO, a joint initiative between Calouste Gulbenkian Foundation, EDP Foundation, Luso - American Development Foundation, Portugal Foundation - Africa (promoting Foundations), with the support of Camões, IP, Cooperation and Language Institute. This initiative is intended to support financially NGDOs in developing applications for various international funding, a matter which requires preparation, knowledge and financial resources.	
Support Plan for Urban Drainage from the perspective of Emission Reduction and Adaptation to Climate Change	Mozambique	Mitigation and adaptation	The Project "Support Plan for Urban Drainage from the perspective of Emission Reduction and Adaptation to Climate Change" aims to contribute to the development of policies and strategies for development of urban sanitation, particularly regarding mitigation of GHG emissions concerns, adaptation of infrastructure to changes climate and training of institutions as well as the development and transfer of knowledge to the relevant sector institutions in Mozambique in the field of sustainable development of the urban sanitation sector vis a vis the impacts of Climate Change.	