



**Cooperation Portfolio
Mozambique
2023-2028
Version 2.3**

Table of Contents

Acronyms	4
1 Overview of the Cooperation Portfolio	7
2 Summary of the Mozambique Cooperation Strategy 2023-2027	8
3 Content of the portfolio	13
3.1 Intervention 1: Multi-Stakeholder approach for climate resilience and energy transition	13
3.1.1 Introduction	13
3.1.2 Context analysis	14
3.1.3 Intervention Logic and Results chain	21
3.1.4 Target groups and Geographical focus areas	57
3.1.5 Partnerships and synergies	58
3.1.6 Budget and chronogram	64
3.1.7 Workforce	67
3.1.8 Steering & follow-up	68
3.2 Intervention 2: Study, Expertise and Preparation Facility for Climate Resilience and Energy Transition (STEP Facility)	70
3.2.1 Introduction	70
3.2.2 Context analysis	70
3.2.3 Intervention Logic and Results chain	72
3.2.4 Target groups & Geographic targeting	76
3.2.5 Partnerships and synergies	77
3.2.6 Budget and chronogram	78
3.2.7 Workforce	78
3.2.8 Steering & follow-up	79
4 Resources	80
4.1 Financial and material resources	80
4.2 Human Resources	81
5 Modalities	83
5.1 Implementation tools	83
5.2 Governance of the portfolio	84
5.3 Monitoring, evaluation, capitalization and audit	85
5.4 Portfolio changes	86
6 Duration of implementation	87
7 Principal risks and mitigation measures	89
8 Indicators matrix	95
9 Annexes	103
9.1 Overview of interventions for third parties	103
9.2 Overview of identified implementation partnerships	105

9.3	Responsibilities of the strategic and operational steering bodies	107
9.4	Definitions: types of partnerships	107
9.5	PEFA Climate - Climate responsive public financial management framework	108
9.6	Debt for Climate Swap.....	109

List of Figures

Figure 1	SDGs to be addressed by the portfolio.....	8
Figure 2	Pillar-approach as proposed in Ministerial instruction letter.....	8
Figure 3	multi-stakeholders integrated approach.....	9
Figure 4	Global overview of the component of the strategy.....	10
Figure 5	Geographic focus of cooperation portfolio	12
Figure 6	Global overview of the structure of the cooperation portfolio.....	13
Figure 7	Illustration of the matrix approach adopted in the portfolio.....	21
Figure 8	Illustration of the feed-back loops across different levels of interventions	22
Figure 9	The articulation between territorial planning and sectoral planning.....	23
Figure 10	Illustration of the Multistakeholder intervention.....	23
Figure 11	Interlinkages between the two portfolio interventions.....	72
Figure 12	implementation tools	83
Figure 13	: Portfolio reporting instruments	86
Figure 14:	Portfolio implementation planning	87
Figure 15	Illustration of DFC swaps mechanism.....	110

Acronyms

AFD	French Development Agency (Agence Française de Développement)
AIAS	Water Supply and Sanitation Administration (Administração de Infraestruturas de Abastecimento de Água e Saneamento)
ALER	Lusophone Renewable Energy Association (Associação Lusófona de Energias Renováveis)
AMER	Mozambican Renewable Energy Association (Associação Moçambicana de Energias Renováveis)
ANAMM	National Association of Mozambican Municipalities (Associação Nacional de Municípios de Moçambique)
ARENE	Energy Regulatory Authority (Autoridade Reguladora de Energia)
ARES	Academy of Research and Higher Education (Belgium)
AURA	Regulatory Authority of Water (Autoridade Reguladora de Água)
AVSI	Association of Volunteers in International Service
BACA	Belgian Alliance for Climate Action
BCI	Banco de Comercial e de Investimentos SA
BE	Belgium
CB	Capacity Building
CB MIREME/ ARENE	Capacity Development of MIREME and ARENE in Mozambique project
CDD	Centre for Democracy and Development
CE	Circular Economy
CfP	Call for proposal
CfPAS	Water and Sanitation Professional Training Centre (Centro de Formação Profissional de Água e Saneamento)
CICLIA	Cities & Climate in Africa Initiative
CIP	Center for Public Integrity (Centro de Integridade Pública)
CLISMADEV	Climate Smart Development Project
CO2	Carbon dioxide
COM SSA	Covenant of Mayors Sub-Saharan Africa
CotW - CCR	Coalition of the Willing on Climate Change and Resilience
CSOs	Civil Society Organizations
CTCN	Climate Technology Centre & Network
D4D	Digitalisation for Development
DFC	Debt for Climate swap
DGD	Directorate-General for Development Cooperation and Humanitarian Aid
DNAAS	National Directorate for Water Supply and Sanitation (Direcção Nacional de Abastecimento de Água e Saneamento)
DPOP	Provincial Directorates of Public Works
DUAT	Right to Use and Benefit from the Land (Direito do Uso e Aproveitamento da Terra)
EDM	Mozambican Power Company (Electricidade de Moçambique)
ENDE	National Development Strategy 2015-2035 (Estratégia Nacional de Desenvolvimento 2015-2035)
ENE	National Electrification Strategy (Estratégia Nacional de Electrificação)
EPR	Extended Producer Responsibility
EU	European Union
EU NDICI	European Union Neighbourhood, Development, and International Cooperation Instrument
FAO	Food and Agriculture Organization of the United Nations
FCDO	Foreign, Commonwealth and Development Office of the United Kingdom
FIPAG	Fund for Investment and Assets of Water Supply (Fundo de Investimento e Património do Abastecimento de Água)
FNDS	National Fund for Sustainable Development (Fundo Nacional de Desenvolvimento Sustentável)
FPS	Federal Public Service (Belgium)
FRELIMO	Front for the Liberation of Mozambique (Frente de Libertação de Moçambique)
FTP	Financial and Technical Partners

FUNAE	National Energy Fund (Fundo de Energia)
FOS	Socialist Solidarity (BE -NGO)
GCF	Green Climate Fund
GEF	Global Environment Facility
GGGI	Global Green Growth Institute
GHG	Greenhouse gases
GIIMC	Inter-Institutional Group on Climate Change (Grupo Inter-institucional de Mudanças Climáticas)
GIS	Geographical Information System
GIZ	German development agency (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH)
GO	General Objective
GoM	Government of Mozambique
HIV	Human Immunodeficiency Virus
HRBAD	Human Rights Based Approach to Development
ICS	Improved Cooking Stoves
IDP	Internally Displaced People
ICT	Information and Communication Technologies
IESE	Institute of Social and Economic Studies (Instituto de Estudos Sociais e Económicos)
IL	Instruction Letter
INGD	National Institute for Disaster Risk Reduction and Management (Instituto Nacional de Gestão e Redução do Risco de Desastres)
INIR	National Irrigation Institute (Instituto Nacional de Irrigação)
IPCC	Intergovernmental Panel on Climate Change
IWRM	Integrated Water Resources Management
KfW	German Development Bank (Kreditanstalt für Wiederaufbau)
KIC	Key Intermediate Changes
LNG	Liquefied Natural Gas
LoCAL	Local Climate Adaptive Living Facility
L&D	Losses and Damages
LVIA	Lay Volunteers International Association
M&E	Monitoring and Evaluation
MADER	Ministry of Agriculture and Rural Development (Ministério de Agricultura e Desenvolvimento Rural)
MEET	Meaningful Equality Empowerment Transparency
MEF	Ministry of Economy and Finance (Ministério de Economia e Finanças)
MGCAS	Ministry of Gender, Children and Social Action (Ministério de Género, Criança e Acção Social)
MIREME	Ministry of Mineral Resources and Energy (Ministério dos Recursos Minerais e Energia)
MOPHRH	Ministry of Public Works, Housing and Water Resources (Ministério de Obras Públicas, Habitação e Recursos Hídricos)
MRV	Measurement, Reporting and Verification
MTA	Ministry of Land and Environment (Ministério da Terra e Ambiente)
MTF	Multi-Tier Framework
MWE	Mozambican Women of Energy
NAMA	Nationally Appropriate Mitigation Actions
NCCAMS	National Climate Change Adaptation and Mitigation Strategy 2013-2025
NDA	National Designated Authority
NDC	Nationally determined contributions
NDE	National Designated Entity
NGCA	Non-governmental cooperation actors
NGOs	Non-governmental organizations
O&M	Operation and Maintenance
OECD - DAC	Organization for Economic Cooperation and Development Assistance Committee
OMR	Observatory for Rural Areas (Observatório do Meio Rural)
OVO	Entrepreneurs for entrepreneurs (Ondernemers voor Ondernemers)

PEC	Education Community Programmes (Programa de Educação Comunitária)
PPP	Public-Private Partnership
PQG	5-year Government Plan (Plano Quinquenal do Governo)
PV	(Solar) Photovoltaic
R&D	Research and Development
RBF	Results Based Financing
RENAMO	Mozambican National Resistance (Resistência Nacional Moçambicana)
RERD2	Renewable Energy for Rural Development Phase 2
SA	Specific Agreement
SAP	Simplified Approval Process
SC	Steering Committee
SCF	Standing Committee on Finance
SDG	Sustainable Development Goals
SDPI	District Services for Planning and Infrastructure (Serviços Distritais de Planeamento e Infraestrutura)
SEF	Study and Expertise Fund
SHS	Solar Home System
SIDA	Swedish International Development Cooperation Agency
SINAS	WASH Sector National Information System
SMEs	Small and medium-sized enterprises
SNV	Netherlands Development Organization
SO	Specific Objective
SPI	Provincial Services of Infrastructure (Serviços Provinciais de Infraestrutura)
SPIS	Solar Powered Irrigation System
SSA	Sub-Saharan Africa
TEI	Team Europe Initiative
ToC	Theory of Change
ToT	Training-of-Trainers
UEM	Eduardo Mondlane University (Universidade de Eduardo Mondlane)
UNCDF	United Nations Capital Development Fund
UNFCCC	United Nations Framework Convention on Climate Change
UNICEF	United Nations Children's Fund
UN Women	United Nations Women
ValoRe	National Programme for Sustainable Waste Management
VITO	Flemish Institute for Technological Research (Vlaamse Instelling voor Technologisch Onderzoek)
VLIR	Flemish Interuniversity Council (Belgium)
WASH	Water, Sanitation and Hygiene
WEFE	Water-Energy-Food Security-Ecosystem

1 Overview of the Cooperation Portfolio

The table below provides a short overview of the new bilateral portfolio, including the budget and execution period for each intervention, the budget foreseen for the international expertise, and an indicative annual budgetary planning. The execution period and financial planning reflect the start of the execution of interventions no later than April 2023, as described in the section “Duration of Implementation”.

The core intervention budgets are spread across five results areas (policy dialogue on climate resilience and energy transition, losses and damages, energy, water and waste) for Intervention I and two result areas (mobilisation of studies and expertise and capacity building on climate finance) for Intervention II (STEP Facility). The budget breakdown is presented in section 3.1.

A. Budget spread across interventions:

	Period	Budget
Intervention 1: Multi-Stakeholder approach for Energy Transition and Climate Resilience	2023-2028	17.3 MEUR
Intervention 2: Study Fund and Preparation Facility for Energy Transition and Climate Resilience	2023-2028	3.5 MEUR
Portfolio Contingency		0.594 MEUR
Portfolio Expertise (int.)		3.587 MEUR
Belgian Government Financing		25 MEUR

Indicative financial planning

In execution	Year 1	Year 2	Year3	Year 4	Year 5
In €	3.421.055	5.349.047	5.292.390	6.158.423	4.779.086

B. Interventions for other donors:

In execution	Period	Budget
MOZ2000211 - Public Finance Management Mozambique	2021-2023	0.913 MEUR

In formulation	Estimated Period	Proposed Budget
MOZ21001- GCF Readiness	2023-2025	1.0 MEUR
MOZ22002 – Sustainable Waste Management (VaLore)	2023-2028	18.6 MEUR
BEL22008 – Brussels Capital Region	2024-2026	1.0 MEUR

Potential Opportunity	Estimated Period	Proposed Budget
Strengthen the National Measurement, Reporting and Verification (MRV) system for mitigation, adaptation and climate finance with EU	2024-2027	2.0 MEUR

2 Summary of the Mozambique Cooperation Strategy 2023-2027

The Mozambique Cooperation Strategy 2023-2027 was validated by the Belgian Minister of Cooperation on 15 July 2022. Mozambique is one of the most vulnerable countries to climate change in Africa and has seen the increased intensity and frequency of extreme weather events in recent years compromising the country's development ambitions. Enabel intends to deepen its cooperation strategy linking to different areas of climate-related activities from delivery of climate proofed public services to the most vulnerable populations in Mozambique to transitioning to low carbon energy pathways, while dealing with the unavoidable losses and damages through a set of human related activities, linked with specific territories with the involvement of different components of the society.

The Mozambique Cooperation Strategy 2023-2027 intends to capitalize on Enabel's institutional partnerships with the Mozambican institutions through its previous and ongoing collaborations as well as seeking synergies between all change areas. How new forms of engagement, partnerships, cross-sectoral collaboration could be strengthened specifically focusing on improving climate proofed public services, enabling policies and initiatives for just energy transition and climate resilience are at the core of the strategy. The strategy also aims to foster greater coherence and accelerate progress towards interlinked sustainable development goals namely, SDG 5 (gender equality), SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 12 (responsible consumption and production) and SDG 13 (climate action).



Figure 1 SDGs to be addressed by the portfolio

The **General Objective** of the strategy is **to support and institutionally strengthen Mozambique so that the transition to a climate-resilient and low-carbon economy can be achieved in an inclusive way with consideration of vulnerable communities in both rural and urban areas.**

In order to support the transition in Mozambique towards a low-carbon society that is resilient to climate change and that respects, preserves and sustainably manages ecosystems and the environment, various levers for changes are explored. The **Specific Objective** is: **Mozambican authorities and communities, including women, youth, and other vulnerable groups, are strengthened to actively engage together in a cross sectoral coordination- specifically focusing on improved climate proofed¹ public services, enabling policies and initiatives for energy transition.**

The cooperation portfolio was initially expected to be structured under **two pillars with five change areas**: a first pillar about improving and climate-proofing public services at district and municipal level and a second one contributing to an equitable and inclusive low-carbon energy transition.

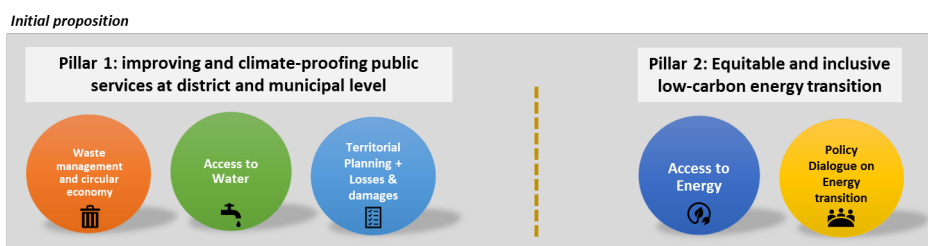


Figure 2 Pillar-approach as proposed in Ministerial instruction letter

¹ Climate policy info hub. Glossary "Climate proofing". URL: <https://climatepolicyinfohub.eu/glossary/climate-proofing>

However, as they are meant to be complementary and reinforce each other in the pursuit of the overarching objectives of the portfolio, and to avoid the risk of losing intersectorality and multifaceted approach, these **change areas are integrated within a single component** (see figure below).

Eventually a series of **six areas of change** have been identified in the strategy. Five of them were listed in the letter of instruction and are presented above. **Access to climate finance** was not initially identified in the instruction letter but was highlighted by all the institutional partners as a shared and important concern. It is indeed crucial for all actors in Mozambique to reinforce their capacities for accessing and mobilizing climate finance.

Considering the nature and the transversality of concerns shared by the different partners involved in these different change areas, the Mozambican partners pleaded for a **multi-stakeholder integrated approach** based on local needs, national priorities, and global trends. In order to fulfil their request, the portfolio is based on a **matrix approach**. By this means, different stakeholders will be supported around a set of transversal topics of joint interest in order to boost intersectoral approach, remove the barriers and silos and favor coordination, exchange of information and co-creation.

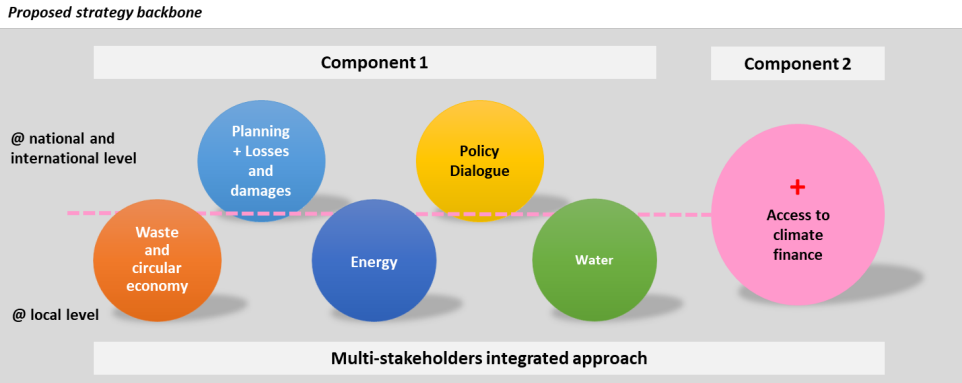


Figure 3 multi-stakeholders integrated approach

General Objective: Support and institutionally strengthen Mozambique so that the transition to a climate-resilient and low-carbon economy can be achieved in an inclusive way with consideration of vulnerable communities in both rural and urban areas

SO: **Mozambican authorities and communities**, including women, youth and other vulnerable groups, are strengthened to **more actively engage together** in a - cross sectoral coordination - specifically focusing on **improved climate proofed public services**, enabling policies and **initiatives for energy transition**

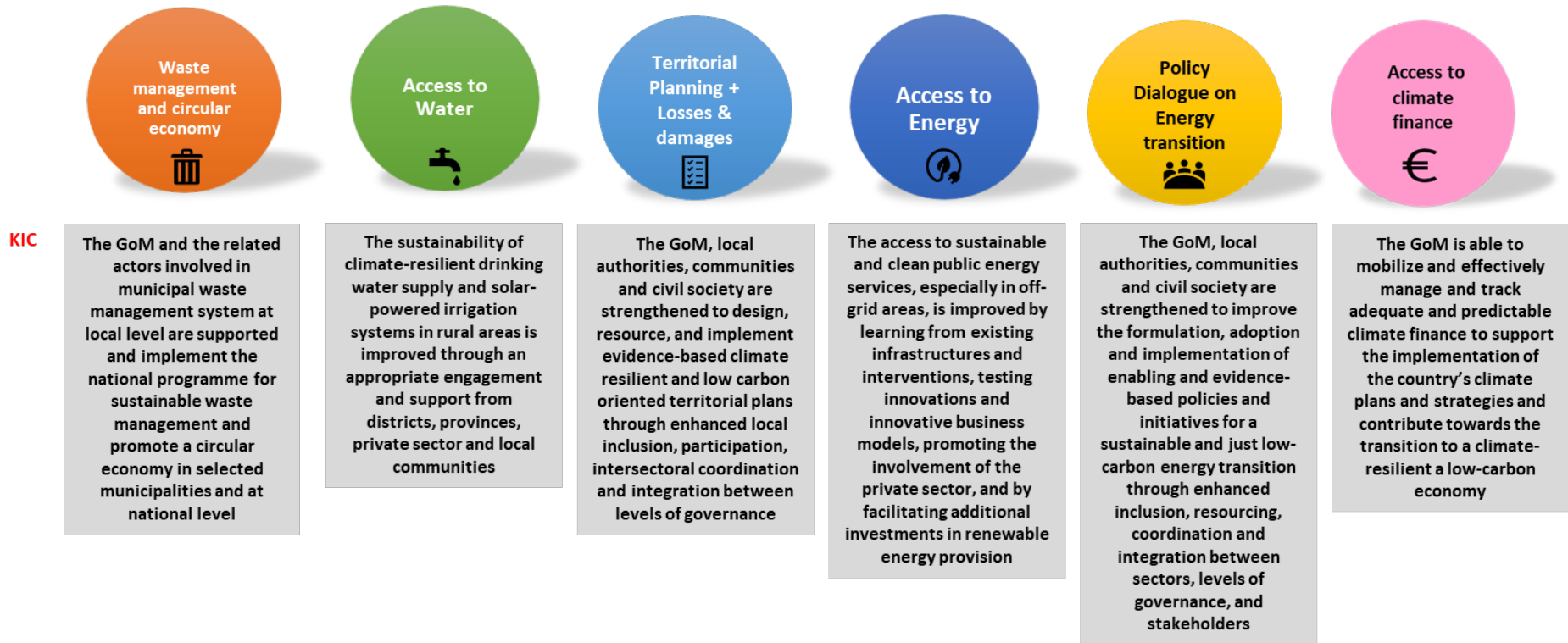


Figure 4 Global overview of the component of the strategy

The strategy was built on a set of **cross-cutting principles and transversal themes**.

By adopting a **Human Rights Based Approach (HRBA)**, the strategy aims at reducing inequalities and the vulnerability of certain particularly vulnerable groups (right holders), including climate displaced people and refugees, and the elderly. The obligations, commitments and strategies taken by Mozambique in terms of human rights, inclusiveness and gender equality shall be integrated. A detailed analysis of the main vulnerable groups and the main contextual challenges and obstacles in terms of inequality and discrimination of these dimensions have been incorporated while developing the portfolio.

In alignment with the HRBA, **inclusion and gender equality** will be placed at the heart of the portfolio. The portfolio attempts to go beyond reaching and benefiting women and girls and moves to challenging negative social norms, values and power structures that lie at the heart of gender injustice. Interventions will aim to create a gender-responsive environment in all institutions, including partner organizations, to address the entrenched inequalities. Specific attention will be with the Government of Mozambique and partners on how to improve gender responsive data collection, analysis, and response. Capacity development of Enabel and its partners on how to integrate a gender transformative approach to its work will be central to the interventions. During the inception phase, research on gender and social inclusion on key domains will be implemented and an action plan developed to ensure further integration of HRBA, inclusion and gender equality principles.

A triple Anchorage will be sought while implementing actions at the level of the beneficiaries ('operational' level), national level (public institutions) and international level (at the level of fostering dialogue/collaboration with global initiatives/actors). This principle is aimed at ensuring a continuous feeding of constructive dialogue between different stakeholders at both the normative, regulating level and the operational level.

The promotion of **innovation and leveraging new technologies** is actively sought throughout the portfolio, whereby inclusion is ensured by targeted initiatives to close the digital divide, as well as the promotion of innovative financing in particular in the area of climate financing and circular economy. New technologies will also be leveraged to close the gender digital divide, accelerate the energy transition, and improve the quality of public services.

Target groups include selected communities in the targeted geographical areas with a focus on rural communities and the organizations that represent them; urban communities, including waste producers, waste pickers, etc ... and the organizations that represent them; Women and girls, young people and the most vulnerable people, including displaced persons and refugees and the organizations that represent them; National and local authorities (including districts, municipalities) in charge of overseeing and managing public services in the sectors of energy, water, waste and disaster risk reduction and management. It will also indirectly support private operators intervening in the sectors relevant to the strategy, civil society actors and community-based actor.

The **geographic distribution of the new portfolio** will focus on certain regions of Mozambique, including the Southern region, in areas such as Greater/Rural Maputo and Gaza as well as the Northern region, in provinces such as Nampula.

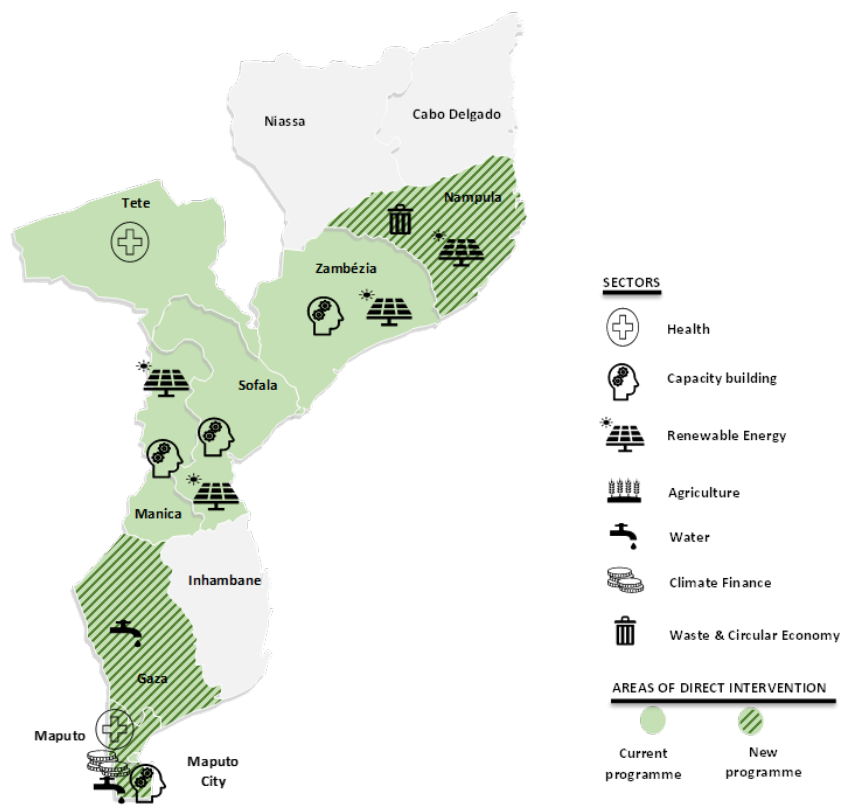


Figure 5 Geographic focus of cooperation portfolio

The cooperation portfolio is developed in coherence with, and where possible, embedded in a **Team-Belgium approach** (e.g. Belgian regions and other BE actors and initiatives) and in a **Team-Europe spirit**. One of the Team Europe Initiatives focusses on Green Deal and underlines most of the results areas mentioned in the strategy and the previous program

The ambitions guiding the design of the strategy are based on an available budget envelope larger than the foreseen 25 million €. In this perspective, Enabel aims to articulate and coordinate with other Belgian, bilateral, and multilateral partners to access **additional and complementary funds** aiming at increasing the impact of Belgium’s strategy.

3 Content of the portfolio

Before starting with the description of the content of interventions, a **global overview of the structure of this portfolio** is presented here below. Both interventions share the same specific objective while focusing on specific thematic areas. They are interconnected and complementary.

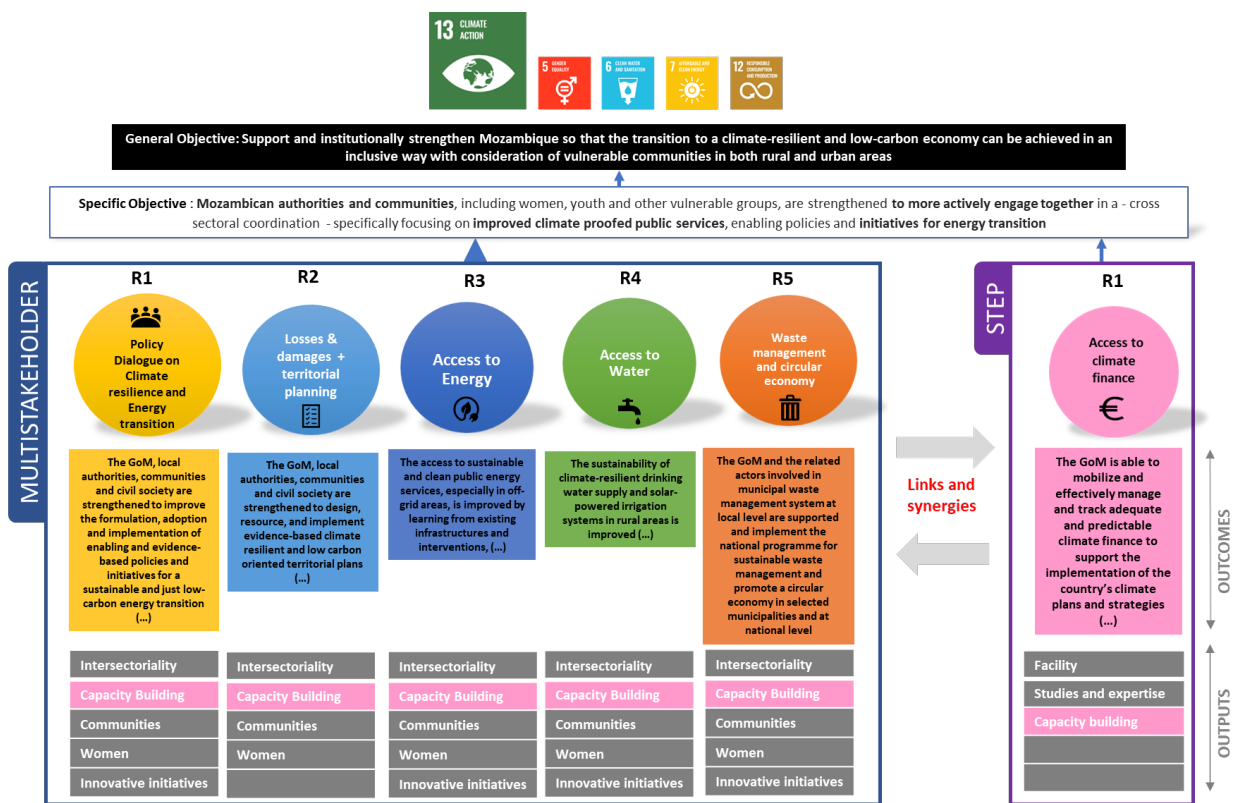


Figure 6 Global overview of the structure of the cooperation portfolio

3.1 Intervention 1: Multi-Stakeholder approach for climate resilience and energy transition

3.1.1 Introduction

Enabel has been active in various sectors in Mozambique including energy, water, food security and health. From 2010, and especially during the implementation of the Indicative Cooperation Programme 2014-2017, the interventions began focusing on the **water-energy-food security nexus** as it holds a more integrated approach to deliver more results, to limit working in silos, and to capitalise and build upon lessons learned. This also allowed Enabel and its national partners to deepen their expertise and knowhow in these inter-related sectors, while tackling transversal challenges such as climate change, gender inequality and the digital divide.

In the water sector, Enabel actively supported the Government of Mozambique (GoM) on the provision of sustainable drinkable water to the most vulnerable populations in the Gaza Province to promote food security, whilst strengthening the capacity of authorities at district, provincial and national level. The interventions embraced a participatory approach with solutions tailored to the local needs. The intervention piloted solar powered desalination technology, which eventually led to evidence-based policy making. Ultimately, the Water Gaza intervention (2014-2019) reinforced the adaptation of the water supply strategy in Gaza province and potentially elsewhere. This was further replicated and strengthened by the intervention CLISMADEV (2019-2022).

Enabel has made long strides in the **renewable energy** space by employing a flexible and innovative capacity building of public institutions active in the energy sector across all levels. Enabel began its support to renewable energy infrastructures (RERD1) and later extended its support to productive use activities including solar power irrigations (RERD2). This encompasses, on one hand, a hands-on approach with FUNAE and a continuous dialogue and capacity building initiatives, including on gender mainstreaming, at the level of the Ministry (MIREME) and the newly created regulatory agency - ARENE, thereby the complementary CBMIREME/ARENE intervention.

Enabel has long-standing institutional **linkages** and experiences of ensuring ownership and sustainability of its interventions. It has worked with local communities helping them to meet their specific needs, and also supported various sectoral policy dialogues at the national level. This approach will be replicated and reinforced in the new portfolio. The aim will be to expand and consolidate the support at local community level while strengthening the resilience of population, strengthening the capacities in capitalizing the experience on the ground in public services sectors, such as water, energy and solid waste management, and developing such experience on losses and damages, in order to support evidence-based policy dialogue at national and international levels.

3.1.2 Context analysis

3.1.2.1 Policy dialogue on climate resilience and energy transition

Climate issues are a rising concern for Mozambique and have led to a number of government policies and strategies paving the way to a climate resilient and low carbon future in Mozambique. However, there is **need of enhanced coordination and cooperation** between governmental actors at different levels to avoid confining actions to individual sectors, and to ensure that policy frameworks relevant to climate and energy transition take a coordinated and integrated approach given the magnitude and urgency of issues at hand. Mozambican climate policies omit, for instance, key sectors such as the nascent fossil fuel sector, or key challenges such as the risk of increased gendered climate vulnerability and energy poverty.

This concern is particularly salient in the context of the country's **public service provision of water, energy, and waste management**, as well as the **management of the risks and impacts of disasters due to climate change**, and the (global) trajectory of transiting towards a low-carbon energy future. The topics of climate resilience and energy transition are closely and inherently interlinked. The GoM, on the one hand, is in a dire need to compact the socio-economic impacts of natural disasters, and on the other hand, needs to climate-proof the delivery of public services across sectors including that of waste, water and energy sector. Interventions that contribute effectively to the country's climate resilience and energy transition need therefore to be inclusive, coordinated, and integrated in broader programmes that take cognizance of spill-over effects, trade-offs, and synergies between interventions in these sectors; that promote enabling regulatory frameworks; facilitate appropriate business models; and articulate the interlinkages across sectors.

Closely linked to that is the identified **need to close the feedback loop in the policy cycle**. This refers to **feeding the design, implementation experience and results of local pilots and innovations in national and international policy dialogues, to contribute to their multiplication and sustainability**. The lack of organizations that represent the interests of women and vulnerable groups and that advocate on issues related to climate resilience and an equitable energy transition make not only these feedback loops, but also framing the policy debate around inclusive climate and energy policies a challenge. It also shows the lack of awareness of civil society on these issues, and the need to open up the dialogue space. This entails disseminating the learnings from pilot initiatives, implemented by governmental, private sector, civil society, or international aid actors to foster policy dialogues at local, national and international levels. At the same time, the learnings and results of these dialogues must be fed back into the design, implementation, adaptation and scaling up of such local interventions, to contribute to the institutionalization and strengthening of positive change. This approach, based on a **'triple anchorage'** of the support interventions

at local, national, and international levels, contributes to evidence-based policy making and implementation, that is better informed about and responds better to local needs and realities, while engaging with national and global dynamics.

In this backdrop **relevant (inter)sectoral policy dialogues** have been identified as key in supporting and strengthening the country's pathway of climate resilience and energy transition:

- Supporting the concrete framing of **loss and damage** as an emerging concept in national and international forums, and mainstreaming climate resilience and disaster risk reduction in policy making, planning, and budgeting.
- Establishing a common understanding and action on **energy transition** in the Mozambican context. and addressing key issues including the global phase-down of coal, establishing natural gas as a transition fuel among other pertinent needs across sectors.
- Supporting the development of a **circular economy** perspective and approach and developing sustainable waste value chains to strengthen material recovery, recycling, and other forms of waste valorization.
- Support an intersectoral approach to the delivery of sustainable **water services** and address key interlinkages related to the Water, Energy, Food and Ecosystems (WEFE) Nexus.
- Reinforcing the country's presence and active participation in **negotiations and forums at regional and international level** on topics related to climate resilience and energy transition, with special attention to gender and social inclusion.
- Support **Mozambique's youth, women, and vulnerable groups** (including internally displaced, persons with disabilities and the elderly) to ensure their active participation and engagements in the intersectoral climate and energy transition policy dialogues and implementation.

Belgium through Enabel will work together with state and non-state stakeholders identified as critical for the promotion of inclusive, gender-responsive and integrated policy dialogues on climate resilience and a just energy transition. Such dialogues aim for a better and **evidence-based** joint understanding of available **policy options**, the identification of acceptable **pathways to a just and equitable transition**, and for the **mobilization of the necessary partners and resources**.

3.1.2.2 Territorial Planning and Losses and Damages

Mozambique has already experienced several **climate disasters** in the past few years with a significant impact on the economy (losses and damages (L&D) of extreme weather events including cyclones, droughts and floods are estimated at \$3billion in 2019²). A large share of Mozambican current and future population will face **more frequent and intense climate events** due to its geographic location and high levels of exposure and vulnerability to climate hazards. Women and vulnerable groups (internally displaced, PwD, elderly) in local communities are particularly at risk, including to non-economic losses from climate change³.

In that context, Mozambican government has over the recent years enacted laws, policies, strategies, and procedures to **mainstream disaster and climate resilience** in public investments, territorial planning, and public finance, while building capacity at all levels. **Disaster response strategies** and mechanisms⁴ and **several planning instruments** are established at different territorial levels with related institutional mandates⁵. However, there is a general **lack of following up on legislation and enforcement** of those

² World Bank.2021.Mozambique Country Programme Evaluation, approach paper.

³ Loss of biodiversity and landscapes, loss of cultural artefacts and place, loss of sense of identity and security.

⁴ Such as Master plan for natural disaster risk reduction_Plano Director para a Redução do Risco de Desastres 2017-2030 https://www.preventionweb.net/files/64564_planodirectorparareducaodoriscode.pdf

⁵ Land use planning at provincial and district level is mandated by DNTDT (Direcção Nacional de Terras e Desenvolvimento Territorial) of the Ministry of Land and Environment (MTA).

planning and strategic processes and strengthening their design, consistency, and implementation⁶ as well as mainstreaming climate change within them. There is an urgent need to further improve and translate them into **real action and real outcomes to reduce climate risks for all people and landscapes**.

At the local level (district and municipal actors), **more effective, participatory, and systemic approaches** are necessary to integrate the climate resilience and considerations regarding losses and damages into the **design of plans and related public and private infrastructures to make them “climate proof”** (e.g., in water, energy, waste sectors). Furthermore, current plans - such as territorial plans, district economic plans, local adaptation plans and sectoral plans (e.g., in water, energy and waste sector) - lack integration, and implementation (access to financing, local technical capacity and reliable data are limiting factors). In addition to government capacity, **communities need to be empowered in climate proofing**, especially regarding land use planning and infrastructure adaptation and considering the specific needs of women, youth, and other vulnerable groups.

At the national level, there is **insufficient intersectoral coordination** leading to **limited capacity to mainstream disaster and climate resilience** at national, provincial **planning and budgeting systems**. There is furthermore a **lack of appropriate standards** for land use planning and infrastructure construction based on assessments of exposure, hazards, and special vulnerability to disasters. Regarding data collection, management and analysis, there is a need to build further on existing systems to (i) have **robust systems** for collecting and compiling disaster related data, (ii) reinforce capacity and develop methodologies to treat and translate the data (risk mapping) into information to guide fact-based discussions on financing needs for losses and damages and (iii) ensure collection and interpretation of **gender-sensitive data and information**.

At the international level, **loss and damage is a new, emerging and extremely dynamic field**, which is still lacking concrete framing of the concept and on how to address the challenges. During the 2021 climate conference in Glasgow (COP26), L&D gained a lot of attention with the joint call of the G77 and China to establish a 'Loss and Damage Financing Facility' (LDFF). **The topic is expected to be one of the focus areas on the agenda of the forthcoming COP** (such as COP27 in Egypt). In this context, it is paramount for Mozambique **to build knowledge on L&D and feed the international debate with concrete data**. Finally, Mozambique should reinforce its presence and active participation in negotiations and fora at regional and international level to discuss the rules for accessing international financing mechanisms to address losses and damages and post-disaster reconstruction.

Success will require effective, well informed and coordinated institutions, coherent policies that set the right incentives across the economy, innovative partnerships (involving communities) and (technological) approaches as well as investments into increased resilience at territorial level. Special measures will need to be taken to ensure women's voices are heard and their needs met. To be more systemic and comprehensive, complementary humanitarian funds could be sought through the concept of disaster risk management and reduction. In short, **policy, financial and technological approaches must be strengthened** to reduce and manage the risks of losses and damages⁷ from climate change.

3.1.2.3 Access to Energy

In spite of Mozambique's huge renewable energy potential⁸, renewables have only recently begun to be explored on a large scale. Meanwhile, 80 % of households still use traditional biomass daily and access to

⁶ Including strengthening understanding of territorial planning as an inclusive, participatory approach for the identification of local priorities and valorization of local resources, and their interlinkage with provincial and national development strategies (c.f. definition of territorial planning in § 1.3).

⁷ Risks of losses and damages refers to the observed impact and projected risks of climate change that can be reduced and managed through (not only) mitigation and adaptation but as well as other interventions including disaster risk reduction and disaster risk finance

⁸ Mozambique renewable energy potential is estimated at 23,026 GW, including 599 MW of solar power, 5,645 MW of hydro and 1,146 MW of wind

affordable and clean energy remains a concern for Mozambique.⁹ Although the electrification rate has risen to about 40.3% (MIREME 2021), significant efforts and resources are yet needed to reach out to the **rest of the population that still lacks basic access to electricity, especially in rural areas.**

Mozambique has set significant targets as manifested through its National Electrification Strategy (ENE) for the development of its electricity sector: to achieve at least 64% of electrification by 2024 and universal access by 2030. The Government has prioritized the extension of the national grid over off-grid solutions, even though it acknowledges the role of the latter for reaching out to more remote areas. However, looking at the historic trend of electrification that saw a mere 20% of increment in the last decade, it is highly unlikely that the target of universal access will be met by 2030 without a substantial realignment of the energy sector strategies and new innovations and finances in place. **Mozambique faces some important choices about its energy development pathways.**

Mozambique holds extensive biomass resources, with 50 per cent of the country under forest cover. Around 70 per cent of the energy used in the country comes from traditional biomass. Population growth, urbanization, and agricultural expansion lead to a significant **pressure on the biomass resource base.** The **Biomass Energy Strategy (2013)** was designed to beef up the sustainability of the subsector, but **further policy and regulatory changes and investments in modernizing biomass production, distribution, and marketing are required.** A swift shift to a **more sustainable supply** is needed to meet the population's preference for biomass as the primary, low-cost energy source. This shift requires modern, standardized products (such as briquettes and pellets) **to increase the sustainability of production and the efficiency of use,** a supply chain of **more efficient and cleaner cooking stoves,** as well as behaviour and norms change activities for households, public institutions and (small-scale) enterprises.

Most people in Mozambique live in **remote areas** and are poor and their level of **affordability** has been a **major concern to be able to access modern energy services.** This necessitates a shift in approach in the delivery of energy services and underlines the need to strengthen the capacity of the institutions involved in the development of renewable energy services.

Women, who normally bear the burden of taking care of domestic and community energy provisions, are disproportionately **affected by energy poverty,** as they face the hardship and security risk of collecting biomass, often over long distances and are exposed to the toxic fumes when burning. They, however, don't have the decision-making power in the household to change to more sustainable energy sources. **Challenges to mainstreaming gender persist in the energy sector,** since there has been a tendency to develop infrastructure without sufficient attention to community applications, users' needs and potential productive uses. This situation demands a responsive intervention in the promotion of gender inclusive modern and clean domestic and productive energy services.

The **barriers** limiting the demand for renewable energy uptake are mostly **economic,** as well as a **lack of an enabling regulatory and policy environment.** Lack of reduced import and taxation duties keep prices high and unaffordable for most women and vulnerable groups, lack of preferential incentives for private sector participation, **absence of business models for the commercialization of mini-grids, absence of reliable data** for assessing demand and financial viability, the need for a more integrated **planning,** more **M&E** capacity and **lack of collaboration** between the energy institutions and entities responsible for renewable energy uptake in the country, further exacerbate the pre-existing affordability challenges and remoteness of beneficiaries. Organisations such as AMER are taking a lead in framing the policy debate with gender and social inclusion in mind, but more can be done.

⁹ Women and girls are the main responsible in the households to provide biomass.

While solar PV modules will continue to play a major role in achieving Mozambique's energy access target, the corresponding increase in the volume of solar waste (end-of-life of PV modules and batteries) **calls for innovations and circularity solutions in solar waste management** and in recovering materials through efficient battery recycling measures.

3.1.2.4 Access to Water

Sustainable and safe access to water (both for consumption and production) is underdeveloped for a large part of the population, while **climate change and hazards increase the risks to water resources, infrastructure, and people's living conditions**. This particularly affects women and girls, who face increased risk to violence and additional hours of work due to long distances to collect water. In rural Mozambique, **water supply services** coverage is as low as **52%**. In addition, the country faces serious challenges in terms of water availability, due to the seasonality of their surface water sources and the inability to regulate such volumes throughout the years.

Strengthening the **sustainable management of natural resources and the environment** is one of the three strategies of the Five-Year Government Plan (PQG) 2020-2024. Additionally, Mozambique's National Climate Change Adaptation and Mitigation Strategy 2013-2025 (NCCAMS) has identified **water resources as particularly vulnerable and a priority**. It emphasizes the importance of **building capacity** to manage shared water resources and **improving knowledge** of the quality and quantity of groundwater resources.

While access to water is well integrated into the PQG and the NCCAMS, a **lack of cross-sectoral coordination** is observed which limits interventions and increases the risk of **overlapping roles and activities** between actors. Regarding the risks and consequences of disasters due to climate change, the links between Ministry of Public Works, Housing and Water Resources (MOPHRH) and the National Institute for Disaster Risk Reduction and Management (INGD), which is mainly located at provincial level, need to be reinforced and do not promise an optimised response to disasters.

Most women and girls are seen as responsible for access to water at the household level, but **few women take part in decision making** roles when it comes down to deciding about water management and infrastructure development (at community, local and central levels). Climate change will further continue to exacerbate the pressure on women on different fronts.

At central and provincial level, there is a need to strengthen technical knowledge, planning, monitoring and dissemination of (gender-responsive) data and data driven decision making processes. **Data collection and analysis are not accurate** and there is limited dissemination of information to guide informed decision-making, sound planning and monitoring of results (Water Sector National Information System - SINAS). Disaggregated at least at district level, **prioritization and strategic planning remain a challenge**. The lack of capacity building activities also hinders the promotion of sustainable use of water resources (both for domestic and productive use) due to the **lack of appropriate technical knowledge and appropriation of new concepts and innovations** required to respond to climate change.

Lack of adequate regulations, norms, and standards for the sector is a key issue that leads to the following consequences: (i) framework for rural water services lacking adequate considerations for sustainability (tariffs, O&M, financing models, ...), (ii) overall technical guidance for infrastructures is outdated and needs to be fully adapted to local realities with the introduction of climate proofed public services, (iii) integration of private operators to support a sustainable O&M of systems is not fully efficient, (missing clustering approach, thereby allowing a balance between economically viable and less viable systems

Municipalities/districts should be accompanied to establish a **framework for dialogue on the water infrastructure/services** to be delivered, ensuring the **most vulnerable** at the community level (**especially women and youth**) are **playing a role**. The eventual result would be better inclusion of communities in

decision-making process through joint analysis, design, understanding of benefits and consequences before proceeding with the implementation of services.

3.1.2.5 Waste management and circular economy

Waste management in secondary Municipalities in Mozambique is not as organised as in Maputo and Matola with the highest collection rate for the other Municipalities being around 26%. In Mozambique, waste management is decentralised, and municipalities are supposed to operationalise their waste management based on an integrated solid urban waste management plan. However, waste management plans, when existing, are generally poorly implemented because of the following key reasons:

- **Waste management plans are not translated into organisational tools** that can be used for monitoring and improving the level of waste collection services. There is **very little reliable data available**.
- **Municipalities have difficulties calculating the direct and indirect costs associated with the waste management.** Therefore, the amount of the fee that they collect via Electricidade de Moçambique (EDM) is not calculated on a grounded basis and tends to be very low. Consequently, the **waste management system is underfunded**. Moreover, **municipalities are poorly engaged with neighbourhood associations** to gain the support of residents for improving the waste collection system and to protect the amenity of the public space in the city. Women have a key role to play, as they traditionally hold the responsibility of the household work and have potentially more to gain from a clean environment.
- **Municipalities are in a weak position with respect to trade and industry actors** who do not have their wastes collected by a licensed company as required by the law (i.e. the “proof of evidence” system). Consequently, many economic actors do not pay a fair price for the collection of the waste they produce.
- Municipalities face **significant human resources problems** as the level of professional skills amongst the waste management staff is not up to the technical and managerial needs to implement the waste management plan. Women are absent from both low-skilled and leadership jobs.
- **Equipment** for waste collection (trucks, container) **is often missing** or not in a good condition.
- There is **no sorting and landfilling infrastructure** to treat the wastes once they have been collected.

The **transition to a circular economy** is at a very early stage because there is **no official collection service for high value post consumers wastes** like Polyethylene terephthalate (PET) bottles, high-density polyethylene (HDPE), polypropylene (PP) or metal cans. Waste pickers belong mostly to vulnerable and informal groups. The majority of them are young males but groups also encompass a few women, elderlies, and some disabled who are apparently more prone to violence and abuses. Furthermore, waste pickers usually hold no or limited financial literacy to effectively negotiate their collections with the waste dealers as they often find it convenient selling to the informal purchasers instead that pay on the spot. This situation constrains the local authorities and the industry to plan and manage more effectively recoverable wastes.

The creation of a sustainable circular economy in Mozambique requires a gender-equal foundation. Women are known to have a heightened exposure to unsustainable work conditions, waste-related hazards, amongst others. For this reason, solutions required for a shift to a circular economy can only be found if **gender perspectives and gender mainstreaming** are adequately integrated. In Mozambique, the culture lens needs to be balanced with the inclusion of women in all types of circular economy related activities, to ensure that benefits are generated and risks of creating a burden on women's lives are mitigated.

Deficiencies in municipal waste management also have an **impact on greenhouse gas emissions**. One of the first sources of emission are the **open dump sites** where the municipal wastes are accumulated without any treatment. There, an anaerobic fermentation transforms the organic fraction (30 to 40 % of the waste) into CH₄ (a powerful greenhouse gas) and CO₂. In case of big deposits, CH₄ can be recovered if the landfill is properly managed and equipped. However, there are other sources of emissions to be addressed in the waste management system:

- **Transportation by trucks:** waste collection is a public service that should cover the whole city on a regular basis. It entails a lot of transportation. The waste management plan has a key role to play in this context by optimizing the collection routes according to the distance to be covered by the trucks and by providing compaction means (i.e., dumpster) to optimize the loading volume of the trucks.
- **Recovery of secondary materials:** This requires much less energy than the use of primary material (in addition to promoting the conservation of natural resource). However, for recovery to happen, a kind of segregated waste collection system must be in place.

As a response to this situation, the Mozambican Authorities have adopted in September 2019 an **action program, entitled VALoRE** (contraction of 2 words: Valor (value) and Resíduos (waste)). The objective of ValoRE is **to create a conducive regulatory and financial environment** for the promotion of:

- investments in sustainable waste treatment and recycling infrastructure.
- the establishment of sustainable waste value chains to strengthen material recovery, recycling, and other forms of waste valorisation in target municipalities in Mozambique.

As part of the programme, and with a parallel funding from the NAMA Facility, ValoRe will establish a specific funding window (hereafter referred to as NAMA Support Project or NSP), which will provide financial and technical support for the development and implementation of three municipal waste infrastructure projects.

Across different change areas, there is a striking resemblance on the needs for improved inclusion, collaboration and partnerships across sectors and levels for moving towards a resilient and low carbon future. In summary, major calls to actions across sectors include:

- **more intersectoral collaboration and coordination but also between central and decentralized levels (feed-back loop)**, while supporting the development of the required tools, such as integrated spatial planning, and capitalization of the lessons learned developed on-the-ground.
- **A strengthening of the institutional, organizational, and individual capacities of public partners** for climate resilience and energy transition at international, central, and local level. The scope and intensity of requested supports vary depending on partners' specificities, but **policy making and implementation, and access to climate finance** are repeatedly mentioned across sectors.
- **A reinforcement of the information, education, and communication efforts towards the supported communities**, including the most vulnerable people, as well as improved participation. Knowledge and awareness of communities are key elements for improving their **ownership and involvement in climate resilience and a low carbon transition**. Communities need to see the direct benefits on their living conditions, be included, participate, and engage sustainably as agents of change, alongside the authorities.
- **Specific support for the empowerment of women and youth as agents of change is requested.**
- **Innovative and joint initiatives for climate proofed public services** for demonstration and replication purposes, when applicable, as well as to feed evidence-based policy discussions at the different governance levels.

3.1.3 Intervention Logic and Results chain

Two dimensions influence the structure and content of the future interventions. On the one hand, there is a need to articulate **different thematics** into a multi-stakeholder integrated approach based on local needs, national priorities, and global trends. On the other hand, **shared challenges** appear based on the above analysis of the context and the feedback from partners.

		Thematics					
Shared Challenges	Intersectorality	✓	✓	✓	✓	✓	✓
	Capacity Building	✓	✓	✓	✓	✓	✓
	Communities	✓	✓	✓	✓	✓	
	Women	✓	✓	✓	✓	✓	✓
	Innovative initiatives	✓		✓	✓	✓	

Figure 7 Illustration of the matrix approach adopted in the portfolio

The portfolio and the logical framework will therefore be based on a **matrix approach**. By this means, different stakeholders will be supported around a set of transversal results of joint interest to boost an intersectoral approach, reduce the barriers and silos and favor coordination, exchange of information and co-creation. To this end, it should be noted that the **result chains** (incl. at output level) have been **aligned** between the different thematics. The first output of each thematic relates to intersectorality efforts, the second relates to capacity building of institutional actors, the third focuses on community involvement in key processes and the fourth specifically targets women. Depending on the case, a fifth output relating to innovative initiatives specific to the sector is added. By constructing the intervention in this way, the coherence and transversality of efforts across the different areas are strongly embedded in the approach.

Beside the shared challenges mentioned above, the 6 results areas across two interventions have another common characteristic. They are potentially contributing to the objective of integrating mitigation, adaptation and loss and damages in a coherent approach to tackle climate change, building from the experience gained from the field. The aim of the intervention will therefore be to **further develop the local experience and expertise in climate proof public services** related to access to water and energy, losses, and damages as well as waste management and circular economy **to improve the living conditions of the local communities** on the one hand, and on the other hand, **to feed the overarching component related to policy dialogue**. This approach is based on the following principles:

- **Trans-sectoral collaboration:** The transition to climate resilient and low carbon economies and societies requires a consistent effort to improve collaboration between sectors to maximize co-benefits and to minimize costs and possible adverse effects.
- **Comprehensive policy dialogue:** Energy transition and climate resilience should be considered in a comprehensive way within a common policy dialogue.
- **Triple anchorage:** The diverse impacts and challenges posed by climate change require inter- and intra-institutional cooperation between local, national, and international level and coordination among state & non-state actors and communities.
- **Evidence-based & incremental approach:** To be effective and relevant, climate policy needs to be fed by lessons learned and good practices developed on the ground. To do so, a step-by step approach, starting from concrete pilot initiatives within a limited number of districts/municipalities within a specific sector will support the development of a more integrated approach, thereby supporting the emergence of a nexus between the different thematics. The data collection and

lessons learned from these pilot initiatives will in turn contribute to the development of evidence-based and gender-responsive decision processes and policies.

- **Institutional strengthening:** the application of the above principles requires strengthening capacity at local and national level on a set of competencies including integrated territorial spatial planning, data collection and analysis, participatory approaches, capitalisation, project set-up and implementation.

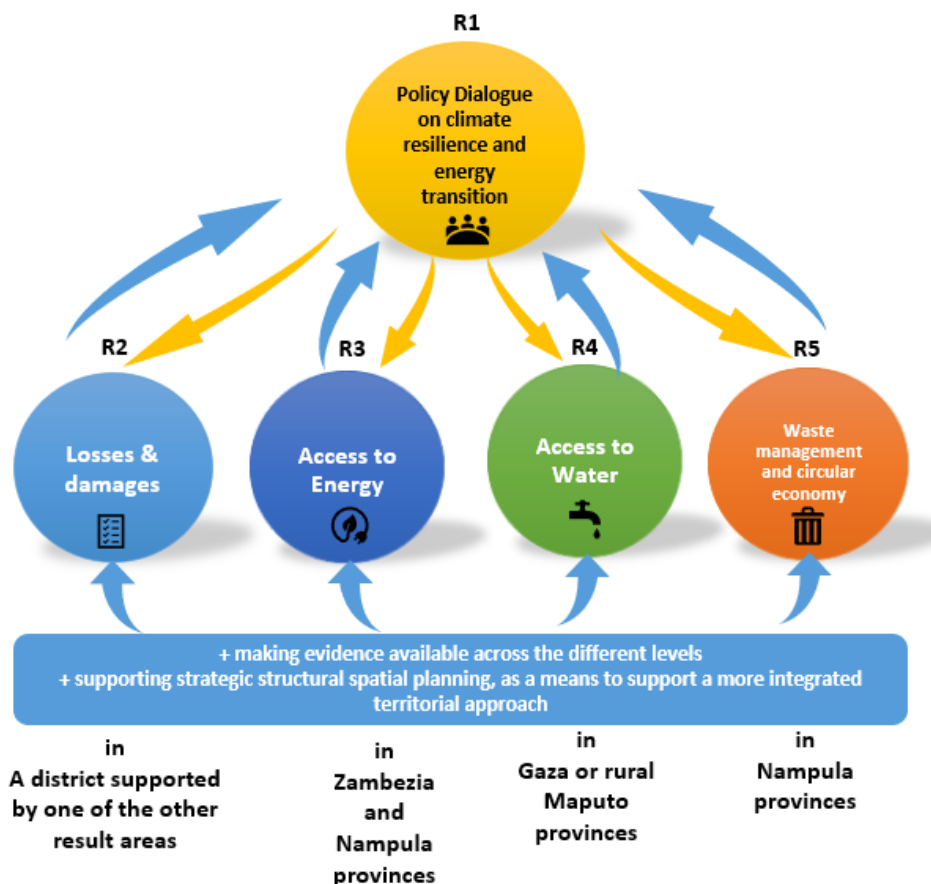


Figure 8 Illustration of the feed-back loops across different levels of interventions

This intervention therefore aims at **supporting an inclusive, evidence-based policy dialogue on climate resilience and energy transition at local, national, and international level**. Evidence and lessons learned from the 4 components feed the policy dialogue which in turn, will influence local solutions, creating a **feed-back loop**.

The implementation of a **coherent approach** requires different tools including **integrated planning**. In Mozambique, despite multiple national and sectoral plans and policies across different sectors of economy, the implementation of actions is often adopted in a piecemeal approach due to limited resources available for **agile and coordinated planning and processes**. In the portfolio, a multi-sectorial approach will be promoted through structural processes and tools including:

- **Integrated planning** to strengthen coordination between sectors at the district and provincial level. Intersectoral approach will be systematically promoted by building on existing planning tools - both territorial and sectoral -, and previous experiences (e.g., LoCAL, UNFCCC, UN Habitat, etc.) fostering inclusiveness, climate resilience and a just and equitable energy transition.
- **Data collection** processes and data **sharing across sectors** will be improved and a systematic utilization of the data for **decision making** at local, national level and international level will be promoted.

- **Knowledge generation and capitalization** based on concrete experiences to improve intersectoral coordination (from GoM, Enabel and other partners). The aim is to leverage Enabel’s existing networks and operational experiences around water and energy sectors and eventually around waste management and losses and damages, **to feed public policies design and implementation** related to climate resilience and energy transition.

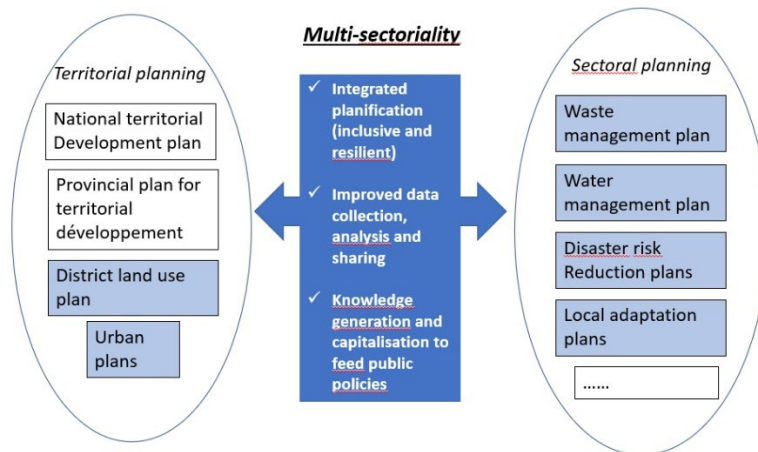


Figure 9 The articulation between territorial planning and sectoral planning

The multisectoral approach will begin **within a set of districts and municipalities in selected provinces**, each one of them having a different sectoral entry-point – water, energy, waste or losses and damages – for which this portfolio will intervene (each sector is emphasizing the multisectoral approach, see detail in each change area hereunder). During the inception phase of the intervention, **one or two districts and municipalities for each specific result areas** will be selected.

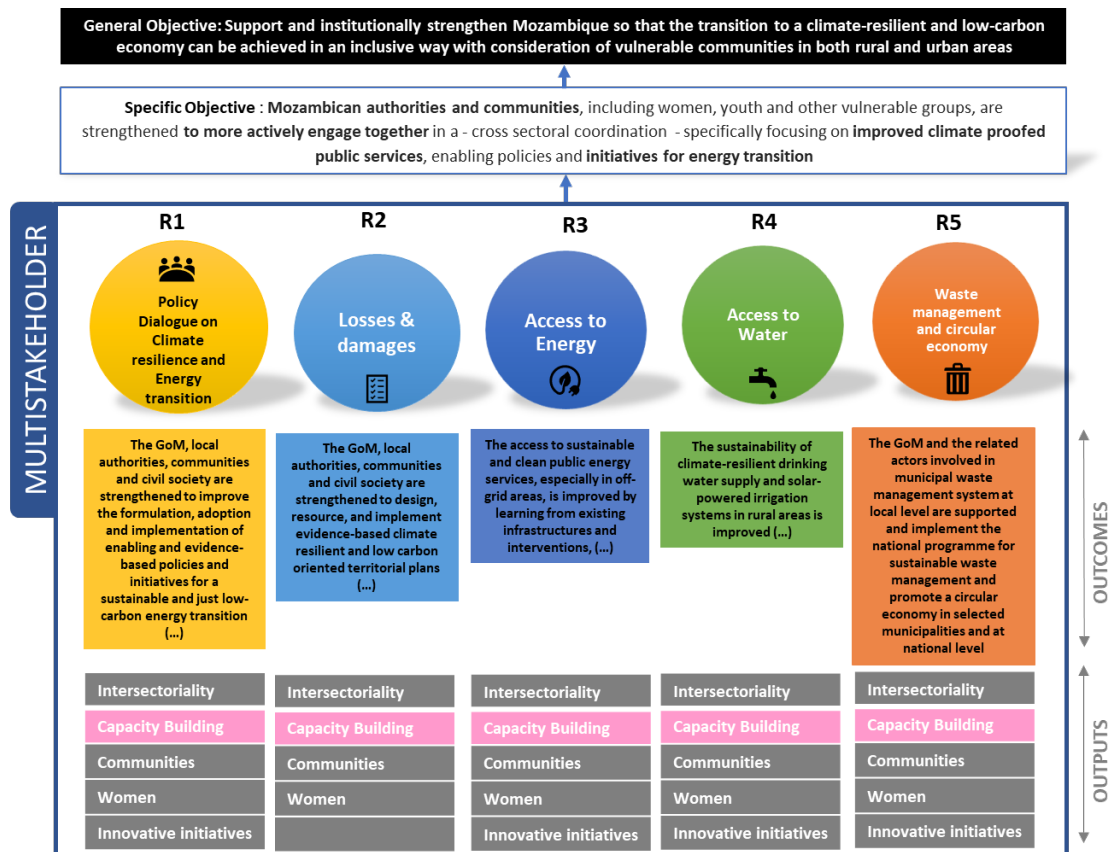


Figure 10 Illustration of the Multistakeholder intervention.

R.1 - The GoM, local authorities, communities and civil society are strengthened to improve the formulation, adoption, and implementation of evidence-based policies and initiatives to build climate resilience and just energy transition

1.1	The coordination between institutional actors in (inter)sectoral planning and evidence-based policy making and implementation on climate resilience and a just energy transition is improved.
1.2	The GoM's capacity for evidence-based policy making is improved by enhancing the knowledge base on climate resilience and a just energy transition, by strengthening the feed-back loop between the local, national, and international level, and by improving access to climate and sector finance.
1.3	The GoM engages with Mozambican stakeholders from the private sector, civil society, as well as other development partners, to strengthen the coalition of actors around a common roadmap on climate resilience and just energy transition.
1.4	The engagement by and representation of the interests of women and youth in the intersectoral policy dialogues at local, national, and international level on climate resilience and a just energy transition are improved.
1.5	Mozambique is strengthened to participate in international and regional initiatives on climate resilience and a just energy transition and in the implementation of the resulting agreements.

Output 1.1 - The coordination between institutional actors in (inter)sectoral planning and evidence-based policy making and implementation on climate resilience and a just energy transition is improved.

Policies, strategies and action plans on climate resilience and just energy transition that are expected to be elaborated and implemented over the period 2023 – 2027 include the following: Nationally Determined Contributions (NDC), Second National Communication, Biennial Updated Report (BUR), Long-Term Low Greenhouse Gas Emissions Development Strategy (LT-LEDS), Energy Export Strategy, Hydrogen Strategy, regulations for off-grid and renewable energy, updates of the renewable energy strategy and the biomass strategy, etc. The following intervention fields and their respective activities are deemed most relevant:

Activity 1.1.1 - Strengthen coordination structures within the GoM on climate change and a just energy transition.

- Assessment of the national public institutional landscape of key public sector actors on energy transition and climate change.
- Staff training on coordination operations and techniques
- Dedicated expertise on coordination
- Support to coordination meetings and workshops

Activity 1.1.2 - Support coordinated policy and strategy development, gender-responsive planning, budgeting, monitoring and evaluation to mainstream climate resilience and energy transition themes.

- Consultation and feed-back meetings and workshops with relevant actors, ensuring that groups that represent the interests of women, youth and marginalized groups are represented.
- Dedicated expertise on climate and energy transition, including knowledge on gender and community participation.
- Support to the elaboration of policies and strategies, to ensure a participatory and inclusive approach considering the needs of the most vulnerable groups.

- Support to institutionalised forms of monitoring, reporting, validation, and evaluation.
- Training of GoM staff on inclusive and participatory public consultation processes and information dissemination to ensure effective and timely input from interested parties.
- Ensuring the engagement of stakeholders in policy dialogues through communication and analysis activities.

Finally, it is important to note that additional climate and sector finance may enable the GoM to consolidate its policy dialogue on climate resilience and a just energy transition. It is to that effect that **the first intervention** of a coordinated multi-stakeholder approach for climate resilience and energy transition **will explicitly link up with and rely on the expertise and know-how developed in the second intervention** of the Study, Expertise and Preparation Facility for Climate Resilience and Energy Transition (STEP Facility). Concepts and ideas emanating from the policy dialogue on climate resilience and energy transition, will thus be further elaborated, operationalised, and drawn up for successful submission to relevant climate finance mechanisms. To assure and strengthen the coordinated identification, formulation and submission of climate resilience and energy transition priorities by GoM, the thematic work in the overarching area of policy dialogue will inform the selection and promotion of specific proposals for elaboration and funding in the STEP Facility.

The activities will be implemented through one or more service contracts and direct implementation by Enabel. Potential implementing partners are: national research and training institutes (such as UEM); (inter)national technical experts.

Output 1.2 - The GoM's capacity for evidence-based policy making is improved by enhancing the knowledge base on climate resilience and a just energy transition, by strengthening the feed-back loop between the local, national, and international level and by improving the access to climate and sector finance.

Being at a critical economic, ecological, and social juncture in terms of climate change and the shift of carbon-rich to carbon-low renewable sources of energy, the country is vastly endowed with and facing a fast evolving (inter)national climate and energy transition policy environment. There is a timely and important window for updated knowledge to inform the equitable transition policy dialogues and close the feedback loops between the different levels of governance of the policy process. Such support aims to deepen and widen cognizance of the needs, opportunities, benefits and risks of climate resilience and energy transition in terms of macro-economic diversification, public service provision, as well as impacts on individual livelihoods, considering the specific needs of youth and women. In addition, a continued, periodical expertise support in internal data management and analysis is necessary. Analysis, modelling and scenario building for the energy, waste and water sector, and the link with (inter)national climate change information and reporting, as for instance the NDC and LTS exercises in the framework of the Paris Climate Agreement and in the energy transition collaboration within the AU through AFREC, is also required. Such periodical expertise input is envisaged to be sourced especially from national research and training institutes.

Activity 1.2.1 - Strengthen the GoM and relevant stakeholders to carry out (inter)sectoral data collection, management and analysis on climate resilience and energy transition at local and national level

- Assessment of the existing data (energy balance, energy efficiency, GIS energy access data, biomass, coal, green hydrogen, gas, ...).
- Evaluation of additional data required per energy subsector and cross-sectorial.
- Harmonization of methodologies for data collection, analysis, and cross-sectorial reporting
- Support an integrated approach to data collection, management, and analysis
- Dedicated expertise
- Human resources
- Staff training

- Support the development and application of integrated methodologies for scenario building, planning, budgeting, monitoring, reporting, verification, and evaluation.
- Dissemination workshops
- Publications (e.g., statistical reviews, fact sheets, brochures....)

Activity 1.2.2 - Generate and disseminate knowledge on topics related to climate resilience and a just energy transition in Mozambique

- Applied research on topics related to climate resilience and just energy transition including loss and damages and disaster risk management, the WEF nexus, circular economy, green hydrogen, phasing down coal export, LNG as a transition fuel, sustainable biomass production, waste management and clean energy use, large-scale hydro-energy plants, decentralized energy generation and use, etc. All research will integrate a gender and youth perspective.
- Consultation and baseline workshops on existing and required knowledge and information
- Staff training, including on inclusion, empowerment, and equality.
- Exchange visits
- Embedded experts/Dedicated expertise
- Policy notes
- Dissemination workshops
- Publications

Activity 1.2.3 - Provide recommendations for enabling policies for a more sustainable climate resilience and just energy transition, especially by closing the feedback loop between the different sectors and policy levels on pilot experiences

- Consultation and baseline workshops on existing and required knowledge and information on local climate change and energy transition pilot experiences.
- Applied research on local climate change and energy transition pilot experiences e.g., LNG as a transition fuel, integrated planning, sustainable biomass production, waste management and clean energy use, decentralized energy generation and use (RERD2)
- Staff training
- Exchange visits
- Embedded experts/Dedicated expertise
- Policy notes
- Dissemination workshops
- Publications

The activities will be implemented through one or more service contracts and direct implementation by Enabel. Potential implementing partners are: national research and training institutes such as UEM Centre for Energy Research, Centro de Estudos de Agricultura e Gestão de Recursos Naturais (CEAGRE), Instituto de Estudos Sociais e Económicos (IESE); international research and training institutes such as Belgian universities, VITO, University of Namibia, University of Cape Town, Wageningen University, Tony Blair Institute; (inter)national technical experts.

Output 1.3 - The GoM engages with Mozambican stakeholders from the private sector, civil society, as well as other development partners, to strengthen the coalition of actors around a common roadmap on climate change and an equitable energy transition.

Several coordination mechanisms exist between the government and development partners to facilitate dialogue on topics related to climate resilience and energy transition, including **the Coalition of the Willing on Climate Change and Resilience**, and sectoral working groups on energy, environment, climate, water, etc. However, the current dialogues remain limited to a few sectors and subsectors, whereby the interlinkages

between individual vectors, the country's industries, and its development goals need to be further addressed.

The intervention will support the GoM to facilitate a strategic, coherent, integrated, and inclusive approach to climate resilience and energy transition, to build a coalition of actors around a common roadmap, and to foster the engagement of especially women, youth, and vulnerable groups herein.

Activity 1.3.1 - Support policy dialogues between the GoM, the private sector, and civil society to establish a joint understanding and action on climate resilience and a just energy transition

This activity aims to create a climate of trust, shared knowledge, and joint action. To this end, the intervention will:

- Update institutional assessments of relevant stakeholders in the fields of climate resilient public services and energy transition and the platforms where they interact.
- Provide applied research, dedicated expertise, and data to inform and update specific dialogues.
- Facilitate bilateral engagement between the GoM, private sector, and civil society (including women and youth organisations) related to climate resilience and just energy transition to ensure alignment and information sharing.
- Support to monitor and evaluate progress made in the implementation of strategic frameworks and programming initiatives on climate resilience and a just energy transition.

Activity 1.3.2 - Support dialogue among development partners on themes related to climate resilience and a just energy transition

- Build on joining up and amplifying the work of the relevant **sector working groups** by promoting better communication and co-ordination to ensure a more informed and intersectoral approach.
- Act as co-facilitator of stakeholder dialogues and working groups to build synergies between donors and feeding the result of the discussions into the **Donor Coordination Platform (DCP)**.

The activities will be implemented through one or more service contracts and direct implementation by Enabel.

Output 1.4 - The engagement by and representation of the interests of women and youth in the intersectoral policy dialogues at local, national, and international level on climate resilience and a just energy transition are improved.

The impact of climate change and energy transition will affect the most vulnerable with less adaptive capacity. A focused approach to engage with women and youth to increase their awareness and empowerment on climate resilience and a just energy transition is paramount. Youth make up over half of the population, and they will be a key change agent in determining the country's transition pathway. Mozambique will need trained professionals in climate and clean energy disciplines to maximize its green growth potential.

Building on the engagement with women and youth in the previous portfolio, the intervention will offer further support to the design and implementation of policies to widen and deepen the opportunities of women and young people to enhance access to climate resilient public services and a just energy transition.

Activity 1.4.1 - Link the policy dialogues to pilot gender mainstreaming initiatives in the relevant sectors, e.g., the Train-the-Trainer approach to Gender Focal Points and communities at provincial and national level.

Activity 1.4.2 - Support opportunities to Mozambican women and youth for practical capacity building and professional development, with a focus on developing competences in renewable energy, innovation, and networking.

This activity will be closely linked with the development of the new phase of Enabel's Junior Programme in which Mozambique acts as a pilot

Activity 1.4.3 - Assist in the promotion and dissemination of on-the-ground innovative approaches, methods and solutions related to climate resilience and a just energy transition (e.g., hackathons, incubators, start-ups, etc.).

This activity will seek synergies with the development of the Wehubit 2.0 programme, as Enabel's existing fast and reliable in-house grant mechanism for digital innovations. The team will have to ensure that the activities are inclusive by design, by for example introducing participation quotas or ensuring requirements reflect the different needs experienced by target groups.

The activities will be implemented through one or more service contracts, call for proposals for grants and direct implementation by Enabel. Potential implementing partners include local NGOs, training institutes or associations.

Output 1.5 - Mozambique is strengthened to participate in international and regional initiatives on climate resilience and equitable energy transition and in the implementation of the resulting agreements.

Mozambique needs to position itself strategically to take advantage of the existing opportunities in the international arena on climate justice and the global transition towards low-carbon and climate resilient pathways. GoM is already taking part at the Conference of the Parties to the UNFCCC, meetings of its subsidiary bodies, negotiation groups (SADC, Africa Group, LDC group) and related events including Africa Climate Talks and high-level meetings; collaborations with IRENA; initiatives from the African Union, including the African Energy Commission (AFREC); regional plans, strategies and programmes of the South African Development Community (SADC) and Mozambique's participation in the Southern African Power Pool (SAPP). However, Mozambique needs to strengthen its capacity to negotiate better to leverage these global climate funds and initiatives to its favor, and to ensure its positions are informed by an understanding of the specific needs of women, youth, and vulnerable groups.

The intervention will support the GoM to step up its presence in the international arena on climate change and a just energy transition to ensure more active participation at international forums, a strengthened network of international stakeholders, and an improved implementation of the resulting agreements. Key discussion topics that will be important for Mozambique in the period 2023 – 2027 include: averting, minimizing, and addressing losses & damages, green hydrogen exports, scaling up the mobilization of climate finance, the future of the global coal and natural gas sector, linking climate change with nature and biodiversity, and ensuring inclusion, solidarity, and global partnerships for a just transition.

Activity 1.5.1 - Support the GoM's improved participation in international dialogue moments and networks on climate resilience and just energy transition.

Continuous preparation, clear priorities and knowledgeable delegates are key to ensure impactful participation to international dialogues. Enabel will support the GoM in amplifying its voice in international fora through:

- Assessment of the international public institutional landscape, including existing forums, dialogues, conventions, declarations, etc.
- Supporting the GoM to advocate national priorities by providing capacity building of GoM staff on key topics. The training sessions aim to increase the knowledge and understanding of Mozambican delegates, enhance their capacity for network building, strengthen their understanding of gender and youth in regard to climate change, and enable their active participation in international dialogues.
- Provide dedicated expertise to support the GoM to formulate negotiation positions and elaborate policy notes, in line with its national priorities.
- Provide operational support to the GoM to participate in relevant international dialogue moments, including transport, accommodation, planning, agenda setting, etc.

Activity 1.5.2 - Support the implementation of international agreements on climate resilience and a just energy transition.

While Mozambique participates in international negotiations and initiatives for regional cooperation, the country is hindered in implementing the resulting strategies and agreements. The intervention will support the GoM by:

- Providing dedicated expertise to interpret and assess the impact of international agreements on the Mozambican economy and society. This includes support on identifying the impact on achieving government objectives and integrating the outcomes in national policies, strategies, and plans.
- Supporting the GoM to harmonize methodologies to comply with international standards, including the UNFCCC.
- Providing capacity building to support the GoM on monitoring, evaluating, and reporting on the implementation of international agreements.
- Organizing and facilitating meetings and workshops to disseminate the outcomes of international dialogues to relevant stakeholders, including GoM agencies, development partners, civil society and women rights organisations.

The activities will be implemented through one or more service contracts and direct implementation by Enabel.

R2 - The GoM, local authorities, communities and civil society are strengthened to design, resource, and implement evidence-based climate resilient and low-carbon oriented plans and budget with a focus on anticipating risks of losses and damages

2.1	The intersectoral consultation and collaboration between INGD and other actors at national, provincial and district levels are enhanced through operational and inclusive coordination mechanisms and tools to improve risk management and resilience building
2.2	Institutions, governance, and mechanisms for reducing and managing losses and damages are enhanced
2.3	The resilience of communities and landscape regarding risk of losses and damages is enhanced in at least 3 pilot districts
2.4	Women and girls are better involved in policy actions and measures related to losses and damages

The main objective of this result area is to inform policy-making as well as financial and technological responses at national level and on the ground to enhance the effectiveness of efforts to reduce and manage the risks of losses and damages related to climate change. It focuses on what can be done to improve anticipation, prevention, and preparedness to climate risks. Efforts to reduce and manage the risks do include (i) minimizing the exposure of lives, livelihoods, and assets to disasters through mainstreaming disaster and climate resilience in public investments, territorial planning, and public finance (ii) increasing the resilience and reduce the vulnerabilities of exposed human and territory/natural systems to these disasters and (iii) building awareness and knowledge in this new field of action. The approach includes **risk management and resilience building** and **pro-active measure to better understand, avert and minimize risks of losses and damages**.

Output 2.1 - The intersectoral consultation and collaboration between INGD and other actors at national, provincial and district levels are enhanced through operational and inclusive coordination mechanisms and tools to improve risk management and resilience building

Since its establishment in 1999¹⁰, INGD has consolidated its institutional structure, staff, and equipment. Recent achievements include the engagement of and coordination between relevant ministries¹¹ and agencies through the Coordination committee for Disaster Management (CCDM), the Technical Council for Disaster Risk Management (CTGC), and, as needed, the National Emergency Operations Center (CENOE). At district level, District Planning and Infrastructure Services (SDPI) host an INGD focal point that coordinates local committee for Disaster Risk Management. Yet, INGD continues to face capacity constraints regarding coordination, particularly at the intersectoral level and at province and district levels. It is thus necessary to consolidate coordination and collaboration between the various actors involved in the losses and damages sector. The objective is to support the different actors in meeting, coordinating, and collaborating to contribute to (intersectoral) policies elaboration, planning, budgeting, and taking action on risk management and resilience building.

Activity 2.1.1 - Assessment of intersectoral coordination and support to coordinated policy and strategic development on losses and damages at local and national level

An assessment of the institutional landscape of key public actors on risk management and losses and damages will be realized, including their capacity to mainstream gender and inclusion. Recommendations to improve the existing coordination mechanisms will be done and a workplan to support better coordination will be proposed. Activities will include staff training on coordination operations and techniques and support to coordination meetings and workshops to elaborate policies, strategies, data collection systems and M&E.

A dedicated expertise will be provided to support the process through a service contract (ad hoc TA) to assess, accompany and consolidate the coordination process. Potential implementing partners are: (inter)national technical experts, (inter)national research (such as UEM) institutes.

Activity 2.1.2 - Reinforce coordination through spatial analysis & mapping related to losses and damages

Characterization and mapping of risks is an essential first step to understand the risks of losses and damages and to be able to improve risk management and resilience planning and building. Exposure and vulnerability assessments requires data and understanding of the impact of hazards on people and territory from the perspective of the different sectors (territorial planning, water, energy, waste, etc.). In Mozambique, several agencies/directions embedded in Ministries have the mandate to work on geospatial data such as ADE¹² within the Ministry of Transportation and Communication (MTC), CENACARTA¹³ within MTA, INGD, but **improved ability to cooperate, to produce data and maps and to analyse and use it for decision-making is needed.**

An assessment of the institutional landscape of key actors in the spatial planning sector will be realized. Specific training will be designed according to identified needs. Geospatial technology and data products will be enhanced to improve the relevance of risks assessment in national, provincial, and local contexts. Support to the use of remote sensing data and mapping software (ArcGIS, QGIS...) and predictive analysis (e.g., modelling) will be provided to improve the ability to observe, map and act collectively.

10 It was then INGC

11 Such as water, agriculture, environment, health, defense, roads, housing and public works, meteorology, transport

12 Agência Nacional de Desenvolvimento Geo-espacial

13 National Cartography and Remote Sensing Centre

A gender sensitive approach to spatial analysis and mapping will be piloted to assess relevance and effectiveness¹⁴. This means that during the process women and youth will actively be involved in the exercise. The spatial mapping will take into account their roles and responsibilities, as well as their vulnerabilities (lack of decision-making power, lack of land ownership, lack of literacy and access to technology, etc).

The activity will be implemented through one or more services contracts, through grants and could be supported by a public-public agreement. Potential implementing partners are national agency (such as ADE); national research and training institutes (such as UEM); international research institutes (such as VITO, CIRAD-UMR TETIS, UCL), (inter)national technical experts in the fields of spatial analysis and GIS. This could be reinforced through national and international junior experts (with the new phase of Enabel's Junior Programme). Implementing partners with expertise on gender issues will get preference.

Output 2.2 - Institutions, governance, and mechanisms for reducing and managing losses and damages are enhanced

Adequate institutions, governance, and mechanism (such as strong disaster risk reduction systems) are vital for supporting efforts to reduce and manage the risks of losses and damages from climate change and improve resilience. This includes: (i) building knowledge on managing losses and damages, (ii) improving the characterising and evaluation of risks through data collection, management, and analysis and (iii) building capacity to access climate finance.

Activity 2.2.1 - Generate and disseminate knowledge on topics related to losses and damage in Mozambique

Losses and Damages is a new, emerging field, asking for further research and knowledge on how to address the challenges. Specific information on gender and social inclusion are still scarce. Consultation and baseline workshops will be held to identify existing and required knowledge and information on losses and damages. This will be followed by the elaboration of policy notes, reflection papers and/or publication, staff training, exchange visits and dissemination workshops at the national and provincial level.

Four potentials pre-identified topics are:

- 1) Transformative changes to reduce and manage the risks of losses and damages.** At national level, it could include changes to land-use, resilient infrastructure development (e.g., resilient water or energy infrastructures to ensure water/energy supply after a disaster and avoid economic losses) or sectoral strategies. At individual or household level, it could include changes to housing (resilient housing) or economic decision (e.g., switching to agricultural speculations more resilient to floods, droughts, temperature fluctuations or erratic rainfalls). The assessments conducted to inform the prioritisation process will be informed by gender considerations.
- 2) Building adaptative capacity in waste, water, energy (WWE) sectors.** At national level, it could include conducting evidence review of the impact of past weather events/disasters on WWE sectors in MOZ (and internationally) and undertake vulnerability mapping to identify current and future vulnerability of WWE sectors, including gender, youth and vulnerable group considerations by region (at least coastal / interior, and urban / rural) The objective would be to identify low cost, win-win or no regret measures /technological innovations to enhance management of climate risks and propose effective regulation measures regarding adoption of national resilience standard in WWE sectors.
- 3) Financial mechanisms to reduce, retain and transfer risks.** Effects of adverse climate impacts on households (looking at power dynamics and needs of women and men, boys, and girls) businesses/enterprises and financial systems as well as subsequent relief and recovery efforts can

¹⁴ https://unhabitat.org/sites/default/files/documents/201908/2_guidelines_for_gender_mainstreaming_in_spatial_planning.pdf

impact individual and government finances. Increasing knowledge on financial mechanisms that have the potential to reduce, retain and transfer the risks is necessary to build the financial resilience of the country and its inhabitants (e.g., financial resources supportive of the transition/investment into resilient landscapes or policies and plans that make information available (e.g., climate information) or market policies (e.g., agricultural subsidies) that remove barriers to climate resilient products, etc.)

- 4) **Digital innovation to anticipate disaster better.** Technological innovations can reduce losses and damages in the event of a disaster by accelerating flows of information (early warning systems) or financial payments to affected individuals and communities.

The activity will be implemented through one or more services contracts and could be supported by public-public agreement(s). Potential implementing partners are: national research and training institutes (such as UEM, Observatório do Meio Rural (OMR)); (inter)national technical experts; international research institute (such as UCL) and public partners (such as Climate change unit of Federal Public Service Health, Food chain safety and environment)

Activity 2.2.2 - Build the capacity of INGD and relevant stakeholders to carry out data collection, management and analysis on losses and damages

Understanding of hazards, exposure and risks in Mozambique has been improved over the past years but there are still shortcomings in the process of collecting, assessing, analysing, and managing disaster data. No official template or guidelines to collect data and information related to disasters do exist. The first step will be to realize an assessment of the existing data collecting systems and an evaluation of additional data required. Support for an integrated approach to data collection, management and analysis will be provided. A specific demand from INGD has already been made around the development of a methodology for the **assessment of economic impacts of disasters in Mozambique**. Staff training, publication and dissemination workshops will be supported to contribute to strengthening INGD and other relevant stakeholders in data collection, management and analysis on losses and damages.

The activity will be supported by one or more service contracts. Potential implementing partners are national research and training institutes (such as UEM); (inter)national technical experts.

Activity 2.2.3 - Build capacity of INGD and relevant stakeholders to access climate finance (related to losses and damages)

There is a need to build capacity regarding effective access to climate finance related to losses and damages (including management of current impacts and projected risks of losses and damages). Furthermore, country ownership and support for preparation for and participation in international negotiations to feed international debates on losses and damages and to better align climate finance with national priorities, circumstances and needs will be fostered.

This capacity building activity will be implemented through a service contract, in addition to the activities in the policy dialogue component on international negotiations. If requests to dive deeper in this space are prioritized through the policy dialogue, the STEP Facility may be called upon according to the process outlined in intervention 2, to finance additional studies/assessments on the potential to access L&D finance or to help design projects to access future funding opportunities for L&D. Collaboration with specialized networks on loss and damage could be seek such as with the Santiago Network on Loss and Damage^[6] (SNLD), which is intended to offer developing countries technical assistance on L&D

Output 2.3 - The resilience of communities and landscape regarding risk of losses and damages is enhanced in 3 pilot districts

The Master plan for disaster risk reduction 2017-2030 pushes to mainstream disaster and climate resilience in public investments, territorial planning, and public finance, while building capacity at all levels. To improve the resilience of communities and landscape at the district level, pilot experience will be developed in 3 districts with a focus on (i) building adaptive and risk anticipation strategies of communities and civil society, (ii) fostering investments on the ground to increase resilience of communities and landscapes through improved integrated district planning and budgeting, (iii) disseminating early warning systems. The proposed actions exposed below shall be developed in 3 pilot districts in Nampula, Gaza and/or Zambezia. This output will be closely linked to output 2.4

Activity 2.3.1 - Building adaptive and risk anticipation strategies of communities and civil society

First step will be to collect socio-economic data to understand the impact of hazards on people, livelihoods and on human well-being. Qualitative and quantitative surveys will be carried out to provide information about the diversity and intensity of risks perception, concerns, and potential impacts on communities (including a gender and youth perspective analysing power dynamics and needs).

Based on the results of the survey, tailored support will be provided to the communities to reinforce their adaptive and risk anticipation strategies. Communities play a key role in building the resilience of a landscape through the choices they make for their housing infrastructures (e.g., building resilient house versus building houses in flood-prone area), or livelihood needs (monocropping/deforestation versus introduction of resilient farming techniques such as agro-ecology and agro-forestry, tree plantation, nature-based solution, etc.). Community and ecosystem-based approaches to resilience-building will be supported focusing on development of collective capital and knowledge networks, integration of scientific and local knowledge, and value of social learning¹⁵.

The activity will be implemented through a service contract (for the realization of the survey) and through a local call for proposals (grant agreement) to NGOs in collaboration with District level. Potential implementing partners are: national research and training institute; (inter)national technical experts; NGO's (active at district level). Collaboration with actors active in this field such UN Habitat will be sought.

Activity 2.3.2 - Foster/stimulate investments to increase resilience of communities and landscapes through improved strategic spatial planning and budgeting at district level

Integrated spatial planning is a critical tool to ensure adaptation and anticipate/prepare to hazardous events. Participative resilient and low carbon spatial planning at district level will be supported through improved methodologies and tools (this activity will be linked with Output 3.1 b – capacity building at national level on strategic spatial planning). The focus will be put on building the capacity of communities and district authorities to understand, use and exploit the spatial information to understand the risks and the potential of a landscape and take appropriate decisions^[8]. The process will be based on existing plans (most of the districts already have plans such as district economic plans, District Disaster Risk Reduction Plans, Local adaptation plans...). Mainstreaming disaster and climate resilience in district budget is then key to ensure channelling of money to the local level. Specific support will be provided to ensure a proper inclusion of climate resilience in the annual budget of the district. Specific funds could be allocated to implement specific activities/infrastructures leading to more resilient landscapes.

¹⁵ potential to link and create synergies with the ECO-DRR approach (see <https://piroi.croix-rouge.fr/new-disaster-risk-management-project-in-mozambique-2/?lang=en> and <https://pedrr.org/about-us/>)

The activity will be implemented through a local call for proposals (grant agreement) to NGOs in collaboration with District and Provincial level. The district/provincial staff will be complemented by additional local experts to monitor the activities.

Activity 2.3.3 - Dissemination of people-centered early warning systems.

Simple and effective local early warning systems allow local authorities and municipalities to improve their ability to predict and warn in case of disaster and to respond more effectively. There is currently a lack of climate information and infrastructures for sharing information about extreme events particularly in remote areas (e.g weather stations, community radio) and there is no timely distribution of information to key users and local communities.

In this context, this activity will contribute to the presidential initiative related to the dissemination of early warning systems in Mozambique. The focus will be on people-centred early warning systems, which incorporate local knowledge and capacities and take into account the risks faced by women, youth and other vulnerable communities if their barriers in terms of access to information and resources are not considered from the outset. Those systems, that are planned, tested, and maintained together with the population, have proven to work most effectively and be more sustainable.

The activity will be implemented through a direct grant to INGD (to support the presidential initiative) and supported by one or more service contracts. Potential implementing partners are: national research and training institutes (such as UEM); (inter)national technical experts.

Output 2.4 - Women and girls are better involved in policy actions and measures related to losses and damages

Women, girls, men and boys are often affected differently by disasters and risks of losses and damages. Gender inequality caused by socioeconomic conditions, social norms, cultural beliefs, and traditional practices – can leave some groups much worse off than others. Disasters often disproportionately affect women and girls because of their lower access to political, economic, and social capital in addition to the particular vulnerabilities they face resulting from gender-specific social and cultural gender-specific expectations and norms. In fact, women’s and girls’ disaster mortality tends to be higher than that of men and boys^[9]. Beyond this direct impact, women and girls are also subject to indirect impacts in the aftermath of disasters including loss of livelihoods, increase in workload, rise of sexual and gender-based violence (SGBV), deterioration in sexual and reproductive health, loss of education for girls and limited access to post-disaster remedies and compensation.

Governments and disaster risk management (DRM) practitioners have a responsibility to reach, protect and empower women, girls, men, and boys before, during and in the aftermath of disasters. Not only because it is the right thing to do but because doing so will make the recovery process more effective and efficient.

Activity 2.4.1 - Identify and prioritize gender-specific disaster recovery needs.

Too often, ante and post-disaster assessment data do not capture the distinct losses and damages, needs, roles, responsibilities, and capacities of women and men, boys, and girls. This activity aims at collecting and analysing sex- age, and disability disaggregated data to efficiently identify and prioritize gender-responsive recovery needs. The data collection and analysis will require communication and consultation with affected women, men, boys, and girls through inclusive and participatory techniques. This activity will be done in conjunction with activity 2.3.1

The activity will be implemented through a service contract and could be supported by a public-public agreement. Potential implementing partners are: national research and training institutes (such as UEM, Observatório do Meio Rural (OMR), (inter)national technical experts, international research institute.

Activity 2.4.2 - Integrate concrete measures to protect women and girls in the disaster recovery framework

This activity will invest in actions that promote gender equality and women’s empowerment in policy actions and community engagement. This will include the active participation of women and girls, from training women on community based early warning systems to elevating women to decision-making roles in local disaster risk management committee (related to output 3).

The activity will also produce and disseminate knowledge on good practices related to integration of gender in disaster recovery framework such as (i) integrating safety concerns (such as separate sanitation facilities for males and females) into the design and construction of temporary settlements, houses, schools, clinics; (ii) by developing policies and enforcement mechanisms so that perpetrators of SGBV^[10] are legally held accountable for their actions, or (iii) by providing counselling that targets especially vulnerable groups, such as SGBV survivors.

The activity will be implemented through one or more service contracts. Potential implementing partners are: national research and training institutes; (inter)national technical experts.

Activity 2.4.3 - Support the engagement of women and youth in the dialogue on losses and damages.

This activity will support opportunities for Mozambican women, group of women and women’s platforms to develop competences in losses and damages and networking (e.g., build capacities on the topic and participate actively in national, regional, and international events – such as COP- to represent the voice of women and civil society regarding losses and damages). This could contribute to the diffusion of new norms and shifts in wider public opinions by identifying and strengthening groups that have influence.

The activity will be implemented through a grant agreement. Potential implementing partners: Women and Youth Association, NGO’s, platforms.

R3. The access to sustainable and clean public energy services, especially in off-grid areas, is improved by learning from existing infrastructures and interventions, testing innovations and innovative business models, promoting the involvement of the private sector, and by facilitating additional investments in renewable energy provision

3.1	Inter and intra-sectoral coordination of government agencies, including private sector and energy sectoral associations, are enhanced to improve and expand energy access through renewables.
3.2	Central and local government agencies, municipalities and communities are capacitated in the selection, design, and delivery of clean energy projects
3.3	Pilot projects and innovative business models aimed to improve the sustainability of (decentralized) renewable energy technologies are promoted and encourage the delivery of clean energy solutions adequately addressing communities' needs
3.4	Women's involvement in clean energy projects is enhanced through the adoption of gender-inclusive methodologies during project development and implementation
3.5	Enabling policies and institutional framework conditions are identified to support innovative and sustainable recycling systems and contribute to an effective solar waste management

Mozambique's renewable energy sector is in dire need to promote and scale-up various renewable energy projects and to leverage the role of private investment, communities, and civil societies to ensure a sustained path to universal energy access.

The Access to Energy component is built based on an active **continuity and complementarity of ongoing interventions**, such as the "Renewable Energy for Rural Development" (RERD2), its addendum (RERD2+), 2018-2024 and the "Capacity Development of MIREME and ARENE" in Mozambique, 2018-2023 (CB MIREME/ARENE).

The new portfolio aims to leverage and further strengthen Enabel's strong relationship with Mozambican government actors in the energy sector, and will support initiatives that promote, replicate, or **scale up pilot projects and business models for improved sustainability** of renewable energy technologies in off-grid areas. It will also draw on lessons learnt, and experiences gained from other off-grid initiatives and programmes implemented in the country by various development partners. The resources available in this new portfolio for energy access change areas are limited: therefore, the **focus** of activities will be **on innovative approaches** to unlock the potential of the sector and to ensure the sustainability of such rollouts.

Output 3.1 - Inter and intra-sectoral coordination of government agencies, including private sector and energy sectoral associations, are enhanced to improve and expand energy access through renewables.

Despite Mozambique's abundant renewable energy potential, limited inter and intra-sectoral coordination and lack of sustained dialogue to streamline the share of renewables and attracting private sector to off-grid electrification has impaired the sector from needed growth.

Promoting sustainable energy access rollout requires adequate inter-sectoral, multi-level and multi-stakeholder coordination, including government actors, private sector, academia, and civil society. The portfolio will support the facilitation and strengthening of coordination mechanism between different energy stakeholders, including the identification of regulatory, institutional, technical, and financial barriers, as well as sectoral approaches, exchange of data and information, business models, low-cost technology solutions and investment plans to overcome these barriers. There is a strong need to identify viable solutions and a sustainable approach to bridge the gap between the high costs of infrastructure development and the low incomes of energy poor households.

Activity 3.1.1 - Reinforce the coordination mechanism already in place and contribute to capacities in and better coordination between institutional partners, both at central and local level, including private sector and energy sectoral associations

Existing inter and intra-sectoral coordination mechanisms will have to be strengthened or, where necessary, adapted to establish thematic working groups to identify and define viable solutions towards SDG (Sustainable Development Goals) 7. The targeted entities are: (1) Inter-sectoral group (energy - water - agriculture - health – education - environment) - covered by the policy Dialogue Result; (2) intra-sectoral group (MIREME, ARENE, FUNAE, EDM, AMER/ALER) and (3) an Energy Expertise Group (to be set up) with a focus on Planning & capacity building. The intervention will prioritize to:

- Ensure coherent and coordinated sector collaboration for effective contextualization of sectoral needs, technology priorities and electrification targets areas for both on-grid and off-grid solutions.
- Facilitate to maximize available domestic resources, information, expertise, and ensure participation of all relevant government and non-government stakeholders in the sector.
- Explore opportunities to support government led (for eg, MIREME, ARENE, FUNAE) sectoral or thematic collaboration initiatives, including private sector and renewable energy associations (AMER/ALER),

- Support to look beyond the silo of the energy sector spatial planning and explore linkages with broader SDG coordination across health, education, water, gender, environment, and other relevant SDG agenda,
- Pilot and build adaptive capacity and resilient planning in the energy sector

This activity will be coordinated and implemented by project staff with support of ad-hoc TA (Service contract) and involvement of RE associations.

Activity 3.1.2 - Support to the production and dissemination of learning / capitalization products

The production and dissemination of information on decentralized renewable energy solutions among all stakeholders at central and provincial levels and the exchange of experiences on the ground will help a shared and common vision on how the off-grid sector will contribute to achieving universal energy access. This activity foresees:

- Introduction of concepts such as a cluster approach to decentralized renewable energy sector planning and strategy. *E.g., preparation of least cost electrification plans covering different electrification tools at cluster level.*
- Continued production and dissemination of information materials on the productive use of renewable energy.
- Support MIREME/ARENE in producing periodic sectoral forecasts.

And will rely on:

- Supporting and partnering with the UEM (University – RE Unit) to generate and disseminate information
- Collaboration with AMER/ALER to increase private sector's participation

This activity will be implemented through a grant in collaboration with the University (UEM) or through a service contract (ad-hoc TA) with specialized consultancy firm to prepare and deliver a package of communication materials and tools.

Activity 3.1.3 - Support the GoM and private sector to have improved access to additional (especially climate) funding to boost investment and innovations in decentralized rural electrification and clean energy initiatives

The energy market in Mozambique faces different barriers, from policy barriers to limited access to private finances, to name a few, for scaling-up its low-carbon development initiatives. Amongst critical barriers that are preventing market development and private sector investments for renewable energy are the **lack of scalable business models** and/or capabilities to develop bankable projects. The off-grid market has a limited capacity to absorb funding due to its early-stage development. Most projects are reported either being too small to receive institutional finances or not being bankable enough for a return seeking investment. Enabel sees a substantial climate finance potential for private sector led energy projects, particularly for scaling up solar/hydro-based energy generations, improved cooking solutions, thermal application, electric mobility and so on. A detailed baseline study will be paramount including synergy with private sector to test models that can be scaled up and attract private and/or climate investment.

Access to additional funding will be supported through the intervention 2, but as part of the enabling environment regarding the access to energy component, a suggested and complementary activity is to **support public and private financial institutions to improve interest and trust in clean energy projects (bankable projects)**. This will be done through workshops and thematic working groups involving relevant financial institutions (e.g. Banco de Comercio e Industrias (BCI))

This activity will be coordinated and implemented by portfolio staff with support of ad-hoc TA (Service contract or AC Energy), involving RE associations

Output 3.2 - Central and local government agencies, municipalities and communities are capacitated in the selection, design, and delivery of clean energy projects

Activity 3.2.1 - Strengthen and build local expertise to select, design and deliver clean energy projects

Capacity of key energy stakeholders at different levels will be built/strengthened through tailored and specific training programs considering also gender equality opportunities (gender mainstreaming is further developed under output 3.4). Enabel will also work to address the capacity constraints at local level particularly focusing on trainings to form qualified actors and personnel in the distribution and operation of renewable energy products. At provincial and central level, training programs will address identified capacity gaps in terms of planning and regulating the energy off-grid energy sector.

Planned activities will support and help **building local expertise** in specific areas to improve capacity in the selection, design, and implementation of clean energy projects, such as: (1) data collection and GIS tools (2) Solar equipment - Technical skills (3) Operations & Maintenance of PV assets (4) installation and dismantling of mini-grids through collaboration with universities, research and learning centres.

Training of Trainers manuals on (1) RE technologies, (2) energy data and planning and (3) GIS tool have been developed under CB MIREME and implemented through the support of national junior experts. Within the perspective of an active continuity, the intervention will monitor the implementation of these manuals, both at central and provincial level. This includes developing and implementing training action plans focusing on the further dissemination of the technical content of the manuals.

This activity will be implemented through a service contract.

Activity 3.2.2 - Support FUNAE and ARENE to collect, manage, analyze, and model data (including geospatial data for planning purposes)

To strengthen the information system and data management of the energy sector, and improve energy sector planning and M&E, the following activities are foreseen:

- Strengthening of information systems - such as GIS - and analytical capacity in relevant public institutions and at different levels
- Support public availability of energy-related information through government / institutional websites

This activity will be implemented by project staff and through a Service contract (TA) and/or collaboration with potential technical partners (like SE4ALL, VITO, etc)

Output 3.3 - Pilot projects and innovative business models aimed to improve the sustainability of (decentralized) renewable energy technologies are promoted and encourage the delivery of clean energy solutions, addressing adequately communities' needs

As it stands today, Mozambique has not seen significant technological nor business innovations coming out of the off-grid energy sector. There are several reasons for this. Firstly, existing interventions are only reacting to short term goals through grant-push energy access systems and there has not been (much) intersectoral strategic and spatial data backed planning for R&D. Secondly, there have been no targeted efforts to ensure meaningful public-private models for the delivery of energy services in off-grid areas. Thirdly, there is a lack of incubation support for the commercialization of innovative technologies, products, and business models.

In addition, IRENA and GoM promote bioenergy as it can replace fossil fuels and decarbonize energy sources for home, industrial and transport purposes, but some technologies are still in the early development stage.

For home and SME purposes, clean cooking can be achieved through lower-level renewables-based technologies, such as modern forms of biomass or efficient cookstoves. However, class- and gender-based inequalities remain major barriers to secure adoption. Policy support, business models, and information dissemination are also needed to incentivize bioenergy projects and their uptake.

Activity 3.3.1 - Leveraging of existing assets (mini grids) to test different business models and assess the impact of the combination of domestic, community, and productive customers

The off-grid sector in Mozambique is characterised by a small group of solar technologies distributors which supply Solar Home Systems in rural areas. Private sector led mini grids (hydro and solar) are still at the nascent stage of development and have only lately received increased attention of the policy makers and the development communities for their potential to accelerate rural electrification.

Making private mini-grid development a viable and sustainable alternative to grid-extension can be planned together with ARENE/FUNAE in several ways and following different strategies or modalities responding to the demand to reach the universal access to energy objective and the economic viability logic guiding site selection and bringing in private operators.

The intervention will investigate and facilitate the adoption of a **cluster-based energy service delivery model** and leverage existing infrastructures (mini-grids) to showcase sustainable mini grid operation models as well as financing mechanisms. Those will reflect best practices and offer recommendations to GoM and financial institutions on how to accelerate off-grid energy development and reap its benefits. A cluster-based energy service development approach can indeed be a workable solution to expediate progress towards a universal electrification target for Mozambique. Such clusters can be allotted to interested private enterprises who will technically and economically customize their energy solutions fitting to the potential demand and customers' purchasing capacities, without excluding vulnerable areas and sectors.

Within this perspective, it is foreseen to **test different business models and assess the impact of the combination of domestic, community, and productive customers in 5 solar mini grids.**

RERD2 is anticipating completing the installation of 5 solar mini grids by 2023. For these generation assets to ensure a sustained operation and to maximize their production capacity during their anticipated lifetime, a **sustainable operation management system** is a pre-requisite. An effective O & M model needs to secure a proper management of the asset alongside ensuring viable revenue generation to cover the O & M costs through various demand stimulation and tariff configurations. These are more a task of competent private enterprises. The operational and financial sustainability of the RERD2 mini- grids will also highly depend on how these systems are managed and their ability to stimulate productive enterprises in their catchment areas. Food and fishery value chains have been identified in the mini-grid areas as opportunities to increase the demand uptake.

To further research the financial viability of the site at mini-grid communities' level, the following activities are proposed:

- field surveys to better assess opportunities for renewable energy applications within agricultural value-chains such as solar pumps for irrigation, food processing, solar cooling applications for the fishery value chain, etc.
- collection of key technical data (ability to pay for and maintain the infrastructure, OPEX costs, customer tariffs, quality, and stability of power supply) and socio-economic impact indicators will be identified, collected, and verified through remote monitoring systems.
- identification of different business models that could be tested on RERD2 mini-grid areas, assessing the impact of different combinations of residential, community, and productive customers.

In surrounding villages:

- Pre-feasibility studies to assess potential expansion areas (other villages) resulting to clusters of sites.
- Surveys will be conducted to assess energy needs, demand increase opportunities, productive use potential, socio-economic data (population density, willing to pay)
- Geospatial layout of non-electrified customers, the existing infrastructure and deployed renewable energy technologies in off-grid areas, quantifying the share of penetration of solar kits and mini-grids infrastructure
- Identification of clusters / groups of clusters, that could be launched through a tender process for private developers.

This exercise will be conducted in close collaboration with central, provincial, and local public and private actors from the energy sector. All data will be integrated in GIS tools and existing data flows and will support decision-making on which technology to use to electrify any given area through least-cost techno-economic modelling, without excluding vulnerable areas and sectors.

The intervention aims to leverage private investment while also **reaching vulnerable population for whom a “classical market approach” do not work**. To escape as well from the logic of fully granted based mechanisms to reach universal access to energy, which is not sustainable on the long run, provision of funding will be provided to incentivise and boost private and public investment. Funding support (through grant mechanism) can be envisaged to provide soft-skills and hard components (funding support to provision of studies or construction work e.g., additional HH connexions, provision of equipment for Productive Use of energy, etc).

Potential local partners to roll out the cluster-based approach and productive use can be employed.

This activity will be implemented through a grant agreement with ad-hoc support of TA (Service contract and/or AC Energy). Potential implementing partners will be identified through a call for proposal.

Activity 3.3.2 - Implementing a local pilot project, focusing on alternative and sustainable biomass value chain

Key aspects of energy access beyond electricity, including clean cooking, energy efficiency and cooling are often absent from current national electrification plans. It has also been noted that domestic and productive biomass fuel use data are critically lacking and outdated. This leads to underutilization of potential of biomass value chains development (domestication, efficiency, green seal, and product of controlled origin...). Implementing local pilot projects will help to provide useful feedback to policy dialogue, complement the national electrification plan or strategy and provide pragmatic solutions to energy poverty.

The proposed activities would focus on piloting the promotion of certain alternative biomass fuels **especially for domestic and industrial cooking, heating, and possible co-generation:**

- Further dissemination and roll-out of **bio briquette** technologies and innovative business models for productive and domestic use (especially related to cashew, coconut, and agricultural waste pilots undertaken in Zambezia and/or Nampula provinces).
- Support associations, cooperatives, private sector and public actors in sustainable biomass production, marketing, and regulation
- Establishment of a Geographic Information System (GIS) data management on biomass production and productive/domestic use, complementing the existing GIS tools for electrification and remote monitoring of forestry and land use management in Zambezia and/or Nampula provinces

This activity will be implemented through a service contract.

Activity 3.3.3 - Awareness raising activities on clean energy technologies, energy efficiency and alternative fuels (solar cookers, biomass/clean cooking area) at community level.

Low penetration of clean energy technologies in rural areas, combined with limited awareness of clean energy technologies and their benefits result in low consumer confidence to adopt new energy technologies is one of the market barriers in the off-grid sector.

Enabel and MIREME have developed promotion material for awareness raising on renewable energies, such as solar, hydro, wind, biomass, including videos in vernacular languages, which could be further duplicated and disseminated. The foreseen activities are:

- Awareness raising campaigns at community level in pre-selected areas where mini grids already operate or are under construction
- Communication campaigns, including the production of design guides, tool kits, user manuals regarding benefits of renewable energy and off-grid solutions (including the productive use, clean cooking, alternative fuels like bio briquette, solar cookers).

This activity will be implemented through a service contract.

Output 3.4 - Women's involvement in clean energy projects is enhanced through the adoption of gender-inclusive methodologies during project development and implementation

Challenges to mainstream gender persist in the energy sector, since there has been a tendency to develop infrastructure without sufficient attention to community applications, users' needs and potential productive uses. This especially affects women as they are the ones using more energy for household activities, both in urban and rural areas.

Cultural and social norms, together with perception of gender roles are identified as the most common barriers to women's participation in the energy sector, followed by a lack of gender-sensitive policies, training opportunities and inequity in ownership of assets.

In order to improve women's involvement in clean energy project implementation, following activities are foreseen:

Activity 3.4.1 - Awareness raising campaigns at community level

- Sensitize communities and private sector entities responsible for project implementation on renewable energy use, technologies and solutions through GFP (Gender Focal Points)
- Dissemination of materials developed and produced in the scope of the CBMIREME/ARENE during "awareness raising sessions" on renewable energy and clean cooking solutions

Activity 3.4.2 - Empowering women in communities in technical skills for off-grid renewable energy, through vocational trainings and/or existing initiatives (examples: LIVANINGO, KULIMA, Leonardo Green, etc.)

Activity 3.4.3 - Surveys and sex disaggregated data collection at community level (to be reported to provincial officers and central level)

Output 3.5 - Enabling policies and institutional framework conditions are identified to support innovative and sustainable recycling systems and contribute to an effective solar waste management

GoM aims at achieving universal electricity access (100%) by 2030, roughly 70% through grid expansion and 30% through off-grid systems. According to FUNAE document "Off-Grid Electrification Roadmap, March 2022", achieving universal access by 2030 will be done between 68% on grid connections, 13% of mini-grid connections (around 1,3 million households) and 19% by solar home systems (around 2 million households).

These figures only refer to domestic needs, which means that if Productive Uses of energy are added, the number of solar components (as well as appliances) will be significantly be increased.

Currently and according to ALER document “Briefing: Renewables in Mozambique 2021”, there are around 73,000 Solar Home Systems in operations in Mozambique and 76 Mini-Grids cumulating 6 MW of generation capacity between hydro and solar (all public owned by FUNAE).

These numbers do not consider an important part of the market driven by sales of solar components in secondary markets by wholesalers and retailers difficult to assess, as they belong mostly to the informal economy that is not captured in national statistics.

Furthermore, new regulations are expected to foster an important growth in the mini-grid market in Mozambique and will allow private companies to develop, build and operate Mini-Grids.

As a result, solar PV systems will therefore continue to play a major role in achieving Mozambique’s energy access targets. As such, energy storage, particularly batteries, will be critical in supporting progress to full energy access by 2030.

This increasing demand for batteries brings increasing challenges, due to the growing stream of decommissioned batteries. Historic pollution cases from substandard lead-acid recycling facilities in Africa, and a lack of lithium-ion recycling infrastructure – the two most used technologies for energy access applications – highlight the gap that countries face in implementing a sustainable battery supply chain.

This situation calls for innovations and circular solutions in solar waste management and in recovering materials through efficient battery recycling approaches.

In the specific case of Mozambique, the absence of local manufacturing (exception made for the PV manufacturing unit of FUNAE) and the lack of specific regulation and specialised recycling and disposal companies for solar equipment make the situation more challenging.

While public and private sector are beginning to look at the problem, **solar waste management** strategies have yet to be developed. Inexistent and/or inappropriate e-waste management activities could lead to serious health and environmental concerns, which would translate into a reputational risk for the solar energy sector.

The following activities related to end-of-life management of solar equipment are proposed:

- baseline study to have a better perception of situation of solar equipment (formal and informal sector) to assess the potential future solar waste
- Study on export-treatment and/or local recycling for end-of-life solar equipment in Mozambique
- Support MTA on drafting technical descriptions required for solar equipment as well as support ARENE on components and characteristics of solar material
- Support the creation of a database of solar system in Mozambique able to trace the number of components

This activity will be implemented through ad-hoc TA (Service contract and/or existing Framework Agreement Energy).

R4. The sustainability of climate-resilient drinking water supply and solar-powered irrigation systems in rural areas is improved through an appropriate engagement and support from districts, provinces, private sector, and local communities

4.1	The intersectoral consultation and collaboration between water and other technical services at provincial and district levels are enhanced through operational and inclusive coordination mechanisms and dissemination of good practices at central level
4.2	Public actors at provincial and district level have the capacities to develop and implement sustainable water supply interventions counting on a reliable SINAS, effective regulation and enhanced planning and management skills
4.3	An improved knowledge and awareness of the communities around climate change, disaster risks prevention and climate proofed infrastructure contribute to their involvement in the decision-making process for sustainable management, design, and O&M
4.4	Women and girls are better involved in water sector management/decision at community and at public service level
4.5	Climate proofed water services to the populations are supported by technological innovation, nature-based solution, and renewable energy

Output 4.1 – The intersectoral consultation and collaboration between water and other technical services at provincial and district levels are enhanced through operational and inclusive coordination mechanisms and dissemination of good practices at central level.

Government coordination groups on rural water and integrated water resources management are established. One of the challenges is their implementation, the overlaps at national and local levels and the lack of synergies. At the local level, there is a need to strengthen coordination between the Department of Water and Sanitation (DAS) and the District Planning and Infrastructure Services (SDPI). Better synergies need to be established between these two levels. As the SDPI oversees the monitoring of basic services, it will be the entry point for ensuring an inter-sectoral dialogue at the provincial level.

The coordination process cannot be established without trust, knowledge, understanding and relationships necessary to achieve common goals. It must be based on transparency, inter-department communication and accountability for impact principles.

Activity 4.1.1 - Diagnosis and implementation of an adequate inter-sectoral coordination process at district and provincial levels

First step will be an organisational assessment of the coordination mechanisms at provincial and district level. From there, a mapping of who is doing what at each level will be conducted. The assessment and mapping will assess the strengths, weaknesses, the potential overlapping, or complementary capacities and identify opportunities to strengthen coordination mechanisms. Recommendations to improve the existing coordination mechanisms will be done and a workplan of activities to support better coordination will be jointly elaborated. The second step will be to develop the coordination process as an iterative process built on the following steps: communication ⇒ co-existence ⇒ coordinated action ⇒ integrated action and decision making.

Different incentives are considered to foster an effective coordination process:

- Give staff time to actively participate in coordination processes,
- Accompany coordination members to see that effective coordination supports the achievement of their mandate and improves their ability to achieve their objectives,
- Provide coordination members with tools to share information with their institution, which should encourage their agency's continued commitment to the process,
- Assign clear roles to members,

The consolidation of the coordination process will be supported by an adapted methodology and adequate coaching. The coordination process will target the existing coordination mechanism of territorial planification and disaster risks prevention as well.

The activity will be implemented through a service contract (ad hoc TA) that will provide a facilitator to accompany and consolidate the coordination process.

Activity 4.1.2 - Capitalisation on processes, tools, lessons learnt at central level (DNAAS), exchange and replication in other provinces

Based on the results, lessons learnt, and tools developed at provincial level (North Maputo and Gaza) under the Output 4.2 and capitalised by the team in support, a dialogue will be established at central level (DNAAS) to capitalise and develop tools for the establishment of an effective coordination mechanism based on intersectoral dialogue.

A replication of the activities will be done in other provinces, such as Nampula Province, with the objective of familiarising DNAAS staff with the methodology and incorporating it in DNAAS working tools. The replication will be supported by the ad hoc TA.

The organisation of the dissemination workshops will be implemented by DNAAS through a grant agreement. Support to the activity will be provided through the service contract (ad hoc TA) of activity (a. DNAAS will provide in-house staff (1 year) to assimilate the methodology.

Output 4.2 – Public actors at provincial and district level have the capacities to develop and implement sustainable water supply interventions counting on a reliable SINAS, effective regulation and enhanced planning and management skills

Regulation is the process of imposing, monitoring, and enforcing standards and conditions for the provision of public services. It includes oversight of pricing and tariff setting, service quality, performance requirements, workplace safety, investment promotion and compliance enforcement by service providers. Effective regulation and regulatory instruments provide appropriate and relevant guidance for water supply interventions in urban and rural areas. AURA is the official regulator in the water sector in Mozambique, in urban and rural areas.

The development of sustainable intervention will be improved by improving the functioning of **National Water Sector Information System (SINAS)** and its efficient use by the provincial services. The reinforcement of capacities with the development of technical training provision and their implementation will improve the technical skills of provincial staffs to design, tender and monitor sustainable water services.

Activity 4.2.1 - Support to the revision of the existing regulation as a pilot in North Maputo and Gaza

Regulatory objectives for water supply policy in rural areas should include: (i) increasing access, particularly for poor and vulnerable groups; (ii) improving quality of service delivery; (iii) improving efficiency of service

providers; (iv) securing access to private and public capital for sector financing and (v) focusing on appropriate and innovative technologies, including water safety and climate change.

Improving the financial viability of service providers through realistic tariffs will be explored. To this end, a specific tariff study per district will be carried out. Real CAPEX/OPEX data's will be considered from the existing infrastructures developed under previous Enabel projects to assess realistic tariffs.

The activity will be implemented through a service contract (AC Water or service contract tender).

Activity 4.2.2 - Support to the national mapping exercise launched by Mozambican government

The **National Water Sector Information System (SINAS)** is an information management system whose mission is to create a robust institutional information network that aims to identify, analyse, disseminate, use and store data and information for management, planning, policy formulation and decision-making.

The GoM intends to launch a nation-wide mapping exercise on the state of SINAS. Funds have already been secured through Swiss Development Cooperation (SDC) to cover Niassa and Cabo Delgado Provinces. DNAAS has indicated a strong interest to see North Maputo, Gaza and Nampula Provinces to be incorporated in the mapping exercise with the support of Belgian funds.

Some of the challenges identified as limiting elements are: quality, reliability and consistency of data, indicators to be refined with climate change perspectives, allocation of sufficient financial and human resources at local government level, capacity building in all provinces and districts and improved information management in operation and coordination.

The activity will be implemented through a service contract.

Activity 4.2.3 - Training and equipment at district level for SINAS implementation

Based on the results of the mapping exercise, specific training and equipment will be provided at the district level in North Maputo and Gaza. In particular, the use of smart technology to monitor some of the data could be considered and the involvement of private operators in data collection will be explored.

The activity will be implemented through service and supply contracts and a direct grant to DPOP Gaza/Maputo.

Activity 4.2.4 - Assessment of existing technical skills and development of adequate technical training modules

Capacity building at central and decentralised levels with the development of technical training provision is a highly recommended support by all partners (DNAAS, provincial and district levels). The focus will be on improving the capacity for sustainable and efficient management of water supply in rural areas through improved technical skills, integrated planning, and gender challenges.

The first step will be to carry out a skills audit in the water sector at provincial and district level, in collaboration with DNAAS, to identify training gaps and needs.

A second step will be to review existing training modules developed by CFPAS (Centro de Formação Profissional de Água e Saneamento). CFPAS offers a series of short technical courses that could form the basis of the water sector training component. For the modules that do not exist in the CFPAS offer, other institutions will be considered for the creation of the modules.

The pre-identified modules are: new technologies in the water sector, renewable energies, water and energy efficiency, desalination, sizing of distribution systems, tendering process (technical specifications and

evaluation of bids), geophysical studies, climate change resilient infrastructure, sustainable financing model, service provisions, O&M, payment recovery, etc.), and gender. Those modules could be complemented by an additional module related to integrated spatial planning in cross-sectorial context. For some modules, it is recommended to involve the private sector in their drafting/revision to give a practical dimension and to move away from the academic dimension.

Specific workshops at district authority level were identified as well (as response to weaknesses in management of private operators) identified by DNAAS, provincial and district levels and it is proposed to cover the following topics: Development of guidelines on Private Sector engagement in water sector , Capacity building on business model and contractual tools in the cluster approach to water facility management, Establishment of monitoring tools and annual publication of results (accountability), ...

The activity will be implemented through a service contract. CFPAS involvement will be through a direct grant. Both the service contractor and CFPAS will be supported by a public-public agreement (Universities and SWOP (possibility to involve SWDE and VIVAQUA)), those potential partners will be identified through a call for interest with an intention of peer learning approach.

Activity 4.2.5 - Training at District, Provincial and Central level aiming at provincial and district level to promote cross-sectorial dialogue and peer learning (Gaza and Maputo)

The courses developed under the previous activity will take place in-situ at provincial level to bring together participants from several sectors (water, energy, agriculture, etc.) and to create space for cross-sectorial dialogue and to boost the peer-learning process.

The facilitation of the courses will be implemented through a direct grant with the institution in charge of their development (CFPAS) and if needed a local call for proposals. Both will be supported by a public-public agreement (Universities and SWOP (possibility to involve SWDE) identified by a call for interest.

The organization of the on-site workshops will be implemented by the provincial level (DPOP - Provincial Directorates of Public Works) through a grant agreement. The district/provincial staff will be complemented by additional local experts to follow up the activities.

Output 4.3 – An improved knowledge and awareness of the communities around climate change, disaster risks prevention and climate proofed infrastructure contribute to their involvement in the decision-making process for sustainable management

The role and participation of communities in water management is rather limited, particularly at the local level when it comes to decision making-processes, technical choices, and sustainability of infrastructure. Therefore, through citizen science, Train-the-Trainers' approach or equivalent activities, the intention is to raise community awareness and empower women, youth and vulnerable groups in the consultation and planning processes put in place and to enable the active involvement of communities in the debate on climate-proofing water infrastructure, risk management and climate change shocks. This real participation in the reflection and decision-making process will strengthen the ownership of the infrastructures by the communities for a better sustainability (among others the involvement in the O&M).

Activity 4.3.1 - Preliminary study to assess needs and constraints at community level for adequate knowledge and empowerment choices

Different means exist to build knowledge and empower the communities. It is proposed to carry out a preliminary study with a strong anthropological /sociological component in order to identify the best ways to address the questions of water management, water access, climate change risks and shocks, sustainability of infrastructure, ... with local communities.

The objective is to determine the real needs in terms of knowledge, the best ways to provide this basic education and to empower the communities in their rights and responsibilities such as decision-making, natural resources management, participation in design of infrastructure, involvement in O&M, ... Another important aspect will be to ensure links with livelihoods improvement in the context of the WEFE nexus.

Currently, 2 approaches are pre-identified:

Conceptualisation of technical modules for knowledge transfer at sub-levels and to communities (Train-the-trainer model)

The train-the-trainer model is a training framework that turns local staff/actors into subject matter experts who can then teach other staff/actors. This model maintains many trainers at the decentralised level and provides continuity in training and knowledge building.

A challenge with the model is to convert the knowledge into appropriate language to effectively reinforce the targeted level. The train-the-trainer approach will start with an assessment of the different levels to be strengthened (communities, artisans, local trainers, ...) and the knowledge needed for each level. It will be necessary to proceed to a "translation" of the modules (developed under Output 2.2) and to the creation of new modules to adequately respond to the needs of the targeted actors. A module on awareness and the ability to claim services as right holders will be of relevance.

Development of citizen science approach to identify appropriate ways to cope with shocks and emergencies on water access and hazard at community level and to report it to the district level

The intended approach is a process in which communities and individuals are involved in designing a research question and conducting scientific experiments with minimal involvement of community educators or professional scientists. Involving communities in research scenarios and in the design choices that follow from the research findings requires intensive capacity building but ensures appropriate choices to deal with shocks and emergencies, in line with the environment and the needs of communities. This approach is an interesting entry point for empowering women and youth as data collectors.

The preliminary study will assess the best options and will prepare a first draft of document for the launch of a local call for proposal to NGOs and Research Institutes.

The activity will be implemented through a service contract.

Activity 4.3.2 - Empowerment of communities (with a focus on women, youth, and vulnerable groups) in climate-proofed infrastructure design, climate change and disaster risks prevention

Aligned with the above assessment, the empowerment and knowledge reinforcement approach will be implemented (jointly with the Community Education Programme (PEC)) to accompany the communities in decision-making process, natural resources management, participation in climate-proofed infrastructure design and water resources management, involvement in O&M, gender challenges....

The knowledge acquired on climate change and risks will be used to explore and assess technical solutions to protect the community's infrastructure. The guideline currently developed by INGD (Resilient infrastructure for water) will be used to support the dialogue within the communities and to help them to design their appropriate solutions. The use of the PEC will add the dimension related to hygiene, well-being, and ecosystem services.

The lessons learnt of this activity will be reported at District, Provincial and Central level in dedicated workshops and a capitalisation document will be issued.

The activity will be implemented through a local call for proposals to NGOs and research institutes in collaboration with District level

Output 4.4 - Women and girls are better involved in water sector management/decision at community and at public service level

In Mozambique, gender roles are defined by social norms, where most women take care of the home and men are the providers and authority. This configuration limits women's independence and decision-making power. Despite a strong legal framework protecting and promoting women's rights, most women and girls are considered responsible for access to water at the household level and few of them are among the decision-makers and implementers when it comes to thinking about water management and infrastructure development (at community, local and central levels). This situation is particularly reinforced by the lack of information, education (illiteracy) and access to resources, which limits women's adoption of adaptive measures in water management (at household and community levels).

Activity 4.4.1 - Reinforcement of communication on Gender Strategy in the Public Works sector, including the Water subsector

DNAAS is currently drafting a Gender Strategy for the Public Works Sector, which includes the water subsector. The proposal is to develop a specific training module based on this strategy. This module will be used as part of activity to strengthen gender awareness and knowledge at district and provincial levels.

This Gender Strategy will also be an entry point to discuss gender issues, behaviour changes and to raise awareness on the transformative approach to gender (entrenched social norms and perceptions that sustain gender discrimination, the challenges of gender mainstreaming, and how to improve gender sensitive data collection and analysis).

The activity will be implemented by DNAAS through a grant agreement with the support of ad-hoc national TA (service contract).

Activity 4.4.2 - Conceptualisation and dissemination of specific modules for gender integration and empowerment in water sector at district, provincial and community levels

Awareness on gender mainstreaming and empowerment will be developed at district, provincial and community levels as part of the training approach. Specific modules will be developed based on the content of the recent gender strategy in the public works sector, which includes the water subsector. Adapted modules will also be disseminated at community level using the train-the-trainers approach and promoting women as trainers in the same approach.

The course creation and facilitation will be implemented through a service contract.

The course delivery at District and Provincial levels will be part of the service contract while the organization of the on-site workshops will be under the responsibility of the provincial level (DPOP) through a grant agreement (under Output 2.3-e).

The transfer of knowledge to the community level will be part of the service contract through a specific training on the gender course delivered to the NGO responsible the implementation of Activity 4.3.2 - Empowerment of communities.

Output 4.5 - Climate proofed water services to the populations are supported by technological innovation, nature-based solutions, and renewable energy

The innovation will be dedicated to the drinking and productive water services by complementing or investing in the necessary infrastructures for water supply or irrigation systems. It will enhance the sustainable use of groundwater and rainwater for climate adaptation and development. Investment in facilities to maximize water collection and conservation and integration of renewable energy will be considered.

Activity 4.5.1 - Implementation of pre-infrastructure feasibility studies

Environmental and social impact studies (in accordance with Mozambique's EIA regulation) will be carried out in the selected areas to assess the risks related to the environment and climate change.

To adequately invest in infrastructures in rural areas of North Maputo and Gaza, workshops will be conducted with the relevant authorities (Province, District, SDPI) to determine criteria for villages selection and to evaluate the villages according to the selected criteria.

The criteria will cover technical, environmental, social, financial, and institutional dimensions (but not only) and contribute to district integrated spatial planning: sufficient flow for the intended use (actual estimate of water needs), depths of boreholes, existing equipment, renewal status of water resources, water quality, land rights, distance to water points, inclusiveness, village free of open-faecal contamination, ...

The guidelines currently developed by INGD (Resilient infrastructure for water) will be used to support the technical adaptation choice for the infrastructure.

The activity will be implemented through a service contract (local consultancy firm) that will develop the tender documents for the infrastructure (APS and APD). The district/provincial staff will be complemented by additional local experts to monitor the activities.

Activity 4.5.2 - New Infrastructure, rehabilitation, and extension including access to renewable energy

Based on the feasibility studies, villages will be equipped with the most appropriate infrastructure. Attention will be paid to the rehabilitation of existing infrastructure, with a focus on renewable energy equipment, location, and design of sites to limit the risk of flooding and resistance to strong winds/hurricanes. Intersectoral dialogue initiated under Outputs 2.1 and 2.2 will be used to ensure planning and technical cooperation between sectors.

Given the saline nature of the soils in the target areas, an emphasis will be on equipping the selected areas and communities with at least 3 desalination units and rainwater harvesting systems. The first will allow for a better development of the clustering of the areas for the transfer of O&M to the private sector.

The activity will be implemented through one or more works and services contracts resulting from a tendering process. The district/provincial staff will be complemented by additional local experts to monitor the activities.

Activity 4.5.3 - Reinforcement of SPIS business development by developing social engineering modules and specific support to INIR

To strengthen the Solar Powered Irrigation System (SPIS) activities launched under the RERD2+ programme, a specific activity will be dedicated to supporting the beneficiaries through a social engineering approach. The objective is to maintain and strengthen technical skills and to maintain and strengthen technical and business skills to ensure a viable business for the farms/producers.

In doing so, the sustainability of the investment will be reinforced as the social engineering will be continued beyond the end of the RERD2+ programme in 2025.

The activity will be implemented through a direct grant to INIR (Irrigation Support Department) for the implementation of social engineering activities and ad hoc technical assistance upon request (AC Water).

Activity 4.5.4 - Support to potential networks extension with the support of private operators

Based on the positive results of water network management, districts and private operators could benefit from technical studies (feasibility study, business model plan, etc.) to assess the potential for network extension. These studies would allow easier access to additional funds (such as climate finance) and/or give better security to private operators to invest in new infrastructure by themselves.

The activity will be implemented through local service contracts resulting from a tendering process.

R5. - The GoM and the related actors involved in municipal waste management system at local level are supported and implement the national programme for sustainable waste management and promote a circular economy in selected municipalities and at national level

5.1	Waste management plans are coordinated with other municipal public services and covered by the reporting system towards the national authorities
5.2	The capacity of municipalities for enforcing the waste management plans is strengthened and investments in collection equipment and infrastructure are planned on the long term.
5.3	Waste pickers and neighbourhood associations become key partners for the Municipality and waste operators to collect recoverable waste and to reclaim the loss of the amenity due to the dispersion of wastes in the public space
5.4	Women are an active player in the waste collection system and are allocated a fair part of the economic benefits
5.5	A circular economic case of recoverable waste can be scaled up in the country, during the design of the system, its operations and identification of new investments all the actors are engaged

The waste component of the portfolio will be aimed at supporting the **transition to a sustainable waste management system** for residential and assimilated wastes **in the Municipalities of Nacala and Nampula**. To this end, it will focus on strengthening the capacity of local actors involved in the waste collection system, including municipalities, waste pickers, neighborhood associations, and by developing a network of purchase points, called “**eco-points**”, for the recoverable wastes, starting with the ones that are most valuable like PET, HDPE, PP and metal cans.

This component is conceived **in articulation with the NAMA support project (NSP)**. Both interventions will implement different but complementary activities.

NAMA supported project	Bilateral cooperation component
<ul style="list-style-type: none"> - National approach - Policy / legal - Waste treatment infrastructure - Institutional strengthening - Funding mechanisms - Data aggregation 	<ul style="list-style-type: none"> - Local approach - Waste management plans - Waste collection - Stakeholders’ engagement - Costs optimization - Data production

It should be noted that **both interventions will be the first ones focusing on strengthening the capacity on waste management in Mozambique.**

Output 5.1 - Waste management plans are coordinated with other municipal sectoral activities and covered by the reporting system towards the national authorities

When municipal authorities have to deal with a lack of coordination between waste management plans and other sectoral activities, it often occurs at a very late stage when the plan is already being implemented. This generates conflicts and a lot of resources are then necessary to modify the plans. The objective will be to anticipate these scenarios at an earlier stage either during the design phase or during the implementation phase by promoting **integrated spatial planning** and making predictions based on monitoring data.

Considering the huge needs and the limited available resources, special attention will be given to promoting win-win situations between waste and other sectors (industry, agriculture, etc.) to demonstrate the shared benefits of sectoral integration on the long term.

Activity 5.1.1 – Alignment of waste management plans with other municipal sectoral activities

Waste management plans should not be seen in isolation as there are a lot of interactions with other municipal sectoral activities:

- **Spatial planning:** on the short term, it should support the decision on the location of eco-points and secure the space for future waste treatment infrastructure (including road access). On the long term, when planning future urban extensions, it should integrate the waste management concerns (infrastructure, collection truck itinerary, eco-points, etc.).
- **Drainage:** Waste dispersion (especially plastic waste) may cause sewerage clogging leading to urban flooding events. The project will identify which areas in the city are prone to this type of event and will make sure that it is treated as a priority when implementing the waste management plans.
- **Energy:** EDM, the electricity utility, is responsible for collecting waste fees amongst the residents. The project will review the reallocation mechanism to the municipalities and the calculation of the commission charged by EDM for that service. Together with EDM and the municipality, the project will develop proposals to make it more efficient and more transparent.
- **Agriculture in the suburbs:** waste dispersion (especially plastic waste) may cause significant decrease of soil fertility. The project will identify the agricultural areas that are the most at risk and make sure that they are treated as a priority when implementing the waste management plans.

The intervention staff will assist the municipal service in charge of waste to consult with other municipal services to review the needs for data exchange and coordination measures between the sectors (e.g. ensure coherence and consistency with other sectoral plans (territorial plans, water management plans, etc.) through integrated spatial planning). Once an agreement will have been reached on a solution to be implemented, the project will support the intervention of consultant and / or the acquisition of IT equipment.

The activity will be implemented through one or more services contracts.

Activity 5.1.2 – Supporting the municipalities to fulfill their reporting obligations

Many municipalities have difficulties to fulfil legal reporting obligations to the MTA regarding waste collection and treatment within their territory. The project will support the municipalities to understand what their legal obligations are, how the requested data can be extracted from the planning system and be processed according to the national standards before transferring the information to the MTA. This will be the task of the project staff with external assistance (legal, data processing, etc.) if necessary.

The intervention will also support the involvement of ANAMM in the reporting processes to voice the concerns of the municipalities to the MTA and, when appropriate, propose modifications to the reporting system.

The activity will be implemented through a service contract and project staff.

Output 5.2 – The capacity of municipalities for enforcing waste management plans is strengthened and investments in collection equipment are planned on the long term.

The waste management plan is a central tool for the municipalities to organize the waste collection system for both the recoverable and residual waste within their territory. However, the plans are often not properly enforced and thus are of little help to tackle the waste management problems. Furthermore, there is a need to ensure that waste management plans are climate proofed and coherent with other sectoral plans.

Activity 5.2.1 – Strengthening the capacity of municipalities to enforce the waste management plans

The waste management plans are aimed to determining a level of service for the waste collection system taking into consideration the different wastes that are produced across the city (quantity, nature, location, etc.) and the available resources (workforce, equipment, trucks, treatment infrastructure, etc.). They are the basis for the authorities to allocate responsibilities to the different actors and to determine a mechanism for waste management cost recovery.

The intervention will organize training sessions for municipal politicians to explain to them the issues at stake with waste management (city amenity, cost recovery, private partners) and raise awareness of the benefits of improved management (even if benefits are only perceived on the long term). Several scenarios will be considered. This is likely to trigger the adoption of new municipal bylaws and the revision of municipal objectives in terms of level of service for the residents in the different areas of the city. In this context, it should be noted that the future negotiations with the private operators in charge of the waste treatment infrastructure will be integrated into the NSP activities.

In parallel, the intervention will strengthen the capacity of the municipal services to carry out key planning and monitoring tasks. The goal will be to optimize the use of currently available resources. Priority will be given:

- To **assess the production of waste** by the residents and other actors (industry, trade) across the city. Special attention will be given to estimating the quantity of recoverable waste (PET, HDPE, PP, metal cans, etc.) that may be collected in a segregated way.
- To **organize the collection system** for residual wastes (definition of the sectors, truck itinerary and deposit points, allocation of human resources and equipment; collector certification). Special attention will be given to reducing fuel consumption and CHG emissions.
- To supervise how the **“proof of evidence” system** works for the collection of waste produced by industry and trade actors.
- To support the **creation of eco-points** and guide future expansion of the network.
- To keep track of all the investment and maintenance costs linked to the waste collection system. On this basis, a **calculation method for the waste collection fee** will be elaborated. Consideration will be given to making it more supportive to segregating waste at source
- To enter into **formal agreements with private collectors** as associations to perform specific tasks that are included in the plan
- To organize **inspections** on the field and lay down the procedures in case of infringement

Special attention will be given to **proof the collection system against extreme rainfall events**. At first, the waste deposit points will be set up at locations where the rain cannot wash away the waste. In second, the

project will elaborate an **emergency waste collection plan** for the most critical zones. This plan will be designed and implemented in anticipation of extreme rainfall events and critical climate events (climate proofing of the plan). The activity will not only provide staff training but also data collection support and management tools (GIS, database, sensors, etc.).

This activity will be implemented by consultants with the support of the project staff and will combine training sessions and on-site assistance. The project will call to the Belgian public waste operators who have a cooperation agreement with Enabel.

Activity 5.2.2 – Planning the investment in equipment to make the waste collection system fully operational in a 10-year term

Based on the lessons learned, the project will review the needs for additional equipment (garbage trucks, containers, etc.) to make the waste collection system fully operational in a 10-year term. The project will also examine the maintenance requirements of these new equipment and infrastructure in relation to the capacity of municipal services. It will also look at the impact that this will have on the costs of the collection system and whether additional costs can be offset by gains in efficiency.

The intervention will determine the specifications that the necessary equipment will have to meet and clarify the requirements in terms of maintenance and staff training. This plan will provide a basis for discussion for the municipalities in their negotiations with donors.

The activities will be implemented by external consultants with support from the project staff. Belgian partners may also be consulted on specific issues.

Output 5.3 – Waste pickers and neighbourhood associations become key partners for the Municipality and waste operators to collect recoverable waste and to reclaim the loss of the amenity due to the dispersion of wastes in the public space

Municipal authorities cannot assume alone the responsibility of implementing the collection system for residential waste. Waste pickers and the residents are key contributors especially if segregation at source must be promoted to make recovery possible. For the sake of coordination, these actors must join forces in an association that can then defend their interests and become a partner for the authorities.

Activity 5.3.1 - Support for the construction of a network of eco-points

With cooperation and coordination from Municipality, the intervention will support the installation of eco-points where the recoverable waste (PET, HDPE, PP, metal cans, etc.) will be purchased at a subsidized price. Each eco-point will be installed on a piece of land provided by the Municipality equivalent to 100 sq m. The Municipality should provide a license to allow the development and operation of the eco-point to provide some rights and security to the owner and operator of the eco-point. Limited civil works will take place to level the ground and build a concrete slab to facilitate waste separation. It will be surrounded by a fence and will have truck access. Simple non-stationary equipment (balance, metal crossbar, bars etc.) will be used, at least at the beginning so that the eco-point can be easily moved to another location if ever it would prove to be more efficient.

In line with the provision adopted in the waste management plans, the project will start with the installation of two eco-points in each city and will gradually develop a network (5 ecopoints in Nacala and 10 in Nampula) to serve other areas in the city.

It is assumed that the eco-points will be the property of the municipality, but it will be operated by a waste picker association which will be contracted according to the guidelines set by the plan.

The activity will be implemented by the project staff with the support of local consultants and construction companies.

Activity 5.3.2 - Supporting the creation and development of waste pickers associations as eco-point operators.

Waste pickers are already collecting recoverable waste in the streets of Nacala and Nampula. However, since waste pickers are not formally established as official workers, they are in a difficult position to trade the waste they have collected. They work in isolation and are not integrated in the value chain to recover waste. Being a marginalized part of the population, they are likely to be left aside from future developments in relation to the transition towards circular economy.

The intervention will invite waste pickers to join forces and to create a professional association which can be contracted by the municipal authorities to operate an eco-point and to trade waste to the MRF operator. Such an association will bring them a series of advantages:

- Exclusivity to collect the recoverable waste in the collection sector corresponding to the eco-point (“hinterland”). This may also lead the waste pickers to organize themselves to work more efficiently and to collect more waste.
- Subsidized prices for the wastes that will be purchased at the eco-point
- Possibility to benefit from storage facilities at the eco-point and transportation services.
- Negotiation power with the municipality and the waste operators
- Better relationship with the residents that may result in the development of new collection services (door-to-door services)
- Recognition for their role to keep the city clean

Special attention will be given to persuading waste pickers to get out of the informal sector and establish themselves as a legal business. The law in Mozambique makes it easy for small businesses like them. Hopefully, the fact that waste pickers will trade the collected waste with an association they are member of will motivate them in this respect.

The intervention staff will be the primary responsible for the liaison with waste pickers to build on a long-term relation based on trust. It will be assisted by consultants on specialized matters (legal status, taxation, contracting issues, organizational issues, safety at work). The project will provide basic office furniture and IT equipment to the association.

Activity 5.3.3 - Supporting the development of neighborhood associations as a representative body of the residents.

Neighborhood associations already exist in Nacala and Nampula. However, the relationship between municipal authorities and these associations is not always working well enough to enable them to voice the concerns of residents on the implementation of the waste collection system (sector, deposit points, collection schedule, fees, etc.) and to take an active part in monitoring the performance of the collection system. This is of crucial importance since the willingness of the residents to pay a fee for the waste collection depends on the quality of the service they get from the municipality.

The intervention staff will be the primary responsible for the liaison with neighborhood associations to build on a long-term relation based on trust. With the support of external experts, the project will reinforce the management and engagement of the neighborhood associations to transform the neighborhood into a real liaison agent between the municipality, the waste pickers, and the residents. In case the collection sector of eco-point does not correspond with the area covered by a single neighborhood association, several associations will have to collaborate under the aegis of the municipality.

It is also expected that the neighborhood associations will mobilize the residents to reclaim the black spots (anarchic waste deposits that generate significant loss of amenity in the area) in the collection sector. To this end, the project will provide some cleaning material (wheelbarrow, shovels, brooms, etc.) and will support

the redevelopment of the reclaimed area for leisure purpose. This will in return contribute to the climate proofing of the collection system (functional drainage systems).

Output 5.4 - Women are an active player in the waste collection system and are allocated a fair part of the economic benefits.

Despite the fact that women's activities are deeply impacted by the waste collection system either as a resident in charge of home cleaning and waste deposit or as a waste picker, they have little influence on the organization of the collection system and the allocation of waste recovery benefits. The creation of eco-points and the promotion of segregated waste collection for industry and trade actors should be viewed as an opportunity to change this situation.

Activity 5.4.1 – Setting up a coaching program for female entrepreneurs willing to create or expand a business activity related to the waste collection system.

Women are well represented amongst the waste pickers, but they face significant difficulties (isolation, funding needs, managerial skills) to develop business on their own. This is a frustrating situation because waste collection could be a reliable source of income and, at the same time, should be considered as a rewarding activity that is essential for the protection of the environment.

In line with the experience gained by Enabel on these matters in several countries, the project will develop a **coaching program for women entrepreneurs** to strengthen their managerial and technical skills. Links with microcredit institutions will be supported to ensure that women can obtain funding for necessary investments in equipment. The project will also liaise with the MRF operators to facilitate the contracting procedures with the small businesses supported by Enabel.

This activity will be implemented by the project staff with the intervention of consultants on specific matters (legal; accounts, personal development, etc.).

Activity 5.4.2 – Initiating a social intermediation program at municipal level to promote women’s rights in relation to waste collection.

In Mozambique, awareness about women’s rights is limited. The waste sector is one of the public sectors which this is particularly more evident despite women playing a crucial role in the waste value chain. Women should receive more attention in this respect, including:

- Women should get a fair and equitable benefit from the subsidized purchase mechanisms at the ecopoints;
- Women should be fairly represented among waste pickers and treated in an equitable way with men regarding the tasks allocation and the collection sectors;
- Women should be fairly represented in inclusive neighborhood associations and closely associated to the decision-making processes related to the development of the network of eco-points;
- Improvement of the collection system should make the home cleaning and waste deposit tasks easier for women.

In line with the experience gained by Enabel on these matters in different countries, the project and the municipality will jointly elaborate an action program describing the activities to be implemented in relation to the municipal waste collection system. Special attention will be given to the waste pickers and neighborhood associations.

External expertise will be used by the project staff for the design of the program and critical activities at the implementation stage.

Output 5.5 – A circular economic case on recoverable waste that can be replicated across the country has emerged, all the actors are engaged in the system design and operations and new investment projects are under preparation.

The recovery of residential waste does not fall within the remit of local actors, except in some cases like composting. It is an industrial business which works according to operational standards and must plan capital intensive investments in the long term. Smooth coordination between the upstream collection system managed by the municipalities and the downstream recycling industry submitted to international market rules is of crucial importance.

The more wastes enter recovery chains, the lower are the recovery costs because of the economy of scale and the opening of new recovery routes. This is also strongly impacted by sorting processes upstream: the best the wastes have been sorted out at the collection level; the less equipment is needed for the recovery to take place downstream and the less equipment damage risks you face because of accidental presence of unwanted contaminant.

Activity 5.5.1 - Involving the recycling industries downstream in the planning and contracting mechanisms related to the implementation of the collection system.

Today in Mozambique, ensuring a reliable supply of recoverable wastes for the recycling industries is a major bottleneck to develop circular activities. Improvement can be expected since a new environmental taxation on packaging waste will provide enough means to fund the purchase of recoverable waste at the eco-points. However, it will remain necessary to coordinate the whole chain of activities starting from the eco-points up to the MRF (part of NSP), the recycling industries and the end-users of recovered materials.

The activity will set **working groups composed of industry representatives, public actors, community stakeholders** and will be supported by Belgian experts on an ad-hoc basis. These groups will lay down specifications on the following:

- **Quality norms** to accept the different fraction of recoverable wastes at eco-points (highlighting the contaminant that must be absolutely avoided)
- **Pretreatment requirements** on the collected wastes (crushing, washing, baling, etc) before delivery at the recycling plant
- ToR for developing **new recovery routes** in collaboration with international expertise centers in Belgium

In order to facilitate the trade of recoverable waste across Mozambique, the project will support the development of an **electronic information** that will serve the following purposes:

- Disseminating information on the quantity and nature of waste available for sale and facilitate the data regarding the supply and demand of material and promote a transparent market
- Enable the recycling industry to identify the suppliers of material, the amount of material available and suggestions to optimize transport accordingly
- Monitoring the quantities of waste that are actually recycled in comparison with the quantities that are collected, for steering purposes.
- Ensuring the traceability of collected waste in order to prevent illegal traffic and smuggling.

Activity 5.5.2 - Collection of high value recoverable wastes from industry and trade sectors.

Industry and trade actors produce significant quantities of recoverable wastes. These quantities are the result of business activities or accidental events. Within the municipalities only a small part of the waste is segregated at source, collected, and recovered. Most of it is dealt with by the collection system for residential

wastes even though it is illegal and financially disadvantageous for the municipality (in that case, industry and trade actors pay the same price as the residents or even less).

Developing a collection system for these wastes is an opportunity to develop activities for small businesses and to increase the supply of the recycling industry downstream. In an industrial context, measures must be taken to avoid contamination of recoverable waste by hazardous waste. In this case, the waste will not transit via the eco-points but will be directly transported to the MRF.

The activity will be implemented by external consultants. It will work in conjunction with activity 4.1 “women entrepreneurship and associated with:

- Awareness /training session for the industrial and trade actors (to be organised by sectors as they do not produce the same waste)
- Onsite assistance to implement a segregated collection system at source
- Production of sectorial guidance material on the best waste segregation practices
- Liaison with the MRF operators to agree on the purchase condition.

3.1.4 Target groups and Geographical focus areas

The intervention aims to work in a multi-sectoral approach which consequently implies that the target groups span across the key priority sectors. The table below summarises the **direct and indirect beneficiaries** of the intervention. During the inception phase, specific studies, including the baseline, will provide numbers of approximate overall beneficiaries that will be reached by the intervention.

Overall, the portfolio aims to reach at least **21,000 direct beneficiaries** across the result areas and approximately **550,000 indirect beneficiaries**.

Result Areas	Direct beneficiaries	Indirect beneficiaries	Geographical focus area
Policy dialogue on climate resilience and energy transition	<ul style="list-style-type: none"> • Approximately 1,000 people (40% women) • Policy makers and implementers especially state authorities at central and local level • Policy makers and implementers at international level • CSO actors involved in policy advocacy, policy making • Relevant actors from private sector that are involved in policy dialogue 	<ul style="list-style-type: none"> • Mozambican population • International development partners active in the field of climate resilience and energy transition 	Nation wide
Losses and damages	<ul style="list-style-type: none"> • Approximately 2,500 people directly reached through activities in building adaptive and risk anticipation strategies, as well as government agents • 30% of these will be vulnerable women and youth 	<ul style="list-style-type: none"> • Indirect beneficiaries will include the population of the 3 district/ municipalities • International development partners active in this field 	In 3 districts supported by the other result areas
Access to energy	<ul style="list-style-type: none"> • Approximately 12,000 people, which will be connected to the minigrids in Nampula and/or Zambezia • National authorities at central and local level, including Ministries and institutional actors, and their staff. • 30% of these will be vulnerable women and youth 	<ul style="list-style-type: none"> • Mozambican population • CSO actors • Training centers/learning institutions) • Private operators 	In districts (at least one) in Zambezia and/or Nampula province
Access to water	<ul style="list-style-type: none"> • Approximately 3,500 people benefitting economically from the service 	<ul style="list-style-type: none"> • Mozambican population • CSO actors 	In districts (at least one) in

	<ul style="list-style-type: none"> • National authorities at central and local level, including Ministries and institutional actors, and their staff • 50% of these will be vulnerable women and youth 	<ul style="list-style-type: none"> • Community based actors (local NGOs) • Private operators 	Maputo and/or Gaza province
Waste management and circular economy	<ul style="list-style-type: none"> • Approximately 2,000 people benefitting economically from the service • National authorities at central and local level, including Ministries, institutional actors, and their staff • Municipalities of Nampula and Nacala • Urban communities in Nampula and Nacala, specifically waste pickers, waste operators • Vulnerable women and youth that are involved in value chain 	<ul style="list-style-type: none"> • Residents of the City of Nacala and Nampula benefitting from an improved waste collection system. • CSO actors • Private operators 	In municipality of Nampula and Nacala of Nampula province

The geographic distribution of the new portfolio will focus on certain regions of Mozambique, including the **Southern region**, in areas such as **Northern Maputo and Gaza** as well as the **Northern region**, in provinces such as **Zambezia and Nampula**. The different result areas will influence the region and province of intervention. It is expected that since the result on **policy dialogue on energy transition and climate resilience** involves intersectoral actors at all levels (central, provincial, district/municipal, etc), it will be **by nature country wide**. Additionally, it is to be noted that the geographic focus is complementary to the ongoing interventions, mainly focused on the Central region of Mozambique (for the renewable energy interventions).

At this stage, some **municipalities** have been identified as focus areas. The selection of **specific districts** will be determined **during the inception phase** of the intervention, based on the following criteria:

- Opportunity to unleash potential synergies with Enabel’s ongoing portfolio (especially in the provinces of Nampula, Zambezia, Gaza and Maputo)
- Coverage of maximum change areas (access to energy, access to water, circular economy) to explore potential of cross sectoral linkages and innovation
- Opportunity of unleashing energy transition and climate finance potential
- Presence of other international actors in one or several change areas
- Potential of attracting private sector investments as well as leveraging climate funds
- Main risks related to losses and damages
- Generic poverty incidence and climate vulnerability
- Motivation and capacities of local stakeholders

3.1.5 Partnerships and synergies

3.1.5.1 Partnerships

The following section presents a **brief overview of the main partnerships envisaged within the context of this portfolio**. Most of them have been met and consulted during the process of elaborating the portfolio. The categorisation of the partnership type¹⁶ was determined based on meetings and identification of potential for future collaboration. This will be further elaborated and confirmed during the inception phase of the portfolio.

Stakeholder	Role/relevance	Type of partnership
National public authorities	Enabel has established strong partnerships with the government institutions both at central level and local level. Using its established presence in the country, Enabel continued to build upon the existing relationships with partners involved in the ongoing interventions and initiated the foundations to develop the relationships with new partners (such as MTA, INGD). Due to time constraints of the portfolio elaboration, contacts will be further pursued during the inception phase.	

¹⁶ As per categories defined in Annex 9.5

Ministry of Economy and Finance	The Ministry of Economy and Finance , through the National Directorate of Monitoring and Evaluation is the National Designated Authority (NDA) of the Green Climate Fund (GCF). It plays a central role in coordinating climate funds. It is currently coordinating the formulation of a National Climate Finance Strategy. It also has the mandate of playing a coordinating role with the technical ministries concerning macro strategies.	Strategic partner
Ministry of Mineral Resources and Energy	The Ministry of Mineral Resources and Energy is responsible for national energy planning, policy formulation and overseeing the operation and development of the energy sector, including renewable energy.	Operational partner
Energy Regulatory Authority	The Energy Regulatory Authority is the independent regulatory body that regulates and supervises the electricity, natural gas and liquid fuels sub-sectors.	Operational partner
National Energy Fund	The Fund for Energy is a public body subordinated to MIREME with the aim of promoting the development and use of different forms of low-cost energy and the sustainable management of energy resources. FUNAE has been indicated by GoM as the other national entity to become accredited to the GCF.	Operational partner
Ministry of Land and Environment	The Ministry of Land and Environment is responsible for coordinating all matters concerning the sustainable use of natural resources and environment protection. Both the focal points for the Adaptation Fund and the Global Environment Facility (including the Least Developed Country Fund) are hosted at MTA. <ul style="list-style-type: none"> – The National Directorate of Land and Territorial Development (DNTDT) within MTA has the mandate for land use planning at province and district level – The National Directorate of Environment (DINAB) has in his mandate the waste sector. DINAB is responsible for promoting integrated sustainable waste management initiatives, while at the same time coordinating the implementation of strategies, plans, programmes and other sectorial instruments aligned with national policies as well as international conventions. – The National Directorate of Climate Change (DNMC) is specifically responsible for coordinating climate action in the country and acts as the focal point for the UNFCCC. 	Strategic partner and operational partner
Ministry of Public Works, Housing and Water Resources	The Ministry of Public Works, Housing and Water Resources is the main public institution involved in water resources management and is responsible for water policy and management <ul style="list-style-type: none"> – The National Directorate of Water Supply and Sanitation (DNAAS), under the MOPHRH, carries out inventories of water resources and needs and issues licenses for water uses. It covers both rural and urban areas. 	Operational partner and implementing partner
Ministry of Agriculture and Rural Development	The Ministry of Agriculture and Rural Development has the attributions of supporting agricultural production, livestock, agricultural extension, agrobusiness, agricultural hydraulics and information and statistics.	Operational partner
National Fund for Sustainable Development	The National Fund for Sustainable Development promotes and funds programmes and projects that support sustainable development, with particular emphasis on environment, climate change and rural areas. It has been designated as one of the Direct Access Entities to be accredited to the GCF and the Adaptation Fund.	Operational partner
National Institute for Disaster Risk Reduction and Management	The National Institute for Disaster Risk Reduction and Management has the mandate to coordinate actions to prevent, mitigate and coordinate the response to national disasters in the country. INGD reports directly to the Council of Ministers.	Operational partner

National Institute for Irrigation	The National Institute for Irrigation is responsible for ensuring the efficient and sustainable planning, development and management of land and water resources for production in the irrigation sector.	Implementing partner
Districts	There are 154 districts in Mozambique. It is the main territorial unit for the organization and functioning of the local administration of the State and the basis for planning the economic, social and cultural development of Mozambique.	Implementing partner
Municipalities	There are currently 54 municipalities, and they have key administrative functions such as public finance management, territorial planning and land management as well as key infrastructure and services delivery responsibilities. For the portfolio, the following municipalities have been selected: <ul style="list-style-type: none"> – Municipality of Nampula in Nampula Province – Municipality of Nacala in Nampula Province 	Operational partner

Stakeholder	Role/relevance	Type of partnership
CSOs (including NGOs)		
This is a non-exhaustive list of NGOs identified as potential candidates for different calls for proposals and also for knowledge generation and dissemination platforms.		
CDD	The Centre for Democracy and Development is a civil society platform with a strategic focus on catalysing democratic development, human rights and inclusive governance based on youth.	Other Stakeholder
ALER	The Lusophone Renewable Energy Association is an NGO for Development whose mission is the promotion of renewable energies in Portuguese speaking countries. It creates a platform for cooperation between the private sector, national and international authorities, and other relevant stakeholders in Lusophone countries.	Other Stakeholder
AMER	The Mozambican Renewable Energy Association a non-profit association whose mission is to promote renewable energy in Mozambique.	Other Stakeholder
OMR	The Observatory for Rural Areas is a non-profit institution. They aim to contribute to agrarian and rural development in an integrated and interdisciplinary perspective, through research, studies and debates about policies and other agrarian and rural development issues	Implementing partner
MWE	Mozambican Women of Energy is a local organization bringing together women professionals working in the energy sector.	Other Stakeholder
SNV	SNV is a Dutch non-profit international development organization. SNV works with DNAAS and its provincial and district counterparts on issues related to improving access to basic services such as drinking water and sanitation and agricultural productivity to increase rural household incomes. SNV also implements the UKAid/SIDA the BRILHO renewable energy programme (SHS, mini-grids, clean cooking), facilitates private sector operators in the off-grid sector.	Other Stakeholder
iDE	International Development Entreprises is an international NGO whose focus is to create entrepreneurship and income opportunities for farmers. iDE connects clients to markets that deliver innovative and affordable agricultural products and services. iDE is also an international leader in the promotion of climate smart products and training on best practices for managing natural resources.	Other Stakeholder
AVSI	AVSI - Association of Volunteers in International Service is an international NGO present in Mozambique since 2010, working in the education, urban development, emergency, energy and environment sectors.	Other Stakeholder

WaterAid	WaterAid is an actor of Water development sector, working with local partners in Mozambique with clean water, sanitation, and hygiene. Their area of intervention are rural areas in Nampula and Niassa Provinces.	Potential Implementing partner
ANAMM	The National Association of Mozambican Municipalities is a non-governmental, not-for-profit organization with the mandate to promote cooperation and solidarity among local authorities and defend the interests and rights of its members before the Government, development partners and other actors in the municipal domain	Implementing partner
ECDFM	The Centre for Africa-Europe relations is a leading independent 'think and do tank' that wants to make policies in Europe and Africa work for inclusive and sustainable development. Their focus is climate, energy and food, economy and trade, geopolitics and development, governance, migration and mobility, and peace and security.	Other stakeholder

Stakeholder	Role/relevance	Type of partnership
Technical and Financial Partners		
This is a list of predominantly partners to be consulted throughout project implementation for the purpose of dialogue, coordination and harmonisation. Some of these have been identified as potential third-party donors and technical partners.		
EU	The European Union Delegation is developing a TEI-green deal built around 3 pillars, among which 2 are related to the present strategy: <ul style="list-style-type: none"> • P2: Green & resilient infrastructures & related systems • P3: Support to an enabling environment for green growth 	Technical-Financial Partner
AFD	– The French Development Agency in Mozambique is involved in the energy sector with the PROLER programme (Renewable Energy Auctions Programme): Developing power production from renewable energies. with power generation projects for an amount of 38 M €. Three solar projects are planned in the north with a total installed capacity of around 120 MW. A fourth site has been chosen for rolling out a wind power project. – AFD is implementing a regional Programme “Cities & Climate in Africa Initiative” – CICLIA that support African Municipalities to finance studies for the preparation and design of climate proof investments.	Technical-Financial Partner
KfW/GIZ	– In Mozambique, the German Development cooperation is involved in the energy sector with GETFIT (KfW) and Get.Invest. – GIZ initiated the regional programme “Covenant of Mayors in Sub-Saharan Africa Boosting low emission and climate resilient infrastructure for growing cities” – COM SSA that facilitates inter-municipality cooperation.	Technical-Financial Partner
UNCDF	The United Nations Capital Development Fund established a mechanism called LoCAL (Local Climate Adaptive Living Facility), which provides decentralized climate funding (grants) directly to districts. This mechanism is also called MERCIM in some provinces, namely in the North.	Technical-Financial Partner
SE4ALL	Sustainable Energy for All (SEforALL) is an international organization working in partnership with the United Nations, leaders in government, the private sector, financial institutions, and civil society with as goal to drive further, faster action toward the achievement of Sustainable Development Goal 7, which calls for universal access to sustainable energy by 2030, and the Paris Agreement, which calls for reducing greenhouse gas emissions to limit climate warming to below 2° Celsius.	Technical Partner
SIDA	Beyond the Grid Fund for Africa – BGFA (phase 2) aims to incentivize energy service providers to scale up innovative sustainable businesses and thereby accelerate access to affordable and clean off-grid energy for customers in peri-urban and rural areas of Mozambique at specified sites.: A total of EUR 6.7 million results-based financing is expected to be provided to a number of private off-grid energy service providers.	Technical-Financial Partner

FCDO/ UKAID	<ul style="list-style-type: none"> – BRILHO: five-year programme, 2019 - 2024, that will catalyze Mozambique’s off-grid energy market in order to provide clean and affordable energy solutions to the country’s off-grid population (ICS, SHS, GMG) – T-WASH II: six-year programme, 2021 - 2026, that will deliver sustainable, water, sanitation and hygiene (WASH) and nutrition services to the poor in Mozambique and address the specific needs of women and adolescent girls. 	Technical-Financial Partner
World Bank	<p>The WB is funding two relevant programmes:</p> <ul style="list-style-type: none"> – ProEnergia (National Energy Programme for All) - with three components (1) the first component being peri-urban and rural electrification, (2) the second component is the off-grid electrification (mini-grids and off-grid result-based financing, (3) the third component is the technical assistance and implementation support – Rural and Small Towns Water Security Project (2021-2027) The objective of the project is to increase access to improved water supply and sanitation services in selected small towns and rural areas of Mozambique. 	Technical-Financial Partner
UNICEF	Enabling environment, policy/standards, and coordination / 2022-2026: Key policies and standards are agreed, and government capacity is increased to coordinate and implement WASH programmes	Technical-Financial Partner
USAID	<p>USAID has 2 interesting programme on water:</p> <ul style="list-style-type: none"> – New programme “Transform WASH” is a five-year (2022-2027) programme that supports the GoM’s efforts to strengthen water sector governance, increase water access, and accelerate households’ adoption of key hygiene behaviours. – Strengthening Local Governance (LOGOS) / 2021-2026: Engage government entities to strengthen effectiveness, transparency, and accountability in service delivery in the health, education, and WASH sectors: technical assistance, training, and support to local government to improve the WASH services. 	Technical-Financial Partner
AICS (Italian cooperation)	The Italian cooperation is active in various sectors among which ‘agriculture & rural development’, ‘urban development & infrastructures’ and ‘environment & access to energy’. In recent years AICS funded the ILUMINA project implemented by AVSI which focused on energy access for local development and women empowerment.	Technical-Financial Partner
UN Women	UN Women works on women leadership at the national, regional, and local levels. It also supports the National Institute of Disaster Management to deal with gender issues in humanitarian action. Belgium supports the programme on AGCCI in Mozambique (African Girls Can Code Initiative).	Technical-Financial Partner
UN Habitat	Their strategic focus in Mozambique is to advance sustainable urbanization as a driver of development, climate resilience and peace to improve living conditions. They adopt an integrated climate sensitive territorial approach in their interventions and are currently operating in Nampula, Nacala, Zambezia and Gaza. Potential collaboration could be explored in 1 or 2 provinces where the portfolio will be intervening, through other BE funding (MD8).	Potential implementing partner.

Stakeholder	Role/relevance	Type of partnership
<p>Belgian actors</p> <p>This is a list of identified potential partner institutions and organisations in Belgium, some for implementing and other for strategic partnerships. Enabel has a framework agreement or public-public cooperation with some, but not all. Belgian universities might play an important role to support Mozambican authorities in the relevant areas of the portfolio. The specific support envisaged could however not yet be confirmed by the time of drafting this document, and more discussions and negotiations will be required during the inception phase. The list also includes potential non-academic organisations and institutions to collaborate with for the purpose of exchanges and joint initiatives. Depending on their legal status, the relevant modality will apply.</p>		

VITO	Flemish research center specialized in digital data analysis to support decision-making process related to territorial planning and climate change. It also has expertise in the water sector.	Implementing partner
OVO	Association of entrepreneurs that provides technical expertise to African entrepreneurs including in green and circular economy, OVO is presently not active in Mozambique	Implementing partner
FPS Health & Environment	Support to NDC Partnership and development of a network of national experts	Strategic/ Operational partner
Bio	The Belgian Investment Company for Developing countries gives support to the international private investment potentially in the energy transition and green economy sectors	Strategic partner
FPS Finance / Finexpo	The Ministry of Finance should be involved in the debt-for-climate swap. Discussion is taking place to analyse the relevance and feasibility of this kind of support. Finexpo supports the Belgian private investment especially in the water and energy sector	Strategic partner
Bruxelles Propreté, Tibi and Intradel	Intercommunal entities involved in waste management and circular economy with whom Enabel has a public-public agreement	Implementing partner
SWDE	autonomous public company , involved in water production (catchment, pumping and potabilisation), distribution of drinking water through pipes, protection of water resources intended for human consumption, etc. economy with whom Enabel has a public-public agreement	Potential Implementing partner
Union des Villes et des Communes	Association of Belgian municipalities which provides training assistance to its members and represents them in regional / national policy forums. It has signed an ACC with Enabel	Implementing partner
University actors	Belgian Universities are potential actors for research and capacity building activities. They are organised under the umbrellas of the VLIR (Flemish Interuniversity Council), for the Flemish universities, and ARES (Academy of Research and higher Education) for the French speaking ones.	Implementing partner

Stakeholder	Role/relevance	Type of partnership
Platforms/ forums for coordination and dialogue		
Thematic Working groups	According to the areas of intervention, it is expected that the intervention managers/ BE continues to take part in the Energy Sector Working Group and Water and Sanitation Sector Working Group. It will actively join the SWGs related to waste and circular economy and others, as deemed relevant.	Other stakeholders
CotW - CCR	The Climate Change and Resilience (CC&R) Coalition of the Willing (CotW) was established in December 2020 as a group of development partners committed to high-level engagement with GoM on issues related to climate change and resilience. The objectives of the CotW-CCR are to: <ul style="list-style-type: none"> – To partner with GoM to raise its ambition on climate change and resilience (CC&R), applying a strategic, whole-of-government and whole-of-economy approach. – To support GoM to mobilize the necessary partners and finances for the implementation of its plans in a way that builds a prosperous, inclusive, and sustainable economy. 	Other stakeholders
Inter-Institutional Group on Climate Change	The Inter-Institutional Group on Climate Change was created as a platform for technical coordination between different ministries and relevant institutions on topics related to climate change. The GIIMC operates under the coordination from MTA and consists of members of different ministries and relevant institutions. Over the last decade, the GIIMC has not always been fully operational, but the body is gaining renewed traction.	Implementing partner

3.1.5.2 Synergies

Synergies will be promoted and developed with the second intervention within the portfolio, as well as with the ongoing bilateral interventions and other new programmes under development, notably:

- **Synergies with intervention 2** (STEP Facility) on accelerating the mobilization of climate finance in the priority sectors of the current intervention.
- **Synergies with ongoing bilateral interventions** by building upon the lessons learned and capitalizing on current investments. Some examples include the development of business models for the hybrid mini grids supported by RERD2, continuous implementation of ToT approach supported by CBMIREME/ARENE, technical backstopping for solar powered irrigation systems of RERD2+ to promote sustainability, deployment of desalination system model introduced by Water Gaza/CLISMADEV and strengthening the value chain, etc.
- The intervention aims to create synergies **with the preparation of new programmes** currently under development for third parties, such as **NAMA Facility** (links with R5 on waste and circular economy), **GCF Readiness** (links with R1 on policy dialogue for climate resilience and energy transition) and potentially funding from the EU to establish an **MRV system** for the country (links with R1 on policy dialogue for climate resilience and energy transition). More information on these opportunities can be found on Annex 9.1.

3.1.6 Budget and chronogram

					PLANNING				
No	Description	BUDGET TOTAL	%	Year 1	Year 2	Year 3	Year 4	Year 5	
SO	Specific Objective: Mozambican authorities and communities, including women, youth, and other vulnerable groups, are strengthened to actively engage together in a - cross sectoral coordination- specifically focusing on improved climate proofed1 public services, enabling policies and initiatives for energy transition	12.795.200	74%	1.371.500	3.100.808	2.706.445	3.370.340	2.246.107	
R01	Result Area 1 : The GoM, local authorities, communities and civil society are strengthened to improve the formulation, adoption, and implementation of evidence-based policies and initiatives to build climate resilience and just energy transition	3.050.000	18%	536.000	807.000	656.000	548.000	503.000	
A01	The coordination between institutional actors in (inter)sectoral planning and evidence-based policy making and implementation on climate resilience and a just energy transition is improved	300.000	1,73 %	55.000	90.000	80.000	45.000	30.000	
A0101	Strengthen coordination structures within the GoM on climate change and a just energy transition	100.000		46.000	26.000	16.000	6.000	6.000	
A0102	Support coordinated policy and strategy development, gender-responsive planning, budgeting, monitoring and evaluation to mainstream climate resilience and energy transition themes	200.000		9.000	64.000	64.000	39.000	24.000	
A02	The GoM's capacity for evidence-based policy making is improved by enhancing the knowledge base on climate resilience and a just energy transition, by strengthening the feed-back loop between the local, national, and international level and by improving the access to climate and sector finance	1.400.000	8,08 %	336.000	367.000	246.000	228.000	223.000	
A0201	Strengthen the GoM and relevant stakeholders to carry out (inter)sectoral data collection, management and analysis on climate resilience and energy transition at local and national level	680.000		146.000	171.000	121.000	121.000	121.000	
A0202	Generate and disseminate knowledge on topics related to climate resilience and a just energy transition in Mozambique	500.000		129.000	124.000	94.000	79.000	74.000	
A0203	Provide recommendations for enabling policies for a more sustainable climate resilience and just energy transition, especially by closing the feedback loop between the different sectors and policy levels on pilot experiences	220.000		61.000	72.000	31.000	28.000	28.000	
A03	The GoM engages with Mozambican stakeholders from the private sector, civil society, as well as other development partners, to strengthen the coalition of actors around a common roadmap on climate change and an equitable energy transition	150.000	0,87 %	10.000	60.000	50.000	20.000	10.000	
A0301	Support policy dialogues between the GoM, the private sector, and civil society to establish a joint understanding and action on climate resilience and a just energy transition	100.000		-	50.000	40.000	10.000	-	
A0302	Support dialogue among development partners on themes related to climate resilience and a just energy transition	50.000		10.000	10.000	10.000	10.000	10.000	
A04	The engagement by and representation of the interests of women and youth in the intersectoral policy dialogues at local, national, and international level on climate resilience and a just energy transition are improved	550.000	3,18 %	65.000	140.000	120.000	120.000	105.000	

A0401	Link the policy dialogues to pilot gender mainstreaming initiatives in the relevant sectors, e.g., the Train-the-Trainer approach to Gender Focal Points and communities at provincial and national level	200.000			40.000	40.000	40.000	40.000	40.000
A0402	Support opportunities to Mozambican women and youth for practical capacity building and professional development, with a focus on developing competences in renewable energy, innovation, and networking	150.000			15.000	60.000	30.000	30.000	15.000
A0403	Assist in the promotion and dissemination of on-the-ground innovative approaches, methods and solutions related to climate resilience and a just energy transition (e.g., hackathons, incubators, start-ups, etc.)	200.000			10.000	40.000	50.000	50.000	50.000
A05	<i>Mozambique is strengthened to participate in international and regional initiatives on climate resilience and equitable energy transition and in the implementation of the resulting agreements</i>	650.000	3,75 %		70.000	150.000	160.000	135.000	135.000
A0501	Support the GoM's improved participation in international dialogue moments and networks on climate resilience and just energy transition	200.000			10.000	40.000	50.000	50.000	50.000
A0502	Support the implementation of international agreements on climate resilience and a just energy transition	450.000			60.000	110.000	110.000	85.000	85.000
R02	Result Area 2: The GoM, local authorities, communities and civil society are strengthened to design, resource, and implement evidence-based climate resilient and low-carbon oriented plans and budget with a focus on anticipating risks of losses and damages	2.482.200	14%		54.100	859.617	572.950	539.850	455.683
B01	<i>Output 3.1 The intersectoral consultation and collaboration between INGD and other actors at national, provincial and district levels are enhanced through operational and inclusive coordination mechanisms and tools to improve risk management and resilience building</i>	101.000	0,58 %		22.000	31.667	19.000	19.000	9.333
B0101	Assessment of intersectoral coordination and support to coordinated policy and strategic development on losses and damages at local and national level	22.000			22.000	-	-	-	-
B0102	Reinforce coordination through spatial analysis & mapping related to losses and damages	79.000			-	31.667	19.000	19.000	9.333
B02	<i>Output 3.2 Institutions, governance, and mechanisms for reducing and managing losses and damages are enhanced</i>	200.200	1,16 %		13.500	61.350	68.350	35.250	21.750
B0201	Generate and disseminate knowledge on topics related to losses and damage in Mozambique	117.200			-	42.350	42.350	16.250	16.250
B0202	Build the capacity of INGD and relevant stakeholders to carry out gender responsive data collection, management and analysis on losses and damages	44.000			11.000	11.000	11.000	11.000	-
B0203	Build capacity of INGD and relevant stakeholders to access climate finance (related to losses and damages)	39.000			2.500	8.000	15.000	8.000	5.500
B03	<i>Output 3.3 The resilience of communities and landscape regarding risk of losses and damages is enhanced in 3 pilot districts</i>	1.814.400	10,48 %		-	631.100	398.100	398.100	387.100
B0301	Building adaptive and risk anticipation strategies of communities and civil society	833.000			-	225.500	202.500	202.500	202.500
B0302	Foster/stimulate investments to increase resilience of communities and landscapes through improved strategic spatial planning and budgeting at district level	723.000			-	183.500	183.500	183.500	172.500
B0303	Dissemination of people-centered early warning systems	258.400			-	222.100	12.100	12.100	12.100
B04	<i>Output 3.4 Women and girls are better involved in policy actions and measures related to losses and damages</i>	366.600	2,12 %		18.600	135.500	87.500	87.500	37.500
B0401	Identify and prioritize gender-specific disaster recovery needs	18.600			18.600	-	-	-	-
B0402	Integrate concrete measures to protect women and girls in the disaster recovery framework	172.000			-	59.500	37.500	37.500	37.500
B0403	Support the engagement of women and youth in the dialogue on losses and damages	176.000			-	76.000	50.000	50.000	-
R03	Result Area 3 The access to sustainable and clean public energy services, especially in off-grid areas, is improved by learning from existing infrastructures and interventions, testing innovations and innovative business models, promoting the involvement of the private sector, and by facilitating additional investments in renewable energy provision	2.000.000	12%		561.000	511.000	446.000	271.000	211.000
C01	<i>Output 3.1 Inter and intra-sectoral coordination of government agencies, including private sector and energy sectoral associations, are enhanced to improve and expand energy access through renewables</i>	120.000	0,69 %		27.000	27.000	22.000	22.000	22.000
C0101	Reinforce the coordination mechanism already in place and contribute to capacities in and better coordination between institutional partners, both at central and local level, including private sector and energy sectoral associations	60.000			12.000	12.000	12.000	12.000	12.000
C0102	Support to the production and dissemination of learning / capitalization products	30.000			-	-	10.000	10.000	10.000
C0103	Support the GoM and private sector to have improved access to additional (especially climate) funding to boost investment and innovations in decentralized rural electrification and clean energy initiatives	30.000			15.000	15.000	-	-	-
C02	<i>Output 3.2 Central and local government agencies, municipalities and communities are capacitated in the selection, design, and delivery of clean energy projects</i>	400.000	2,31 %		50.000	95.000	95.000	95.000	65.000
C0201	Strengthen and build local expertise to select, design and deliver clean energy projects	270.000			30.000	67.500	67.500	67.500	37.500
C0202	Support FUNAE and ARENE to collect, manage, analyze, and model data (including geospatial data for planning purposes)	130.000			20.000	27.500	27.500	27.500	27.500
C03	<i>Output 3.3 Pilot projects and innovative business models aimed to improve the sustainability of (decentralized) renewable energy technologies are promoted and encourage the delivery of clean energy solutions, addressing adequately communities' needs</i>	1.225.000	7,07 %		439.000	339.000	274.000	99.000	74.000
C0301	Leveraging of existing assets (mini grids) to test different business models and assess the impact of the combination of domestic, community, and productive customers	970.000			364.000	274.000	224.000	64.000	44.000

C0302	Implementing a local pilot project, focusing on alternative and sustainable biomass value chain	225.000		75.000	65.000	40.000	25.000	20.000
C0303	Awareness raising activities on clean energy technologies, energy efficiency and alternative fuels (solar cookers, biomass/clean cooking area) at community level	30.000		-		10.000	10.000	10.000
C04	<i>Output 3.4 Women's involvement in clean energy projects is enhanced through the adoption of gender-inclusive methodologies during project development and implementation</i>	105.000	0,61 %	15.000	15.000	25.000	25.000	25.000
C0401	Awareness raising campaigns at community level	30.000		-		10.000	10.000	10.000
C0402	Empowering women in communities in technical skills for off-grid renewable energy, through vocational trainings and/or existing initiatives (examples: LIVANINGO, KULUMA, Leonardo Green, etc.)	50.000		10.000	10.000	10.000	10.000	10.000
C0403	Surveys and sex disaggregated data collection at community level (to be reported to provincial officers and central level)	25.000		5.000	5.000	5.000	5.000	5.000
C05	<i>Output 3.5 Enabling policies and institutional framework conditions are identified to support innovative and sustainable recycling systems and contribute to an effective solar waste management</i>	150.000	0,87 %	30.000	35.000	30.000	30.000	25.000
C0501	baseline study to have a better perception of situation of solar equipment (formal and informal sector)	25.000		25.000		-	-	-
C0502	Study on export-treatment and/or local recycling for end-of-life solar equipment in Mozambique	25.000		-	25.000	-	-	-
C0503	Support MTA on drafting technical description required for solar equipment as well as support ARENE on components and characteristics of solar material	50.000		-	5.000	15.000	15.000	15.000
C0504	Support the creation of a database of solar system in Mozambique able to trace the number of components and traceability	50.000		5.000	5.000	15.000	15.000	10.000
R04	Result Area 4: The sustainability of climate-resilient drinking water supply and solar-powered irrigation systems in rural areas is improved through an appropriate engagement and support from districts, provinces, private sector, and local communities	3.265.000	19%	140.900	641.000	674.250	1.354.350	454.500
D01	<i>Output 2.1 – The intersectoral consultation and collaboration between water and other technical services at provincial and district levels are enhanced through operational and inclusive coordination mechanisms and dissemination of good practices at central level</i>	284.500	1,64 %	78.950	77.050	107.050	21.450	-
D0101	Diagnosis and implementation of an adequate inter-sectoral coordination process at district and provincial levels	165.000		61.050	46.200	46.200	11.550	-
D0102	Capitalisation on processes, tools, lessons learnt at central level (DNAAS), exchange and replication in other provinces	119.500		17.900	30.850	60.850	9.900	-
D02	<i>Output 2.2 – Public actors at provincial and district level have the capacities to develop and implement sustainable water supply interventions counting on a reliable SINAS, effective regulation and enhanced planning and management skills</i>	454.000	2,62 %	43.950	302.450	81.200	26.400	-
D0201	Support to the revision of the existing regulation as a pilot in North Maputo and Gaza	33.000		-		6.600	26.400	-
D0202	Support to the national mapping exercise launched by Mozambican government	66.000		13.200	52.800	-	-	-
D0203	Training and equipment at district level for SINAS implementation	66.000		-	66.000	-	-	-
D0204	Assessment of existing technical skills and development of adequate technical training modules	102.500		30.750	71.750	-	-	-
D0205	Training at District, Provincial and Central level aiming at provincial and district level to promote cross-sectorial dialogue and peer learning (Gaza and Maputo)	186.500		-	111.900	74.600	-	-
D03	<i>Output 2.3 - An improved knowledge and awareness of the communities around climate change, disaster risks prevention and climate proofed infrastructure contribute to their involvement in the decision-making process for sustainable management</i>	660.000	3,81 %	-	60.000	120.000	360.000	120.000
D0301	Preliminary study to assess needs and constraints at community level for adequate knowledge and empowerment choices	60.000		-	60.000	-	-	-
D0302	Empowerment of communities (with a focus on women, youth, and vulnerable groups) in climate-proofed infrastructure design, climate change and disaster risks prevention	600.000		-		120.000	360.000	120.000
D04	<i>Output 2.4 - Women and girls are better involved in water sector management/decision at community and at public service level</i>	99.000	0,57 %	12.000	78.000	9.000	-	-
D0401	Reinforcement of communication on Gender Strategy in the Public Works sector, including the Water subsector	60.000		12.000	48.000	-	-	-
D0402	Conceptualisation and dissemination of specific modules for gender integration and empowerment in water sector at district, provincial and community levels	39.000		-	30.000	9.000	-	-
D05	<i>Output 2.5 – Climate proofed water services to the populations are supported by technological innovation, nature-based solutions, and renewable energy</i>	1.767.500	10,21 %	6.000	123.500	357.000	946.500	334.500
D0501	Implementation of pre-infrastructure feasibility studies	60.000		-	60.000	-	-	-
D0502	New Infrastructure, rehabilitation, and extension including access to renewable energy	1.485.000		-		283.500	891.000	310.500
D0503	Reinforcement of SPIS business development by developing social engineering modules and specific support to INIR	202.500		6.000	63.500	63.500	45.500	24.000
D0504	Support to potential networks extension with the support of private operators	20.000		-		10.000	10.000	-
R05	Result Area 5 The GoM and the related actors involved in municipal waste management system at local level are supported and implement the national programme for sustainable waste management and promote a circular economy in selected municipalities and at national level	1.998.000	12%	79.500	282.192	357.245	657.140	621.923
E01	<i>Output 5.1 – Waste management plans are coordinated with other municipal sectoral activities and covered by the reporting system towards the national authorities</i>	101.375	0,59 %	19.875	19.875	13.750	38.125	9.750

E0101	Alignment of waste management plans with other municipal sectoral activities	75.000		19.875	19.875	7.250	21.500	6.500
E0102	Supporting the municipalities to fulfill their reporting obligations	26.375		-	-	6.500	16.625	3.250
E02	<i>Output 5.2 The capacity of municipalities for enforcing waste management plans is strengthened and investments in collection equipment are planned on the long term</i>	351.400	2,03 %	19.875	46.625	68.825	126.725	89.350
E0201	Strengthening the capacity of municipalities to enforce the waste management plans	301.150		19.875	46.625	52.200	113.725	68.725
E0202	Planning the investment in equipment to make the waste collection system fully operational in a 10-year term	50.250		-	-	16.625	13.000	20.625
E03	<i>Output 5.3 - Waste pickers and neighbourhood associations become key partners for the Municipality and waste operators to collect recoverable waste and to reclaim the loss of the amenity due to the dispersion of wastes in the public space</i>	1.054.775	6,09 %	39.750	163.592	133.592	333.717	384.125
E0301	Support for the construction of a network of eco-points	445.375		-	68.375	61.500	116.500	199.000
E0302	Supporting the creation and development of waste pickers associations as eco-point operators	146.125		19.875	38.500	35.250	23.875	28.625
E0303	Supporting the development of neighborhood associations as a representative body of the residents	463.275		19.875	56.717	36.842	193.342	156.500
E04	<i>Output 5.4 Women are an active player in the waste collection system and are allocated a fair part of the economic benefits</i>	210.250	1,21 %	-	-	74.500	67.875	67.875
E0401	Setting up a coaching program for female entrepreneurs willing to create or expand a business activity related to the waste collection system	104.250		-	-	34.750	34.750	34.750
E0402	Initiating a social intermediation program at municipal level to promote women's rights in relation to waste collection	106.000		-	-	39.750	33.125	33.125
E05	<i>Output 5.5 A circular economic case on recoverable waste that can be replicated across the country has emerged, all the actors are engaged in the system design and operations and new investment projects are under preparation</i>	280.200	1,62 %	-	52.100	66.579	90.698	70.823
E0501	Involving the recycling industries downstream in the planning and contracting mechanisms related to the implementation of the collection system	167.200		-	32.225	32.225	61.313	41.438
E0502	Collection of high value recoverable wastes from industry and trade sectors	113.000		-	19.875	34.354	29.386	29.386
MG	General Means	4.523.889	26%	829.510	840.507	1.001.046	945.414	907.412
Z01	<i>Human Resources</i>	3.299.077	19,05 %	454.666	666.107	761.646	761.646	655.012
Z02	<i>Investments</i>	192.812	1,11 %	184.444	-	-	8.368	-
Z03	<i>Operational costs</i>	673.500	3,89 %	134.700	134.700	134.700	134.700	134.700
Z04	<i>Audit, M&E and support</i>	320.000	1,85 %	48.000	33.000	98.000	33.000	108.000
Z05	<i>Communication & capitalization</i>	38.500	0,22 %	7.700	6.700	6.700	7.700	9.700
TOTAL		17.319.089		2.201.010	3.941.315	3.707.491	4.315.754	3.153.519

3.1.7 Workforce

	Job title	Int/Nat	Period/Nbr HM	Allocation percentage (%)	Results Area Coverage
No.	IMs and Technical Experts/ TAs				
1	Multi-Stakeholder approach for climate resilience and energy transition Intervention Manager	Int.	60 months	100%	R1- R5
2	Capacity Development Expert	Int.	48 months	100%	R1 -R5
3	Expert in Climate Resilience and Energy Transition	Nat.	48 months	100%	R1
4	Expert in Disaster Risk Reduction	Nat	54 months	100%	R2
5	Expert in Rural Electrification	Nat.	54 months	100%	R3
6	Water Governance Expert	Nat.	54 months	100%	R4
7	Expert in Sustainable Water Management – Province based	Nat.	54 months	100%	R4

8	Experts in Waste Management (municipality-based x 2)	Nat	108 months	100%	R5
9	Gender Equality and Social Inclusion Expert	Nat.	54 months	50%	R1-R5
Support Shared Services					
1	RAFI	Int.	60 months	65%	All
2	ECA	Int.	60months	15%	All
3	Financial Controller	Nat.	60 months	78.3%	All
4	Accountant x2	Nat	120 months	41.7%	All
5	Admin and Finance Assistant	Nat	60 months	37.5%	All
6	Contract and Procurement Officer	Nat	60 months	37.5%	All
7	Contract and Procurement Assistant	Nat.	60 months	60%	All
8	M& E officer	Nat.	60 months	42.5%	All
9	Communication offer	Nat.	54 months	100%	All
10	Driver (x2)	Nat.	120 months	60	All

Within the new Junior Programme, the Portfolio is foreseeing international and national junior experts in areas related to climate resilience and energy transition, knowledge management, policy dialogue facilitation, Data Management, Gender, and Infrastructure, which is aligned with the objectives of the portfolio. A budget envelope of 60,000 EUR is foreseen to support national junior experts.

3.1.8 Steering & follow-up

A **Steering Committee (SC)** will be set up to ensure the monitoring and overall orientation of the intervention at the strategic level. Its specific responsibilities are listed in annex 9.2. Considering the multi-sectoral and integrated dimensions of the intervention, and the transversality of climate change across all the result areas, it was deemed appropriate to anchor the institutional coordination at the **National Directorate of Climate Change**, which sits under the **Ministry of Land and Environment**. This ministry is responsible for coordinating the different implementing public partners and supervise the strategic coherence of the intervention.

The Steering Committee (SC) will be responsible for providing direction and ensure that the intervention is in line with the defined result areas. Where required, it is expected that the SC takes all the necessary measures for the strategic reorientation of operations in accordance with the specific agreement.

In addition to the representatives of the Ministry of Land and Environment and Enabel (co-chairs), the Steering Committee (SC) aims to bring together relevant state, civil society, and private sector stakeholders closely involved in the intervention, to the extent possible. Its composition is given in Chapter 5.2.

The practical operating modalities of the Steering Committee will be described in an internal regulations document, to be validated at the first meeting of the committee. Decisions will be taken by consensus.

A **Project Management Unit (PMU)**, consisting of a Director of Intervention representing the MTA, an Enabel Intervention Manager, and the Project Technical Team (composed of the RAFi, technical experts, MEL Officer, and others) will lead the daily implementation of the operations, supported by an administrative and financial team as mentioned in 3.1.7 'Workforce'.

Finally, it should be noted the stakeholders of the intervention will take part in the coordination and consultation mechanisms put in place by the Mozambican authorities and their partners (sectoral groups,

thematic technical groups, etc.). This promotes and ensures good coordination, synergy and complementarity between the different actors involved.

3.2 Intervention 2: Study, Expertise and Preparation Facility for Climate Resilience and Energy Transition (STEP Facility)

3.2.1 Introduction

The current Study and Expertise Fund has been an effective instrument to contribute to institutional and organizational capacity building efforts of government and other public sector partner institutions, on the priorities and transversal themes of the ongoing Belgian-Mozambican Cooperation (notably energy for rural development, water and food security, health, gender and climate change).

The instrument is well known and **appreciated for its flexibility** allowing for **rapid mobilization of resources** for **studies, consultancies, and expertise**, as well as events and seminars, based on specific requests voiced by the partners and assessed together with Enabel's technical staff. It also allows to **cover for specific needs** that may not have been identified at the moment of the formulation of sector programmes and that complement them in light of changing circumstances and priorities in the external context. The study fund has contributed to **inform policy dialogue and reforms** through evidence-based knowledge and information; contributed to the development of more **innovative pilot projects or approaches** (eg studying the potential of solar irrigation, the potential of use of Biomass and green charcoal value chains) as well as the **promotion of specific expertise** (e.g., on climate finance) thereby contributing to reinforcing and deepening the implementation of the Belgian-Mozambican Cooperation programme.

Building on the positive experience and results achieved with the current Study fund, the proposed intervention aims at establishing a new **"STudy, Expertise and Preparation facility – STEP - for climate resilience and energy transition"** as a flexible instrument that will contribute to further investigate, generate knowledge and strengthen capacities in areas and topics linked to the sectors of the main intervention with a view to support and facilitate the mobilization of climate finance across these sectors and related priorities.

In fact, in light of the current context and challenges which Mozambique is facing in order to achieve – and finance – a just transition towards a low carbon economy, the facility will have a **particular focus on supporting the government's development and coordination capacities for enhancing the mobilization of climate finance** for the country's priorities, as well as support for capitalization and **project preparation** to contribute to the design of inclusive and transformative investment programmes, as identified and prioritized through the policy dialogues supported throughout intervention 1, thereby acting as a catalyst and helping **to unlock additional resources and investments** for the country's just and low carbon transition.

Through the current Study and Expertise Fund, which has been revised and recapitalized in December 2020 to allow – among others- for greater focus on climate related actions upon request from the partners, Enabel has established a climate finance team, embedded within MEF, to support the Mozambican Government in coordinating, planning and mobilizing climate finance, including support for developing a new Climate Finance strategy. To capitalize on the capacity building efforts provided so far and contribute to its **institutionalization**, and thus sustainability, in the long run, it is important to continue such support and help drive this agenda further.

3.2.2 Context analysis

For Mozambique to achieve its transition towards a low carbon and climate resilient development pathway, it will be essential to scale up and accelerate the **mobilization of financial resources** as well as **mainstream climate change** considerations in all **planning and financing** decisions. According to the latest NDCs, it is estimated that about **USD 7.6 bn will be necessary** in the period 2020 to 2025 for implementation of adaptation and mitigation actions included in sectoral strategies (average 1.5 bn USD/year) and 77% of this budget remains to be mobilized. Needs may even be higher as the current estimates are based on a rough project approach assessment

Despite some progress, mobilizing and accessing climate finance remains a challenge due to a series of factors. The **institutional architecture for climate finance in Mozambique remains fragmented** with climate finance focal points and mandates scattered across different ministries and government departments with sometimes insufficient coordination and interaction taking place among the different entities. This in turn **causes a lack of coordination of climate change actions** across the different sectors. The absence of a dedicated mechanism and platform for the coordination, planning and alignment of climate finance mobilization in the country is one of the most significant challenges and gaps that currently exist in the planning framework. As a result, **opportunities for accessing climate finance are not optimized** and potential complementarities of different funding sources (including domestic, public and private) are rarely explored.

Mozambique's **public institutions remain under-resourced to navigate the complex climate finance landscape**. Mechanisms for accessing climate finance are often slow, complex and resource intensive presenting significant barriers to access and constraints on delivery. **Involvement of national entities remains limited**, and while some have been pursuing accreditation processes to access international climate funds, the bulk of climate finance is being mobilized and channelled via multilateral and bilateral organizations with proposals often being developed in siloes and without coordination among them. In addition, **a number of critical measurements, reporting and verification (MRV) systems, which are essential for mobilizing certain sources of climate finance are underperforming**. Notable example, the national greenhouse gas inventories, required on an annual basis if the country intends to access carbon market mechanisms that were established under Article 6 of the Paris Agreement. To date, Mozambique has prepared and submitted two greenhouse gas inventories since 1996 (i.e., one every 12.5 years). Strengthening data collection, monitoring and analysis at all levels is crucial to ensure that the adequate systems and capacities to facilitate the access to climate finance are in place.

Efforts to pursue greater coordination and overcome these challenges are being led by the Ministry of Economy and Finance (MEF), together with the Ministry of Land and Environment and other relevant institutional actors and are being supported by the Coalition of the Willing on Climate Change and Resilience (CotW) where Belgium has been playing an active role as co-chair together with the UK. Since February 2022 the MEF has initiated plans to develop a **new Climate Finance Strategy** to support the mobilization of funds for climate adaptation and mitigation actions, as well as addressing loss and damages, necessary to achieve its national development priorities (ENDE) and fill the gaps towards its NDCs implementation. Higher level coordination to ensure greater buy-in and support for more consistent and effective mobilization of financial resources across sectors and ministries should be promoted.

As reflected in the recommendations of a recent Climate Finance workshop organized by MTA in coordination with MEF in July 2022, and supported by the CotW co-chairs and Enabel, there is growing attention and desire to strengthen knowledge and understanding the climate finance space, including on emerging "hot topics" such as the potential offered by the new **Art 6 mechanisms of the Paris Agreement**, and international carbon markets more generally. Several tools have been established and initiatives ongoing to improve the understanding of climate finance mobilisation in the country, however there is currently no comprehensive, periodic and complete reporting framework and process in place on the overall expenditure on climate related activities in the country. The lack of consistency in definitions on what represents climate finance, and methodologies to assess it makes it difficult to quantify the total amount of climate finance that is being mobilized. There is a need to improve understanding and definitions of **what represents climate finance and the methodologies to assess it** in order to better quantify the total amount of climate finance that is being mobilized, starting from the national budget. A more comprehensive, periodic and complete monitoring, reporting and verification process on the overall expenditure on climate related activities in the country should be developed, and linked to overall efforts of the country to improve its Monitoring Reporting and Verification System (MRV).

Being able to effectively take part in **international negotiations related to climate finance** to voice national concerns and priorities related to its access and mobilization is also seen as key priority. Capacity building and support is also needed for the design of inclusive and transformative programmes that could attract further investments, from both private and public sector, and that are truly embedded in the real economy, prioritized at national level and with high level commitment.

3.2.3 Intervention Logic and Results chain

The second intervention will contribute to the same Specific Objective of the portfolio. In particular, and considering the context and challenges described above, **the Study, Expertise and Preparation Facility for Climate Resilience and Energy transition** will aim at strengthening capacities and acting as a **catalyst** for the mobilisation of climate finance for national priorities, in close articulation and synergy with the main intervention.

Notably, the platforms and spaces for dialogue supported under intervention 1 will foster the emergence of a more coordinated, multistakeholder and inclusive policy dialogue. Such dialogue will in turn help to identify, shape and prioritize the actions and interventions that can contribute to a more systemic shift towards low-carbon and climate resilient development pathways across different sectors, being this linked to energy, water, waste and losses and damage. The **policy dialogue** will thus **act as a funnel** for the projects and initiatives to be prioritized for upscaling and mobilizing additional funds thanks to the complementary support of the STEP facility. This coherent and strategic approach will help ensure that the relatively limited resources of the facility are best invested to help **address structural issues** that the country is facing and have a greater leverage effect, while fully respecting the principles of country ownership. At the same time, the **flexibility** of the instrument as well as its capacity to respond to emerging needs will be preserved by leaving a significant share of the resources of the facility non allocated at the start of the intervention but to be jointly defined and decided with and by the partners and actors targeted under intervention 1 as the implementation of the portfolio progresses.

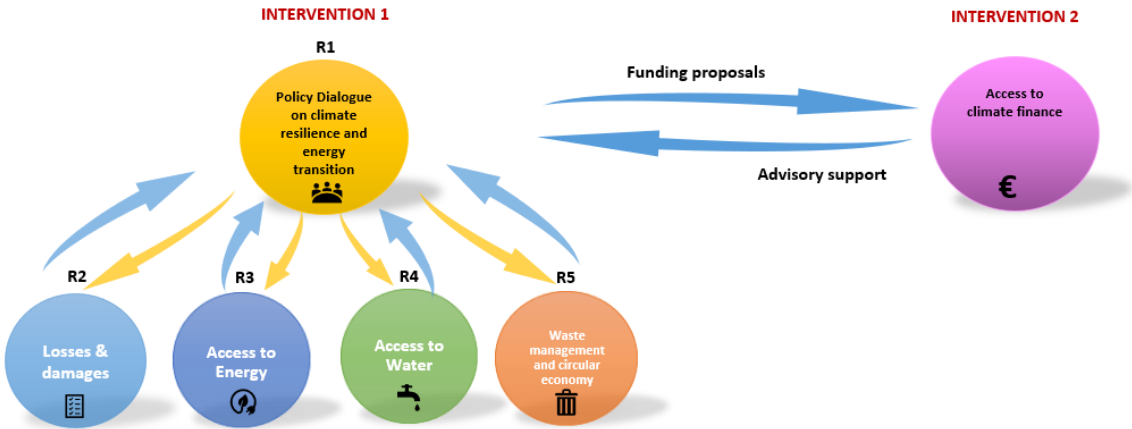


Figure 11 Interlinkages between the two portfolio interventions

Concretely, the facility will support **additional knowledge generation and tailored capacity strengthening** with a view to facilitate the mobilization of climate finance for those priority actions and programmes, linked to the sectors of the main intervention, that have been **identified and prioritized through the policy dialogue** (R1) in coordination with all relevant stakeholders. Special attention will be paid to support scale up and

mobilization of additional investments for the pilot and innovative approaches that have emerged as a result of concrete investments on the ground and which feed into the policy dialogue (R2-R5).

The facility will be able to **fund a range of different activities and requests** for support such as studies, data collection and assessment, mapping of climate finance landscape and funding opportunities, risk analysis, (pre)feasibility studies, specialized workshops and trainings and especially project/program design and preparation and support for submission, across the different change areas thereby contributing to development of more transformational programs.

In this respect, and thanks to its operational capacities and presence on the ground in the sectors and themes supported by intervention 1, Enabel will be in a privileged position to identify the gaps, bottlenecks, and risks -from a social, environmental, financial, and operational perspective - that can hinder the success of a program. Through improved lessons learning and capitalization, data collection and analysis from these actions, Enabel can further support the GoM in feeding in the policy dialogue, and especially in designing interventions which address these gaps and risks and can be ready for investment and replication. Regular interactions and exchanges will be pursued between the technical staff and (non)state actors working across the different sectors of intervention 1 and the climate finance expert(s) of intervention 2, as well as the facility management unit, to ensure that specific requests for support to the facility are timely, strategic, and aligned with priority needs and gaps for additional financial resource mobilization.

In addition, and in line with the ambitions of the portfolio and with the requests and expectations that have been voiced by Mozambican institutional partners, notably by the Ministry of Economy and Finance, and other line ministries, a specific focus within the facility will be dedicated **to reinforcing national capacities for mobilizing and managing additional climate finance for national priorities**. The facility will aim at supporting a more integrated, coherent, and institutionalized approach on how the country can enhance the mobilization of climate finance, by providing **long term technical assistance and strategic advisory services** to the MEF, with a focus on selected climate finance priorities and related processes with potential of having a more transformative and innovative approach and unlocking resources at scale. This capacity strengthening component on climate finance will also directly complement intervention 1 by providing the necessary expertise to match and feed into the policy dialogues, to ensure a more coordinated and strategic approach to the selection and elaboration of programmes, matching national priorities and financing opportunities in the most effective way.

General principles and criteria to guide the management and governance of the facility are mentioned below, while details will be included in a facility operation manual to be developed at the start of the intervention.

In particular, the facility will aim at achieving the following results.

R1: The capacities of Mozambican public actors, as well as youth, women and civil society organisations, to promote ambitious climate action and mobilize climate finance for the implementation of the country’s climate plans are strengthened, through knowledge generation, studies, and technical assistance

1.1	Studies are conducted, and expertise mobilized to support knowledge generation, capacity building and the development of transformative and inclusive mitigation and adaptation climate investment programmes in key sectors
1.2	The capacities of MOZ public authorities to better access, manage and monitor climate finance are strengthened, through support for interinstitutional coordination and provision of dedicated technical expertise and advisory services in key areas

Output 1: Studies are conducted, and expertise mobilized to support knowledge generation, capacity building and the development of transformative and inclusive mitigation and adaptation climate investment programmes in key sectors

Proposed activities include:

Activity 1.1 - Elaboration of an operational and procedures manual for the Facility and dissemination with partners.

During the inception phase, a manual will be developed by the Facility coordination team to detail the procedures and clarify eligibility criteria and mechanisms for requesting, accessing, and managing the funds, in line with the general principles and criteria outlined below. The manual will be user-friendly and provide clear guidance on the roles and responsibilities of different stakeholders involved in the process. Specific templates for the formulation of requests and ToR will be developed and included in the procedure's manual.

This activity will be implemented with the support of a local consultancy firm and by project staff

Activity 1.2 - Requests are processed and implemented through the most appropriate modality

The Project Management Unit of the facility, in coordination with the technical teams of intervention 1 and 2, notably the experts supporting the policy dialogues, will ensure that regular exchanges and meetings take place with partners and potential beneficiaries, to help identify needs and discuss priority requests to be submitted to the facility for support. Close alignment will be ensured with the outcomes and progress of the policy dialogue platforms as explained above; support will be provided to development of specific ToRs, whenever needed. Once the requests have been processed, following the procedures clarified in the manual, the Enabel facility coordinator, in direct coordination with its ministerial counterparts, will ensure that the necessary tendering processes are carried out and will oversee the progress till completion.

This activity will be implemented through a series of services contracts (national and international consultancies, including specialized ones for support to project design and development, service providers for workshops etc) that will depend on the type of action that is prioritized through the policy dialogue and that are submitted following the procedures that will be set in the operational manual. Relevant procurement processes will be followed. Project staff will also be involved

Output 2 – The capacities of MOZ public authorities to better access, manage and monitor climate finance are strengthened, through support for interinstitutional coordination and provision of dedicated technical expertise and advisory services in key areas

Activity 2.1 - Support the Ministry of Economy and Finance in playing a leading and coordination role on climate finance mobilization

Provide continuous technical assistance and advisory role to the MEF to facilitate internal coordination and higher level buy in on Climate Finance issues ; help identify and build capacities on key issues and topics related to CF according to prioritization at country level and progress on the international related processes; provide support in facilitating coordination and intersectoral/interinstitutional collaboration with other ministries and development partners to optimize access to finance for just energy transition and climate resilience, facilitate joint programming and resource mobilization initiatives whenever relevant; build capacities and support internal coordination and preparation ahead of key climate negotiations on climate finance (eg at COP).

This activity will be implemented mainly through project staff providing direct technical assistance to MEF; ad hoc consultancy services (ideally through framework contract) will also be called upon for specific support and mobilization of technical expertise on key climate finance priorities.

Activity 2.2 - Support for mainstreaming Climate Change into budgeting processes and for improving mapping and monitoring of climate finance.

A large part of climate related finance currently mobilized in Mozambique comes from the national public budget thanks to greater mainstreaming efforts (eg through the Diploma Ministerial n°60/2022, which integrates climate change considerations in public investment decisions) and dedicated allocations to climate related priorities. It will be relevant to continue strengthening these efforts and provide support to the MEF on specific mainstreaming tools and processes, building on existing systems already in use (SISTAF) to improve integration of climate considerations into national planning and budgeting. A specific expertise on public finance management and climate mainstreaming could be mobilized for ad hoc trainings and capacity building. Support could also be provided to perform a Public Expenditure and Financial Accountability (PEFA) Climate evaluation, to contribute to a more climate responsive public financial management framework in Mozambique, as described in more details in appendix to the portfolio document. In terms of monitoring climate finance support will be provided to help address some of the existing gaps, for instance help develop a common understanding and definition of activities considered as “climate finance”, continue mapping financial resources from international climate funds, bilateral and multilateral donors and carbon markets, and identify relevant platform to report to at national and international level. This will also support the country in complying with Art13 requirements of the Paris Agreement on the Enhanced Transparency Framework which requires periodic reporting on the financial support needed and received.

This activity will be implemented with support from projects staff and through the mobilization of ad hoc international and national expertise (consultants perlés, ideally through a framework contract) following appropriate procurement process. Strong complementarities and coherence will be ensured with a new programme aimed at strengthening the overall MRV system with EU funding which may be implemented by Enabel.

Activity 2.3 - Support in mobilizing international climate funds

Support mapping and identification of relevant funding mechanisms and opportunities for climate resilience and energy transition at international level; Continue to provide support and capacity building to the National Designated Authority for the Green Climate Fund, notably the National Directorate for Monitoring and Evaluation within the Ministry of Economy and Finance and other relevant directorates/units with MEF, to improve planning, prioritization of proposals and mobilization of finance. In particular, this support could be aimed at developing a multi-year readiness proposal to be submitted to the GCF in the mid-to long period.

This activity will be implemented by project staff and in close complementarity and synergy with the revised readiness GCF proposal that is currently being revised for re-submission to the donor.

Activity 2.4 - Support in exploring innovative climate financial mechanisms:

Different topics could be explored, depending on the prioritization at country level as well as progress on the international level. In light of current high interest in better understanding the functioning and potential of international carbon markets, notably the mechanisms foreseen under Art6 of the Paris Agreement, capacity building efforts could focus on this topic notably through: support the work and operationalization of ART6 Taskforce which is currently being set up; advise and support the GoM in the process of developing the appropriate regulatory framework for accessing and mobilizing carbon finance, (e.g. accounting system and national registry for carbon projects, including eligibility criteria to ensure transparency, ESG safeguards, and quality standards for credits, and buyers, equitable access and benefit sharing); particular attention will be paid to the potential of generating and mobilizing carbon credits for the sectors of intervention 1 (energy, water and waste) in coordination with relevant stakeholders; Other innovative mechanisms to be explored further could be Green Bonds, or mechanisms such as Debt for Climate Swaps.

This activity will be implemented with support from projects staff and through the mobilization of ad hoc international and national expertise (consultants perlés, ideally through a framework contract) following appropriate procurement process.

3.2.4 Target groups & Geographic targeting

A well-defined process and guidelines for accessing and submitting requests to the facility, as well as clear and transparent eligibility criteria will be detailed in the procedures manual and approved by the Steering Committee at the start of the project.

In principle the direct beneficiaries will include the various actors identified below, nevertheless, as described in the intervention logic, it is already proposed to prioritize requests that emerge from the policy dialogue processes and platforms supported under intervention 1 and that are therefore submitted by the main actors involved therein. Efforts will be carried out to ensure that the policy dialogue process is truly inclusive and representative of a diversity of voices and needs.

The potential direct beneficiaries of the Facility will include:

- The **Mozambican institutions** at central, provincial, district and municipal level that are linked to and active in the priority sectors and transversal themes identified in the new Belgian-Mozambican cooperation programme, notably throughout intervention 1. These include ministries in the priority sectors (MTA, MEF, MIREME, MOPHRH, MADER...) as well as all public agencies (FNDS, FUNAE, INGD, INIR...) and institutions, such as universities. In particular, the Ministry of Economy and Finance will benefit from targeted support through dedicated technical assistance for strengthening capacities related to accessing, managing and mobilizing climate finance.
- **Unions of professionals, private and other non-government actors** active in the field of energy, water, waste, territorial planning and losses and damages targeted by the portfolio (in line with the objectives of strengthening of public-private partnerships) may also be beneficiaries of the Facility, as well as institutions leading on cross-cutting issues notably on Gender, Youth and innovation. **Specific criteria for non-state actors, including women and youth organisations**, to directly submit proposals to the facility will also be included in the procedure manual, and an initial indicative ceiling of 15% of the budget is proposed to be dedicated for non-state actors' requests. This percentage will be assessed by the first SC meeting and could be revised on an annual basis.

The guiding principles provided below constitute the basis for the definition of the eligibility criteria of requests coming from partner ministries or institutions.

- *Country ownership and alignment with national priorities*
- *Buy in and prioritization from partner through policy dialogue*
- *Flexibility, agility and possibility of responding to emergent needs*
- *Direct complementarity and alignment with themes and sectors covered by the portfolio*
- *Balanced support across the different sectors and between duty bearers and right-holders*
- *Avoiding overlaps with similar activities, studies or support provided by other donors and partners*
- *Potential of the request to unlock additional funding*

Support to cross-cutting issues, notably gender, youth and innovation, throughout the implementation of the initiatives funded by the facility should be integrated and designed in articulation with the priority sectors.

3.2.5 Partnerships and synergies

Stakeholder	Role/relevance	Type of partnership
MEF	The Ministry of Economy and Finance is the central body of the State apparatus which, in accordance with the principles, objectives and tasks defined by the Government, guides the formulation of economic and social development policies, coordinates the planning and budgeting process, and oversees the management of public finances. The National Designated Authority (NDA) of the Green Climate Fund (GCF) for the country is represented by the National Directorate of Monitoring and Evaluation of this Ministry. It plays a central role in coordinating climate funds. MEF is currently coordinating the formulation of a National Climate Finance Strategy and is planning to set up a Climate Finance Unit as a higher-level coordination unit to ensure coordinated and strategic mobilization of climate finance	Strategic and operational partner
CotW - CCR	The Climate Change and Resilience (CC&R) Coalition of the Willing (CotW) was established in December 2020 as a group of development partners committed to high-level engagement with GoM on issues related to climate change and resilience. The objectives of the CotW-CCR are: To partner with GoM to raise its ambition on climate change and resilience (CC&R), applying a strategic, whole-of-government and whole-of-economy approach. To support GoM to mobilize the necessary partners and finances for the implementation of its plans in a way that builds a prosperous, inclusive and sustainable economy.	Technical partners
EU	The EU is planning to finance a new programme to support the GoM, and in particular MTA, in strengthening its overall Monitoring, Reporting and Verification system, that would encompass tracking progress on the NDC implementation plan and its mitigation measures, the countries level of emissions (greenhouse-gas inventories) and the financial support provided and received to achieve its targets. Clear synergies and complementarities will be sought between the bilateral portfolio, notably through the TA to MEF, and this EU programme to ensure a coherent and consistent approach to MRV in the country, building on existing tools and experience.	Technical and Financial partner
USAID	Through its SPEED programme, USAID is financing an assessment of the enabling environment for carbon finance (with a focus more on voluntary markets). This may lead, among others, to support the review of the regulatory framework required for accessing carbon markets which will be directly complementary to activities foreseen under output 2 of this intervention	Technical and Financial partner
WORLD BANK	World Bank is providing funding support to MTA for the elaboration of the new Environment Law, which will replace the Environment Law from 1997 and which will include a dedicated chapter on legislating climate change related topics.	Technical and Financial partner
Tony Blair Institute and Rockefeller foundation	The TB Institute is providing support to the GoM, among other things, by facilitating the set-up of an ART6 Taskforce, that would explore the potential offered by the international carbon mechanisms offered by Art6 of the Paris Agreement and how Mozambique could prepare for and access it in the future. The Rockefeller foundation is also supporting the GoM on climate finance related processes. Collaboration between ENABEL and the TB institute, the RF foundation is already ongoing and would be ensured through the future portfolio.	Technical and Financial partner
NDC Partnership	Brings together more than 200 members, including more than 115 countries, developed, and developing, and more than 80 institutions to create and deliver on ambitious climate action that helps achieve the Paris Agreement and the SDGs. Governments identify their NDC implementation priorities and the type of support that is needed to translate them into actionable policies and programs. Based on these requests, the membership offers a tailored package of expertise, technical assistance, and funding. MOZ is a member and already benefiting from support from NDC partners, including BE, for the delivery of its revised NDC.	Strategic and financial partner

SPF Health and Environment	The SPF Health and environment is already providing support to MOZ in the context of the NDC partnership with in-country facilitators. Exchanges and mobilization of public Belgian expertise from the SPF through the existing ACC could be foreseen, for instance on Art 6, support for preparations to COP negotiations, study visits etc.	Strategic/ Operational partner
Coalition of Finance Ministries of Climate Action	MOZ and BE are both members of this coalition, represented by their ministries of finance respectively. MOZ joined recently such a coalition which is structured and built on the Helsinki principles () and cover different areas of work, such as carbon pricing, support involvement and participation in this forum and relevant workstreams. It could be an interesting avenue for facilitating synergies and cooperation between BE and MOZ on climate finance related topics. CF experts within MEF are already supporting the ministry in preparing to participate in such fora and could continue do it in the new portfolio.	Strategic partner

3.2.6 Budget and chronogram

No	Description	PLANNING						
		BUDGET TOTAL	%	Year 1	Year 2	Year 3	Year 4	Year 5
Total résultats frais opérationnels		2.562.000		355.000	482.333	602.500	617.333	504.833
S01	Result Area 1: The capacities of Mozambican public actors, as well as youth, women and civil society organisations, to promote ambitious climate action and mobilize climate finance for the implementation of the country's climate plans are strengthened, through knowledge generation, studies, and technical assistance	2.562.000	73,2%	355.000	482.333	602.500	617.333	504.833
A01	<i>Output 1: Studies are conducted, and expertise mobilized to support knowledge generation, capacity building and the development of transformative and inclusive mitigation and adaptation climate investment programmes in key sectors</i>	1.770.000	50,6%	185.000	267.500	475.000	475.000	367.500
A0101	Elaboration of an operational and procedures manual for the Facility and dissemination with partners.	20.000		20.000	-	-	-	-
A0102	Requests are processed and implemented through the most appropriate modality	1.750.000		165.000	267.500	475.000	475.000	367.500
A02	<i>Output 2: The capacities of MOZ public authorities to better access, manage and monitor climate finance are strengthened, through support for interinstitutional coordination and provision of dedicated technical expertise and advisory services in key areas</i>	792.000	22,6%	170.000	214.833	127.500	142.333	137.333
A0201	Support the Ministry of Economy and Finance in playing a leading and coordination role on climate finance mobilization	385.000		75.000	80.000	75.000	80.000	75.000
A0202	Support for mainstreaming Climate Change into budgeting processes and for improving mapping and monitoring of climate finance	152.000		40.000	67.333	-	22.333	22.333
A0203	Support in mobilizing international climate funds	55.000		15.000	27.500	12.500	-	-
A0204	Support in exploring innovative climate financial mechanisms	200.000		40.000	40.000	40.000	40.000	40.000
MG	General Means	937.831	26,8%	147.645	207.998	264.998	181.192	135.998
Z01	<i>Human Resources</i>	649.082	18,5%	115.716	172.716	172.716	144.216	43.716
Z02	<i>Investissements</i>	9.340	0,3%	7.647	-	-	1.693	-
Z03	<i>Operational costs</i>	117.160	3,3%	17.032	33.032	17.032	33.032	17.032
Z04	<i>Audit, M&E and support</i>	151.000	4,3%	5.000	-	73.000	-	73.000
Z05	<i>Communication & capitalization</i>	11.250	0,3%	2.250	2.250	2.250	2.250	2.250
TOTAL		3.499.831		502.645	690.332	867.498	798.525	640.832

3.2.7 Workforce

No.	Job title	Int/Nat	Period/Nbr HM	Allocation percentage (%)
1	Facility Coordinator	Nat	48	100%
2	International Climate Finance Expert	Int	55	100%

3	Climate Finance Expert	Nat	30	100%
Support Shared Services				
1	Financial Controller	Nat	60	11.7%
2	Administrative and finance assistant	Nat	60	18.75%
3	Accountant	Nat	120	15 %
4	Contract and Procurement Officer	Nat	60	12.5%
5	Contract and Procurement Assistant	Nat	60	20%
6	M&E Officer	Nat	60	8.3%

Enabel will recruit a facility coordinator to support the day-to-day implementation and management of the facility and related requests for funding and support (Output 1). The facility coordinator will in particular act as liaison and interface between intervention 1 and 2, facilitating the coordination between the processes and actors involved under both interventions, especially those active within the policy dialogue and climate finance; It will also be instrumental in help developing ToRs and the initial phases of programme design and development that could be supported by the facility.

In addition, an international climate Finance expert will be recruited to provide long term technical assistance and advisory services to MEF with respect to better managing, tracking and mobilizing climate finance for national priorities (output 2), who will be supported in these tasks by a national climate finance expert. Synergies and complementarities will be sought with the new international Junior position on Climate and energy transition that has been recently requested under the Junior Programme (as well as the teams that would be in place under the future GCF readiness proposal.

3.2.8 Steering & follow-up

An appropriate and balanced governance system will be established to ensure effective steering and monitoring of the intervention, provide adequate management of the established partnership relationships and certify internal and external coherence. These form part of the overall governance mechanism of the portfolio (see 5.2).

A **Steering Committee (SC)** will be set up to ensure the monitoring and overall orientation of the intervention at the strategic level. Its specific responsibilities are listed in annex 9.2. The lead ministry of the intervention will be the **Ministry of Economy and Finance (MEF)**. The lead Ministry will be responsible for coordinating the different implementing public partners and supervise the strategic coherence of the intervention.

The steering committee will be responsible for providing direction and ensure that the intervention is in line with the defined result areas. Where required, it is expected that the SC take all the necessary measures for the strategic reorientation of operations in accordance with the specific agreement.

In addition to the representatives of the Ministry of Economy and Finance and Enabel (co-chairs), the Steering Committee (SC) brings together relevant state, civil society and private sector stakeholders closely involved in the intervention. Its composition is given in Chapter 5.2.

The practical operating modalities of the Steering Committee will be described in an internal regulations document, to be validated at the first meeting of the committee. Decisions will be taken by consensus.

A **Project Management Unit (PMU) of the facility**, consisting of a representative of the MEF, an Enabel Facility coordinator and the Project Technical Team will lead the daily implementation of the operations, supported by an administrative and financial team as mentioned in 3.2.6 'Workforce'.

4 Resources

4.1 Financial and material resources

The following tables provide a breakdown of personnel, operational costs and general means, budget reserves, international expertise as well as budget summaries planned across two interventions of the portfolio with a breakdown by year of execution on the basis of a global planning per year (estimate).

Budget of portfolio							
INTERVENTION 1	Budget (€)	%	Financial € planning				
			Year 1	Year 2	Year 3	Year 4	Year 5
OPERATIONAL COSTS	12.795.200	73,88%	1.371.500	3.100.808	2.706.445	3.370.340	2.246.107
GENERAL MEANS	4.523.889	26,12%	829.510	840.507	1.001.046	945.414	907.412
BUDGET INTERVENTION	17.319.089	100%	2.201.010	3.941.315	3.707.491	4.315.754	3.153.519
INTERVENTION 2	Budget (€)	%	Financial € planning				
			Year 1	Year 2	Year 3	Year 4	Year 5
OPERATIONAL COSTS	2.562.000	73,20%	355.000	482.333	602.500	617.333	504.833
GENERAL MEANS	937.831	26,80%	147.645	207.998	264.998	181.192	135.998
BUDGET INTERVENTION	3.499.831	100%	502.645	690.332	867.498	798.525	640.832

BUDGET RESERVE	Budget (€)	%	Financial € planning				
			Year 1	Year 2	Year 3	Year 4	Year 5
Budget reserve	594.080	-				326.744	267.336

INTERNATIONAL EXPERTISE	Budget (€)	%	Financial € planning				
			Year 1	Year 2	Year 3	Year 4	Year 5
International expertise	3.587.000	-	717.400	717.400	717.400	717.400	717.400

GRAND TOTAL	Budget (€)	%	Financial € planning				
			Year 1	Year 2	Year 3	Year 4	Year 5
GRAND TOTAL	25.000.000		3.421.055	5.349.047	5.292.390	6.158.423	4.779.086

International expertise for the portfolio	Operational planning						Unit cost	Pers/month	Total budget
Intervention Manager (intervention 1)							17.000	60	1.020.000
Climate Finance Expert							17.000	55	935.000
Water Infrastructure Expert							17.000	0	-
Capacity Development Expert							17.000	48	816.000
RAFI							17.000	39	663.000
ECA MOZ 25%							17.000	9	153.000
International expertise								211	3.587.000

4.2 Human Resources

Job title	Int/Nat	Period/Nbr HM	Allocation percentage (%)
Intervention 1			
Multi-Stakeholder approach for climate resilience and energy transition Intervention Manager	Int	60 months	100%
Capacity Development Expert	Int.	48 months	100%
Expert in Climate Resilience and Energy Transition	Nat.	48 months	100%
Expert in Disaster Risk Reduction	Nat.	54 months	100%
Expert in Rural Electrification	Nat.	54 months	100%
Water Governance Expert	Nat.	54 months	100%
Expert in Sustainable Water Management – Province based	Nat.	54 months	100%
Expert in Waste Management – province based	Nat.	108 months	100%
Gender Equality and Social Inclusion Expert	Nat.	54 months	50%
RAFI	Int.	60 months	65%
ECA	Int.	60 months	15%
M&E Officer	Nat.	60 months	42.5%
Communication officer	Nat.	54 months	100%
Financial Controller	Nat.	60 months	78.3%
Accountant – (2)	Nat.	120 months	41.7%
Administrative and Finance Assistant	Nat.	60 months	37.5%
Contract and Procurement Assistant	Nat.	60months	60%
Contract and Procurement Officer	Nat.	60 months	37.5%
Drivers (2)	Nat.	120 months	60%
Intervention 2			
Facility coordinator / Intervention Manager	Nat	48 months	100%
International Climate Finance Expert	Int	55 months	100%
National Climate Finance officer	Nat	30 months	100%
Financial Controller	Nat	60 months	11.7%
Administrative and finance assistant	Nat	60 months	18.75%

Accountant (2)	Nat	120 months	15%
Contract and Procurement Officer	Nat	60 months	12.5%
Contract and Procurement Assistant	Nat	60 months	20%
M & E Officer	Nat	60 months	8.3%

5 Modalities

5.1 Implementation tools

The Mozambique portfolio is the subject of a Specific Agreement (SA) between the Mozambique Authority and the Kingdom of Belgium established within the more general framework of the General Agreement¹⁷ on development cooperation between the two partners. Through an Implementation Agreement (IA) between the Belgian State and Enabel established in accordance with the management contract in force, the Belgian State entrusts Enabel with the implementation of the portfolio.

The implementation is carried out under the responsibility of Enabel in a logic of partnership with the national and local authorities concerned, also involving other actors in the (para)public sphere, the civil society, and the private sector.



Figure 12 Implementation tools

In addition to **direct implementation** by its intervention teams and provision of expertise in various forms, and depending on the applicable legal and regulatory framework, Enabel can:

- subcontract operations (services, works and supplies) to economic operators via **public contracts**
- resort to the **award of grants** for the implementation of portfolio components for which public or private organizations have a relevant mandate and appropriate capacity.
- resort to non-institutionalized horizontal cooperation through two instruments:
 - **cooperation agreements with public entities** under Belgian or European public law in the areas of the portfolio for which these entities have specialized expertise with obvious added value;
 - **cooperation agreements with UN** organizations for the implementation of portfolio components for which they have relevant mandate and appropriate capacity.

Annex 2 provides an overview and motivates the opportunities for direct grants and cooperation agreements already identified during the formulation process.

Three other contractual instruments¹⁸ facilitate partnership relations within the framework of the Portfolio/interventions:

- The **Letter of Understanding**¹⁹ formalizes the partnership between Enabel and the public institution(s) of the partner country involved in the coordination and/or implementation of the Portfolio/interventions, specifying the principles, structures, and methods of collaboration.

¹⁷ framework agreement which establishes the general relationship between the Kingdom of Belgium and the Mozambican Authority in terms of development cooperation.

¹⁸ See Enabel guide on contractual choice.

¹⁹ It supplements and specifies the partnership provisions adopted in the legal agreements (general agreement, specific agreement, delegation agreement, etc.) and the technical files (Portfolio, DTA).

- The **Operational Agreement** between Enabel and an operational partner²⁰ makes it possible to set the conditions under which certain Enabel support is made available or how Enabel involves certain actors in carrying out concrete activities.
- The **Memorandum of Understanding (MoU) Networking** expresses a convergence of will between Enabel and a partner, indicating a future common intention without constituting a binding legal commitment.

Except in the case of the operational agreement, which may provide for the financing of very specific and limited costs, these three instruments cannot give rise to a financial transfer.

5.2 Governance of the portfolio

Considering the country context, the multi-actor environment, the geographic concentration and the anchoring of the interventions, a balanced organizational mechanism will be put in place for the portfolio. It aims for efficient steering, monitoring and execution of the interventions and adequate management of established partnership relationships.

At the level of each intervention of the portfolio, a **Steering Committee (SC)** will be set up. It is responsible for monitoring and overall orientation of the interventions at the strategic level.

The precise responsibilities of the SC are listed in Section 9.3.

In addition to Enabel, the SC aims to bring together state, civil society and private sector stakeholders involved in the interventions, to the extent possible.

The composition of the Steering Committee for each intervention is proposed as follows, and may be revisited during the inception phase, notably in consideration of the establishment and composition of Technical Committees at the level of interventions and/or result areas:

Intervention 1: Multi-CRET	Intervention 2: STEP Facility
<ul style="list-style-type: none"> ▪ Minister of Land and Environment (MTA), or representative - Chair ▪ RR Enabel or representative – Co-Chair ▪ Representative from Ministry of Finance ▪ Representative from Ministry of Mineral Resources and Energy ▪ Representative from Ministry of Land and Environment ▪ Representative from Ministry of Public Works, Housing and Hydric Resources ▪ Representative from Ministry of Agriculture and Rural Development ▪ Representative from National Institute for Disaster Risk Reduction and Management ▪ Representative from National Energy Fund ▪ Representative from National Fund for Sustainable Development 	<ul style="list-style-type: none"> ▪ Minister Economy and Finance or representative – Chair ▪ RR Enabel or representative – Co-Chair ▪ Representative Ministry Land and Environment ▪ Representative from Ministry of Mineral Resources and Energy ▪ Representative from Ministry of Public Works, Housing and Hydric Resources ▪ Representative from Ministry of Agriculture and Rural Development ▪ Representative from National Institute for Disaster Risk Reduction and Management ▪ Representative from National Energy Fund ▪ Representative from National Fund for Sustainable Development

²⁰ Actors from the (para-)public sphere, civil society and the private sector

The practical operating modalities of the SC will be described in an internal regulations document, to be validated at the first meeting of the committee²¹. Decisions will be taken by consensus.

At operational level, a governance mechanism will be established for the new portfolio to ensure management and coordination of operations as well as effective mobilization of expertise and various resources in support of all portfolio stakeholders.

Technical Committees (TechCom) may be set up as relevant²² at the level of interventions and/or result areas to facilitate management and monitoring at operational level, as well as information exchange and concertation for the actors involved.

Standard responsibilities of Technical Committees are elaborated in more detail in **annex 9.3**.

Where applicable, Technical Committees will bring together Enabel's Intervention Manager(s) and the designated executives from the main implementing partners (public, civil society, private sector). As required, these members can also propose the participation of other relevant actors or resource persons as contributors/observers.

Where applicable, the full composition and practical operating procedures of the TechComs will be described in an internal regulations document, to be validated by the SC of the intervention.

For each intervention, a **Project Management Unit (PMU)** will be operationalized by Enabel to ensure daily implementation of operations. Led by an intervention manager, it will be made up of a small permanent technical team, experts mobilized on an ad hoc basis and an administrative and financial support team. Part of the human resources will be shared with other interventions in Enabel portfolios. The complete composition of the MUs is specified in the chapter 'human resources'.

Finally, it should be noted that for reasons of good coordination, synergy and complementarity between actors, the stakeholders of the interventions of the Mozambique portfolio will take part in the coordination and consultation mechanisms put in place by the Mozambican authorities and their partners (sectoral groups, thematic technical groups, etc.).

5.3 Monitoring, evaluation, capitalization and audit

The Belgian Governmental Cooperation and its partners recognise the importance of monitoring, evaluation and learning in the development results management²³. This importance is translated in this portfolio by a series of integrated tools and approaches aiming to generate relevant and reliable information.

These tools and approaches enable stakeholders to contribute to development results (1) by taking decisions based on factual data, (2) by improving continuously the strategies and activities implemented, (3) by being accountable towards concerned stakeholders and (4) by ensuring a follow up of the development performance. In addition, they consider strategic learning questions for Development cooperation.

The budget as foreseen in this portfolio is adjusted to allow the good implementation of these instruments and approaches.

At portfolio level, the foreseen instruments are the **strategic evaluation at the end of the portfolio**, the **portfolio annual reports** and the **mid-term review**. In compliance with the Results Based Management policy and working practices, the reviews, evaluation will be used for steering, learning and accountability, and translate into management responses in line with Enabel's standards.

²¹ The SC will meet semi-annually on an ordinary basis. Ad hoc meetings are organized when necessary. Enabel will ensure the secretariat of the meetings.

²² Notably in consideration of existing relevant national coordination structures.

²³ In compliance with Enabel's Results Based Management policy and working practices.

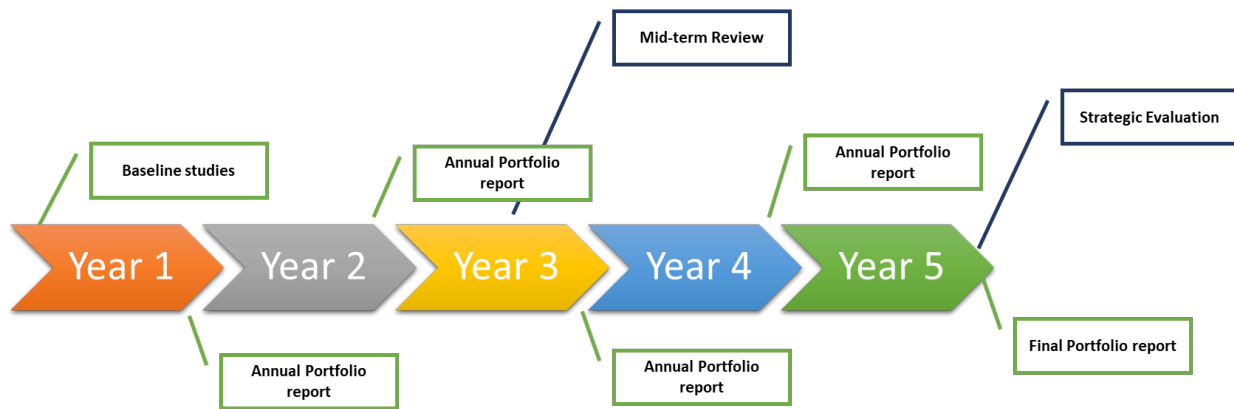


Figure 13 13: Portfolio reporting instruments

At intervention level, the foreseen tools are on the one hand the continuous follow up of the performance, and on the other hand a series of activities focused on the **knowledge management and sharing**. The latter include a systematic reflexion based on the **action-research**, learning by the peers, development of community of practices or the experience capitalization. A pool of Enabel internal experts support these exercises.

Finally, the pillars and interventions supporting this portfolio will be submitted to **two external financial audits** during their course of implementation according to the activities' implementation pace and the risks detected.

5.4 Portfolio changes

At the level of Belgian instances, as defined in the Management Contract between the Belgian State and Enabel, the following changes require preliminary agreement of:

- The Minister where the changes regard: (i) the global and specific objectives and the impact and outcome indicators, (ii) the global budget of the portfolio, (iii) the duration of the portfolio, and (iv) excluded modalities and actors.
- Enabel's Board of Directors where the changes regard: (i) reorientation of the portfolio with a budgetary impact of more than 15% of the total budget of the portfolio; (ii) delegation of implementation of a part of an intervention to new actors in a direct award procedure²⁴; (iii) new interventions linked to a specific objective of the Strategy by means of allocation of the reserve; (iv) allocations of the reserve other than new interventions; and (v) the stopping of intervention.

²⁴ See specifications in Enabel's 'Guide for the elaboration and follow-up of Grant Agreements'.

6 Duration of implementation

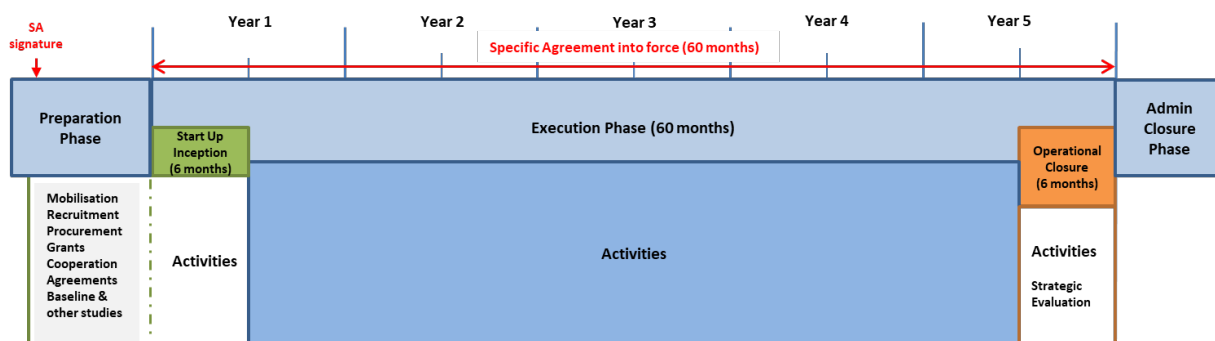


Figure 14: Portfolio implementation planning

The **Specific Agreement (SA)** will cover a period of **60 months**. The execution of the interventions is scheduled for a period of **60 months**.

The objective is that the execution of interventions will start no later than April 2023.

The lifecycle of each intervention includes three main phases: **Preparation, Execution and Administrative closure**. The Start-up and closure guides for interventions constitute the reference documents for the preparation, start-up and closure phases. The Enabel Administrative and financial management manual forms the working basis for the implementation phase.

Phase 1 - Preparation

For each intervention, the preparation phase covers the period between the approval of the Cooperation Portfolio by the Belgian Minister for Development Cooperation on the one hand and the signing of the Specific Agreement on the other hand.

The following key actions can be carried out during the preparation phase:

- Preparation of the necessary regulatory procedures
- Identification of the HR to be mobilized
- Mobilization of the national counterparts
- Launch of international and national HR recruitments
- Preparation of any contract (CSC) necessary for the Baseline
- Selection of the districts for each result areas
- Opening of the main account
- Launch of required studies and surveys
- Purchasing preparation (CSC) of equipment (including vehicles, if necessary)

Phase 2 - Execution

The execution phase is divided into 3 sub-phases: effective start-up, implementation, operational closure.

Effective start

The start-up phase itself begins with the notification of the Implementation Agreement and ends with the validation by the Steering Committee of the elements of the inception report.

At the start of this phase, the intervention management takes office and the intervention opening Steering Committee is held.

The following key actions must be carried out during this stage (some ensuring continuity with the steps started during the preparation phase):

- Finalization of the recruitment process for international and national technical assistance and installation of HR in their function.
- Opening of intervention accounts and establishment of mandates for intervention staff.
- Carrying out the necessary training.
- Pursuit of possible market(s) relating to the establishment of the Baseline.
- Establishment of the operational management manual for the intervention.
- Operational and financial planning of the intervention.
- Development of terms of reference for the baseline

The Steering Committee validates the following elements:

- The operational management manual of the intervention
- The first operational and financial planning
- The baseline work plan

The PV of this Steering Committee and the items it validates constitute the inception report.

Implementation

The operational implementation of the intervention starts with the approval of the inception report by the Steering Committee and ends when the Steering Committee approves the closing schedule.

Operational closure

The closing phase begins no later than 6 months before the end of the execution of the intervention.

Closure schedule: Three months before the closure phase, a detailed planning of the activities and outputs expected from this phase will be developed by the project team and submitted to Steering Committee for approval.

Final report: it will be drafted and presented for approval to the Steering Committee within three months of the end of operational activities. This final report will be accompanied by operational and financial closure documents. Once this report is approved, the project team is relieved.

Phase 3 - Administrative Closure

The final report is updated at the end of the operational closure period and is sent by Enabel to the DGD for final acceptance request. Once this report has been approved by the DGD, the portfolio is administratively closed.

The unused budget will be recovered by the Belgian Party at the expiration of the Specific Agreement.

7 Principal risks and mitigation measures

Mozambique is considered a state with multiple fragilities considered as "high" or "severe" according to the OECD 2022 States of Fragility ranking.

The risk analysis below is divided into two parts: firstly, a part linked to the FRAME analysis, covering the contextual risks linked to the country's fragility dimensions, which may have an influence on the programme as a whole and for which the mitigation measures are global and strategic. The FRAME analysis annexed to this document focuses on 5 dimensions of fragility (political, economic, security, environmental/climatic, security and societal). At the time of writing, the "human" dimension was not yet included in the OECD States of Fragility criteria.; a second part covers the various reputational, operational, developmental, financial and legal risks for the portfolio as a whole, for which specific mitigation measures have been identified, in relation to the implementation of the portfolio.

Risks	Likelihood	Impact	Severity ²⁵	Mitigation measures
Risk related to the Context of the Portfolio / FRAME				
Political dimension				
Clientelism and corruption	3	3	9	<ul style="list-style-type: none"> - Support coordination mechanisms with government at various levels and departments in the sectors that the portfolio will intervene - Continuous use of well-established procedures and processes for effective and transparent project and administrative/ financial management. Dissemination of rules to partners - Integration of effective risks control mechanisms in procurement and contract management practices
Retention of decision making at the central government level & regional government independence	3	2	6	<ul style="list-style-type: none"> - This is a risk beyond Enabel's sphere of control; however, the portfolio aims to support coordination mechanisms at different levels (triple anchorage), including inter and intra sectorial coordination. This is evident in Output 1 across the result areas of intervention 1
Tensions linked to the electoral process: provincial elections in 2023 and presidential planned in 2024	2	2	4	<ul style="list-style-type: none"> - Adaptation of the operational planning during electoral period - Update of the Enabel security guidelines concerning that kind of risks
Economic dimension				

²⁵ Scale from 1 to 4: 1 = very weak, 2 = weak, 3 = high, 4 = very high. The potential severity of the risk is obtained by multiplication of the 2 criteria.

Dependence and opportunities to exploit natural resources, especially gas and coal potential for export that might never be reached	3	2	6	<ul style="list-style-type: none"> - gas identified as cleaner energy, but coal considered as very polluting to be acknowledged as beyond the control of the present strategy - Support/facilitate Policy dialogue on sustainable extraction of natural resources
bureaucratic procedures impeding on the willingness of private investors, as well as leading to non-entrepreneurial-friendly climate	3	3	9	<ul style="list-style-type: none"> - interact/engage all party engagements to discuss barriers/opportunities of private sector investments (state- private- public sector stakeholders active in the intervention priority areas) - Support initiatives on enabling environment in the priority sectors
Environment/Climate dimension				
Recurrent disaster risk, especially Cyclones and droughts and the disaster risk reduction mismanagement	3	4	12	<ul style="list-style-type: none"> - Working on population resilience and information systems e.g. early warning systems, risk mapping and loss and damage data bases - Support the actions of coordination and cooperation of government at various levels and departments - The finance-based forecasting approach could be useful for more rapid payouts of disaster recovery - Update of the Enabel security guidelines concerning that kind of risks - Territorial planning more climate resilient
Climate change adaptation: Access to climate finance and the difficulties for potential investors not convinced by the added value of climate adaptation measures	3	2	6	<ul style="list-style-type: none"> - capacity strengthening at national, regional, and local government level, but also for larger and smaller companies and individual investors - The blended finance approach could be useful to facilitate cooperative/partnership investments (e.g., for public-private partnerships, but also public-public) - The return on investment is not necessarily direct and on short-term. Risk-sharing arrangements are important to clarify - Support mapping identification of adaptation funding sources (eg Adaptation Fund) and facilitate access to it for national stakeholders, including through dedicated support of the STEP facility as relevant
Government effectiveness and climate change policy reforms hindered by weak institutions and corruption	3	2	6	<ul style="list-style-type: none"> - promotion of good governance across 2 pillars: better management of the energy sector; improved procurement practices and financial management of the utility companies
Low carbon transition possibly not fully aligned with the National Development Strategy that emphasizes mega-projects	2	2	4	<ul style="list-style-type: none"> - integration of off-grid renewable energy sources in the envisioned Mozambican energy mix
Security dimension				

armed conflict in the North of the country (including population displacement)	2	3	6	<ul style="list-style-type: none"> - Give due consideration to all dimensions of the humanitarian-development-peace (HDP) nexus - Monitoring the situation and adaptation of security guidelines - Benchmarking with other agencies and follow Belgium diplomatic office's guidance
Control over territory: attacks on the road occurred in provinces of Sofala and Manica, Nampula and displacement of populations	2	4	8	<ul style="list-style-type: none"> - Travel restriction during night - Monitoring the situation of attacks and adaptation of security guidelines - Monitoring of IDPs
Societal – Human dimension				
Displacement of populations, especially in North region (following conflict and natural disaster)	2	3	6	<ul style="list-style-type: none"> - Integrate population as beneficiaries of the portfolio - Additional pressure on natural resource to be mitigated (mediation, specific support, monitoring...) - Community dialogue and promote social cohesion
Gender inequalities and gender dynamics are not properly assessed, leading to inadequate reach to women / predetermination of gender roles	3	2	6	<ul style="list-style-type: none"> - Gender analysis will inform portfolio development - Resources earmarked for gender mainstreaming, including human resources - Active involvement of women's organisations and gender advocates in the implementation of the portfolio.
Censorship of civil society organizations on some topics	3	2	6	<ul style="list-style-type: none"> - Keeping a balanced and open discussion with civil society actors and organizations.
AIDS prevalence / COVID pandemic resurgence	2	2	4	<ul style="list-style-type: none"> - Information of the staff - Mainstreaming of prevention on the workforce - Adapt flexibility on planning follow-up rules
Risks related to the implementation of the Portfolio / PILOT (DEV,OPS,FIN,LEGAL,REP) ²⁶				
Reputational risks				
The portfolio fails to catalyse new streams of energy/climate finances at scale expected by the end of portfolio	3	3	9	<ul style="list-style-type: none"> - Full-time long-term technical assistance with adequate profile regarding capacity reinforcement, support for coordination and change management as well as technical expertise on climate finance - Support Moz institutions to enhance/elevate their readiness/capacity to leverage/benefit from available global climate funds by supporting institutionalization of processes and promoting higher level buy in

²⁶ The risk dimensions will be specified in the 'risks' guidance note.

				<ul style="list-style-type: none"> - Ensure and facilitate regular coordination with other donors and development partners - -closely monitor and ensure proper function of the facility to support emergence of relevant and strategic priorities through effective and inclusive policy dialogue
The infrastructures and operators that continue to receive Enabel's support fail to respond to changing climate conditions and / or do not operate during their designed life periods. E.g. Mini-grids not functioning associated with low private sector interest for operating mini-grids, poor O&M etc or Quality/quantity of drinking water significantly compromised associated with water source depletion, increased salinity of water etc	2	3	6	<ul style="list-style-type: none"> - Help with creating enabling conditions for private sector interest in utility services (energy, water) - Assess viable business models –starting with outsourcing only operation and maintenance and support them to scale. - Make a careful selection of sites and target sites that appeal to private sectors to enter/expand
Operational Risks				
Dramatic deterioration of the general political and safety situation in the geographic focus areas of the portfolio/violence in the northern provinces spill into Enabel-operated provinces (Nampula, Zambezia), affecting the operational planning progress and/or achievement of project objectives.	3	3	9	<ul style="list-style-type: none"> - This risk is beyond the sphere of control of the interventions. - The geographical concentration will be adapted to the security situation. The portfolio focus will be on four provinces: Nampula, Zambezia and Gaza Use of flexible implementation modalities (a mix of funding and support schemes) that allow to redefine the actions in response to the political and security situation. Political situation closely monitored and communication with the donor about potential impacts on planning or objectives prioritized
Restricted freedom of movement for various reasons and restrictions on physical meetings as a result of security situations/natural disasters and/ or pandemic measures	3	3	9	<ul style="list-style-type: none"> - Presence of staff in all of the provinces focused by the Portfolio - Human resources are allocated per area ensuring continued support to activities on ground. - Organization of activities and targeting of indirect and direct beneficiaries is regional. Collaboration or coordination with partners/stakeholders is either regional or through virtual meetings or workshops. - Support implementing partners to adjust planning and training delivery - The intervention managers will participate in designing a contingency plan together with the Portfolio Steering Committee in order to adapt to the emerging situation.
Limited access to the field and/or limited availability of international expertise due to delays in securing visas/travel arrangements	2	3	6	<ul style="list-style-type: none"> - put a special emphasis on the Term of Reference. Give preference to recruit a competent national staff where possible. - Initiate preparation of passport/travel document and visa procedures for international staff/consultants 3 months ahead of the planned activities

Delay in implementation of studies supported by the STEP facility. Execution of studies often take long due to delay in procurement process, data collection by consultants and technical review of deliverables by the technical authorities	2	2	4	<ul style="list-style-type: none"> - Realistic planning and clear procedures for processing requests at key moments (eg on quarterly basis) established in the facility manual - Closely monitor the progress of consultants engaged for the different supported activities - Work in close synergies with intervention 1 and to ensure that key and strategic programmes or requests for support are given priority through policy dialogue processes - Ensure each study has a technical focal person to support the approval process - Work with existing or new Framework contracts to facilitate rapid mobilization of expertise
Development Risks				
Stakeholders relating to different results areas continue to work in silos and show lesser interests and/or resistance to change	1	3	3	<ul style="list-style-type: none"> - Full-time long-term technical assistants with adequate profiles regarding capacity reinforcement and change management - Enhance capacities of direct implementing partners is part of the interventions. - Take proactive conversations with partners/stakeholders - Schedule training well in advance
Capacities of the partners: Implementing partners lack the minimal necessary organisational and financial-administrative capacities to fulfil their role, hampering the needed momentum for low carbon pathways.	2	2	4	<ul style="list-style-type: none"> - Assessment of institutional governance and organizational capacity assessed and strengthened with full technical-assistance ensured. - Fiduciary risk mitigation strategies would be identified, prioritized and managed effectively
Inability/unwillingness by Mozambican partner institutions /private sector/communities to buy in the rationale of the innovative approaches/business models proposed in the portfolio	2	2	4	<ul style="list-style-type: none"> - Take proactive conversations with partners/stakeholders - Full-time long-term technical assistance with adequate profile regarding capacity reinforcement and change management - Budget for activities and support devoted TA to sustain change processes - Involve partners in change processes - Reinforced presence of technical assistances at levels necessary to advocate/support change
Insufficient participation of women/youth in the interventions, due to cultural constraints or lack of interests.	2	2	4	<ul style="list-style-type: none"> - Develop a gender strategy based on sufficient knowledge of specific gender socio-cultural and economic gaps and constraints; - Consider targeting communities and /or individuals where male key influencers are willing to support women participation;

Lack of control and enforcement of national and international legislation on decent work and economic rights, particularly impacting negatively the socio-economic situation of employees, entrepreneurs and trainees.	1	3	3	<ul style="list-style-type: none"> - Mobilise Private Sector Umbrella Organisations, enterprises and other partners to respect legislation and provide safe and healthy work environments, and closely monitor alignment. Access to information and (labour) rights for trainees and entrepreneurs will be integrated in the project.
Unfruitful tenders for the design and works + delays in procurement	2	2	4	<ul style="list-style-type: none"> - Optimised implementation modalities based on lessons learned - Prepare a procurement plan and estimate a reasonable timeline for the potential procurement/identify supply chains risks in advance - Consider procurements under direct management - Proactive involvement of RAFI/procurement experts - Procurement will be in own management using procedures for design and works, to ensure control on the timing of approvals. - Increase the implementation period -Project is five years long allowing some flexibility. - Emphasize local suppliers/vendors
Safety incident during the infrastructure works with reputational risks and worksite closure as potential consequences	1	3	3	<ul style="list-style-type: none"> - Ensure all safety regulations are respected
Financial Risks				
Misappropriation of program funds and/or insufficient financial management capacity at stakeholder level	1	3	3	<ul style="list-style-type: none"> - Strong financial management control system installed at PMU level and close implementation monitoring of all activities. Special audits will be conducted if needed.
Strong currency exchange rate fluctuation between EUR vs. Mzn	2	3	6	<ul style="list-style-type: none"> - Reduce occurrence and effect through SMART planning and validation - Conduct regular checks on exchange rate via monetary fund authority. - Set budget with 5-10% risk factor on estimated cost. - Contractual agreements to be in local currency when possible.

8 Indicators matrix

These indicators and their targets will be reviewed and confirmed/adapted by the project implementation unit during the start-up phase of the new activities according to a baseline study. Specific indicators related to climate change will be included during the start-up phase (to ensure harmonization with Enabel's strategy regarding climate change)

IMPACT / General Objective	N°	Indicators ²⁷	Baseline	Target	Source of information / Calculation method
Support and institutionally strengthen Mozambique so that the transition to a climate-resilient and low-carbon economy can be achieved in an inclusive way with consideration of vulnerable communities in both rural and urban areas.	I.1	SDG 13.2.2: Total Mozambique's greenhouse gas emissions per year	60 millions Mt CO2/year (2020)	57 millions Mt CO2/year (2027)	Source: NDC - This indicator is being monitor by Task Force of TEI Green Deal
	I.2	SDG 7.2.1: Share of renewable energy in total energy consumption	78%	See National strategy	Source : IRENA https://www.irena.org/IRENADocuments/Statistical_Profiles/Africa/Mozambique_Africa_RE_SP.pdf
	I.3	SDG 13.1.1: Number of deaths, missing persons and directly affected persons attributed to climate change disasters per 100,000 population	TBD	See 5-Year Government Plan (PQG)	Source(s) : PQG 2020-2024 ; UN Voluntary Review ; To be monitored by the Task Force of TEI Green Deal
OUTCOME / Specific Objective	N°	Indicators	Baseline	Target	Source of information
Mozambican authorities and communities, including women, youth, and other vulnerable groups, are strengthened to actively engage together in a - cross sectoral coordination-specifically focusing on improved climate proofed public services, enabling policies and initiatives for energy transition	S.O. 1	# People supported to address climate resilience and just energy transition, either through adaptation, mitigation or disaster risks reduction (disaggregated by sex, with a minimum of 40% of women)	0	21,000 direct and 550,000 indirect beneficiaries ²⁸	Interventions reports and data
	S.O. 2	Satisfaction level of the actors supported by the intervention in terms of coordination of actions towards inclusive climate resilience and just energy transition	TBD	60%	Satisfaction survey to be conducted by PMU
	S.O. 3	Evolution of capacity of the state and non state actors in the field of integration of climate change into public services, policies and local initiatives	0	>75%	Evaluation survey based on a set of criteria to be identified at the start of the portfolio with the stakeholders

²⁷ For indicators at the impact level, it may be possible to add an indicator from the TEI when available in 2023 and if relevant.

²⁸ The exact number of direct and indirect beneficiaries will be known when the 3 districts are selected.

	Intervention 1 Key Interm. Outcomes	N°	Indicators	Baseline	Target	Source of information
POLICY	The GoM, local authorities, communities and civil society are strengthened to improve the formulation, adoption, and implementation of evidence-based policies and initiatives to build climate resilience and just energy transition	1.1	# of people participating in the process of multistakeholder dialogue to build climate resilience and just energy transition	tbd	1.000	Interventions reports and data
		1.2	% of new (inter)national policies, strategies and regulations in water, energy, disaster risk reduction and waste sectors based on evidence generated with the support of the intervention	0	80%	Interventions reports and data
L&D	The GoM, local authorities, communities and civil society are strengthened to design, resource, and implement evidence-based climate resilient and low-carbon oriented plans and budget with a focus on anticipating risks of losses and damages	2.1	# of people benefiting from the adoption and implementation of improved local disaster risk reduction strategies (disaggregated by sex)	0	2.500	Interventions reports and data
ENERGY	The access to sustainable and clean public energy services, especially in off-grid areas, is improved by learning from existing infrastructures and interventions, testing innovations and innovative business models, promoting the involvement of the private sector, and by facilitating additional investments in renewable energy provision	3.1	# of people having access to renewable energy (disaggregated by sex)	0	12.000	Interventions reports and data
		3.2	% of minigrids supported by the intervention that have a viable and attractive business model for the private sector	0	60%	Interventions reports and data
WATER	The sustainability of climate-resilient drinking water supply and solar-powered irrigation systems in rural areas is improved through an appropriate engagement and support from districts, provinces, private sector, and local communities	4.1	# of people who have better and safe access to drinking water (SDG 6.1.1) and # of people with access to innovative productive water	0	3.500	Interventions reports and data
		4.2	% of networks supported by the intervention with an operational multi-stakeholder management system	0	80%	Interventions reports and data
WASTE	The GoM and the related actors involved in municipal waste management system at local level are supported and implement the national programme for sustainable waste management and promote a circular economy in selected municipalities and at national level	5.1	# of people benefiting from an improved residential waste collection system with the support of the intervention	TBD	2.000	Interventions reports and data
		5.2	Quantity of solid recoverable waste collected and processed in Nacala and Nampula (in tons)	TBD	TBD	Interventions reports and data

	Intervention 2 : Key Interim. Outcomes	N°	Indicators	Baseline	Target	Source of information
	The capacities of Mozambican public actors, as well as youth, women and civil society organisations , to promote ambitious climate action and mobilize climate finance for the implementation of the country's climate plans are strengthened, through knowledge generation, studies, and technical assistance	6.1	# of projects submitted by supported actors to green funds and investors	0	5	Interventions reports and data
		6.2	Volume of (International public) funds mobilized by Mozambique that specifically targets low-carbon or climate-resilient development	0	35 M	Interventions reports and data leverage factor * 10 of the facility (excludes NAMA :)
	Intervention 1 OUTPUTS	N°	Indicators	Baseline	Target	Source of information
POLICY	Output 1.1 – The coordination between institutional actors in (inter)sectoral planning and evidence-based policy making and implementation on climate resilience and a just energy transition is improved.	1.1.1	# of coordination meetings between policy dialogue state actors, in the intervention sectors, with the support of the intervention	0	20	KIC 1 counts the number of inter-sectorial coordination meetings and in KIC 2-3-4-5 we count the number of coordination intra-sectoral meetings
	Output 1.2 – The GoM's capacity for evidence-based policy making is improved by enhancing the knowledge base on climate resilience and a just energy transition, by strengthening the feed-back loop between the local, national and international level and by improving access to climate and sector finance.	1.2.1	# of civil servants (disaggregated by sex) trained on topics and data related to climate resilience and a just energy transition	0	100	Interventions reports and data 10.000/1.000€ p.p= 100 personnes
	Output 1.3 – The GoM engages with Mozambican stakeholders from the private sector, civil society, as well as other development partners, to strengthen the coalition of actors around a common roadmap on climate resilience and a just energy transition.	1.3.1	# of intersectorial or multistakeholders dialogue meetings between relevant sectoral working groups of donors and/or other actors (disaggregated by type of actor)	0	15	Interventions reports and data
	Output 1.4 – The engagement by and representation of the interests of women and youth in the intersectoral policy dialogues at local, national and international level on climate	1.4.1	# of Gender Focal Points capacitated to inform and train colleagues and clients on gender mainstreaming in climate resilience and energy transition	20	150	Link the policy dialogues to pilot gender mainstreaming initiatives in the relevant sectors, e.g. the Train-the-Trainer approach to Gender

	resilience and a just energy transition are improved.					Focal Points and communities at provincial and national level
		1.4.2	# of policies and strategies supported by the Intervention that include improved specific gender analysis, activities and budget dedicated to the empowerment of women and youth in climate resilience and just energy transition	0	4	at least one policy per sector
	Output 1.5 – Mozambique is strengthened to participate in international and regional initiatives on climate resilience and a just energy transition and in the implementation of the resulting agreements.	1.5.1	# Number of relevant international meetings attended by the partner's staff	0	10	Interventions reports and data
L&D	Output 2.1 – The intersectoral consultation and collaboration between INGD and other actors at national, provincial and district levels are enhanced through operational and inclusive coordination mechanisms and tools to improve risk management and resilience building	2.1.1	# of interdepartmental meetings (within INGD) that focus on risk management and resilience building at provincial and district level	0	20	Proposal is to count inter-sector in R1 and intra-sectorial working groups at R2-R3-R4-R5
	Output 2.2 – Institutions, governance and mechanisms for reducing and managing losses and damages are enhanced	2.2.1	Number of gov officials trained on data collection, management and analysis on losses and damages (disaggregated by sex)	0	30	30 government agent benefiting from trainings, capacity building, workshop, etc.
	Output 2.3 – The resilience of communities and landscape regarding risk of losses and damages is enhanced in 3 pilot districts	2.3.1	# People participating in collaborative design workshops (disaggregated by sex) and other initiatives involving of citizens/community representatives within LGUs supported by the intervention	0	2460	960 people (= 320 people per district) through activity B0301 : Build adaptative and risk anticipation strategies of communities and civil society

						1500 people (= 500 people per district) through activity B0302 :
	Output 2.4 – Women and girls are better involved in policy actions and measures losses and damages sector	2.4.1	# of women trained and supported to be actively involved in losses and damages sector	0	25	Min 1 women association per district - Around 25 women directly supported (training, mentoring, coaching..)
ENERGY	Output 3.1 – Multi-actor approach: Inter and intra-sectoral coordination of government agencies, including private sector and energy sectoral associations, are enhanced to improve and expand energy access through renewables.	3.1.1	# of multistakeholders meetings including private actors and civil society organizations to improve and expand energy access through renewables	0	20	2 annual meetings for 2 groups, 4 meetings/year. KIC 3 focus on Energy Sector (intra-sectoral coordination) and the inter-sectoral Working group is covered by R1
	Output 3.2 – Central and local government agencies, municipalities and communities are capacitated in the selection, design and delivery of clean energy projects	3.2.1	# of people trained in the selection, design and delivery of clean energy projects (disaggregated by sex)	0	250	Number of learning institutions (training centers) supported (#3) - number of trainings programs created (#4) - Number of Student per training (#20). Assumption: Each training program is given at least once in each training center - so in total 12 training organised - 12X20=240. Training for official at Central level will be counted in R1 - but additional #10 pers could be spectically trained on GIS analysis for planning purposes (focus on access to energy strategy)
	Output 3.3 – Involvement of communities, private sector and civil society: Pilot projects and innovative business models aimed to improve the sustainability of (decentralized) renewable energy technologies are promoted and encourage the delivery of clean energy solutions adequately addressing community needs	3.3.1	# of mini-grids that are monitored and generate useful data to increase knowledge on operational modalities	0	5	5 MG built under RERD2
	Output 3.4 – Women's involvement in clean energy projects is enhanced through the adoption of gender-inclusive methodologies during project development and implementation	3.4.1	# of women in communities equipped with technical skills for off-grid renewable energy and involved in management / O&M	0	20	1 VET with a focus on women's involvement in the RE sector - assumption #20 women trained

	Output 3.5 – Innovation: Enabling policies and institutional framework conditions are identified to support Innovative and sustainable recycling systems and contribute to an effective solar waste management	3.5.1	% of solar system and solar components (public owned assets) registered in (ARENE) database (to assess End of Life management needs of solar equipment)	TBD	100%	ARENE database
WATER	Output 4.1 – The intersectoral consultation and collaboration between water and other technical services at provincial and district levels are enhanced through operational and inclusive coordination mechanisms and dissemination of good practices at central level	4.1.1	# of intra-sectoral coordination meetings at district and provincial levels	0	20	Interventions reports and data
	Output 4.2 – Public actors at provincial and district level have the capacities to develop and implement sustainable water supply interventions counting on a reliable SINAS, effective regulation and enhanced planning and management skills	4.2.1	# of district staff equipped and trained to support better investments, service and monitoring of water supply (disaggregated by sex)	0	350	7 workshop X 25 participants X 2 provinces - with a focus on technical sectors repartition to reinforce inter-sector (participation of agriculture, energy, planning ... staff)
	Output 4.3 – An improved knowledge and awareness of the communities around climate change, disaster risks prevention and climate proofed infrastructure contribute to their involvement in the decision-making process for sustainable management, design and O&M	4.3.1	# of people aware of their roles in decision-making process in water infrastructure development and disaster risks management	0	7500	24 communities = 750/community
	Output 4.4 – Women and girls are better involved in water sector management/decision at community and at public service level	4.4.1	# of district staff and community members trained in gender transformative approach in water sector	0	100	2 district X 25 officials X 25 community members

	Output 4.5 – Climate proofed water services to the populations are supported by technological innovation, nature-based solution and renewable energy	4.5.1	# of people benefiting from water supply systems installed and equipped with renewable energy	0	3500	Interventions reports and data
WASTE	Output 5.1 – Waste management plans are coordinated with other municipal public services and covered by the reporting system towards the national authorities	5.1.1	Number of coordination meetings within the municipalities between waste management and other sectoral activities	0	20	Interventions reports and data
	Output 5.2 – The capacity of municipalities for enforcing the waste management plans is strengthened and investments in collection equipment and infrastructure are planned on the long term	5.2.1	# Municipal staff trained in waste management issues	0	100	Interventions reports and data
	Output 5.3 –Waste pickers and neighborhood associations become key partners for the Municipality and waste operators to collect recoverable waste and to reclaim the loss of the amenity due to the dispersion of wastes in the public space	5.3.1	# Waste pickers that are members of associations which operate the ecopoint	0	1000	Interventions reports and data
	Output 5.4 – Women are an active player in the waste collection system and are allocated a fair part of the economic benefits	5.4.1	# of women equipped with entrepreneurial skills to develop small business in relation with waste collection	0	50	Interventions reports and data
	Output 5.5 – A circular economic case of recoverable waste can be scaled up in the country, during the design of the system, its operations and identification of new investments all the actors are engaged	5.5.1	# of recycling industries involved in the planning and contracting mechanisms related to the implementation of the collection system	0	5	Recycling companies must be involved in the organisation of collection to ensure a regular supply in terms of quantity and quality
INTERVENTION 2 Outputs						

STEP	Output 1.1 – Studies are conducted and expertise mobilized to support knowledge generation, capacity building and the development of transformative and inclusive mitigation and adaptation climate investment programmes in key sectors	2/ 1.1.1	# of requests processed by the facility through the most appropriate modality (studies, technical assistance, analysis, etc)	0	20	Interventions reports and data
	Output 1.2 – The capacities of MOZ public authorities to better access, manage and monitor climate finance are strengthened	2/1.2.1	# of people trained in accessing, managing and monitoring climate finance (disaggregated by sex)	0	100	Interventions reports and data

9 Annexes

9.1 Overview of interventions for third parties

The portfolio is aligned with national and global priorities concerning climate mitigation and adaptation. This can be seen through the nature of third-party opportunities in the pipeline (global climate funds, EU funds). Enabel's niche in climate finance and embedded expertise within the climate sphere (water, renewable energy...) should also present further opportunities for delegated cooperation or other forms of collaboration. Opportunities will also be explored in relation to pillar 2 in the context of the EU TEI Green Deal.

Ongoing and planned interventions for third parties are as follows:

1. **NAMA Support Program – Mozambique Waste Management (NSP, funded by the NAMA Facility, EURO 18.6 million, 2023-2027)**, intends to address the current practice of uncontrolled urban solid waste disposal and poorly managed dumpsites with little to no-treatment, and/or recovery of recyclable and reusable materials. This will be done through the establishment of dedicated financial support mechanisms to promote investments in sustainable waste treatment infrastructures (i. e. material recovery facilities - MRF and sanitary landfills/composting facilities) and value chain activities in three Mozambican municipalities (Nacala, Nampula and Pemba).

This intervention involves coordinating the tendering for the preparation and construction of waste treatment infrastructure in two out of the three above-mentioned municipalities (Nampula and Nacala). Once construction is concluded, the waste treatment infrastructure will be transferred to the Municipalities' and, Enabel's role will change to providing results-based finance (RBF) grants to the MRF in all the three municipalities (Nampula, Nacala and Pemba) until 2027. After this period, the responsibility will be assumed by the National Sustainable Development Fund. Among others, the intervention also supports the strengthening of material recovery value chains using formalized waste pickers

2. **GCF Readiness Support**

Enabel supported the GCF NDA, the National Directorate of Monitoring and Evaluation at the Ministry of Economy of Finance, in submitting a readiness proposal to the GCF in July 2021 aimed at strengthening institutional capacities and coordination mechanisms for accelerating and scaling up the mobilization of climate finance in Mozambique. The proposal is currently being revised, after receiving comments from the GCF after a very long delay. It is expected that it will be approved by mid-2023 soon, with a project budget of 1M EUR and duration of 2 years. This proposal will be directly complementary to the support provided under the facility, and notably output 2 as it will aim at providing dedicated capacity and institutional support to the NDA to improve the planning and mobilization of resources that are need to perform its roles and responsibilities fully and effectively in the context of climate finance mobilization in the country. Through this readiness proposal support will also be provided to better engage private sector actors to explore specific climate finance opportunities and strengthen capacities of government partners to analyse and structure public private partnership opportunities. The support is also aimed at helping to finalize the complex accreditation process of FNDS and eventually FUNAE, as national entities which have been designated by the GoM to become accredited to receive funding directly from the GCF.

3. **EU MRV**

The EU is planning to finance a new programme to support the GoM, and MTA, in strengthening its overall Monitoring, Reporting and Verification system, that would encompass tracking progress on the NDC implementation plan and its mitigation measures, the countries level of emissions (greenhouse-gas inventories) and the financial support provided and received to achieve its targets. Enabel may be identified as the implementing agency for this programme. Therefore, clear synergies and complementarities will be sought between the bilateral portfolio, notably through the TA to

MEF, and this EU programme to ensure a coherent and consistent approach to MRV in the country, building on existing tools and experience.

4. The **Brussels Capital Region** has decided to sign a new financing agreement with Enabel in 2022. The agreement provides for a total budget of €4,150,000, a maximum implementation period of 4 years (2023-2027) and a priority focus on adaptation to climate change.

Following on from the previous IBGE Top-up agreement and building on the opportunity to extend the work in the beneficiary countries, the 2022 agreement will fund activities in 4 countries including Mozambique. For Mozambique, an amount of €1M is considered and will target climate resilient infrastructure and in particular the reinforcement of the cluster of desalination units²⁹ financed under the 1st Convention.

²⁹ Bombofo, Chate (Bairo 1+2), Cietar, DzinDzine, Ghibembene, Macaevene, Manhica, Tchaque

9.2 Overview of identified implementation partnerships

IMPLEMENTATION ACTOR BUDGET RESULTS/ACTIVITIES	SUBJECT-MATTER GRANTAGR/ FRAMEWCOOPAGR / COOPAGR (UN)	ARGUMENTS
GRANTS (DIRECT AWARD)		
DNAAS (National Directorate for Water Supply and Sanitation)	Grant agr R4-D0102 - Capitalisation on processes, tools, lessons learnt at central level (DNAAS), exchange and replication in other Provinces (Nampula) B010201 (50,000€) B010203 (30,000€) R4 - D0401 - Reinforcement of communication on Gender Strategy in Water sector B040101 (30,000€)	The National Directorate of Water Supply and Sanitation (DNAAS), under the MOPHRH, carries out inventories of water resources and needs and issues licenses for water uses. The DNAAS holds the institutional mandate of proposing and ensuring the implementation of policies, strategies, norms, regulations, and technical specifications for WSS, as well as the promotion of investments for construction, maintenance, and expansion of WSS infrastructure (Resolution n° 19/2015, of July 17, 2015). DNAAS have considerable exposure and experience in the implementation of WB-financed operations. The WB has carried out an institutional capacity assessment of the DNAAS, which concluded that the DNAAS meets the basic institutional requirements to implement the current “Rural and Small Towns Water Security Project”. DNAAS is a key player in water governance and cross-sectoral issues.
Provincial Directorate of Public Works (DPOP) of Maputo Province and Gaza Province	Grant agr D0203 - Training and equipment at district level for SINAS implementation B020302 (25,000€) D020502 - Training at District, Provincial and Central level aiming at provincial and district level to promote cross-sectorial dialogue and peer learning (Gaza and Maputo) D020502 (110,000€)	Provincial Directorates of Public Works, Housing and Water Resources (DPOPHRH) has responsibility for water supply and sanitation for the areas not classified as urban towns and covering rest of the rest of population settlements belonging to the rural domain. The DPOPs are a key player in the organisation of the various training workshops and intersectoral dialogue. The supervision of the works for the installation of the desalination units and water networks will be under their responsibility. They are also the primary users and collectors of SINAS data.
CFPA (Centro de Formação Profissional de Água e Saneamento)	Grant agr D0204 - Assessment of existing technical skills and accordingly development of technical training modules D020402 (60,000€)	The Professional Training Centre for Water and Sanitation (CFPAS), created in 1980, is a public institution of professional education in the areas of Water Supply and Sanitation and Management of Water Resources. It is under the tutelage of the Ministry of Public Works, Housing and Water Resources It has, since 2000, legal personality and capacity, as well as administrative and financial autonomy. The mission of CFPAS is to contribute to the development of human resources in the Water Sector, through training, information dissemination and research, with a view to improving Water and Sanitation Services. The experience of the CFPAS will make it possible to strengthen the quality of the training modules and to centralise the outputs for future dissemination to other Provinces/Districts.
INIR (Instituto Nacional de Irrigação)	Grant agr D0504 - Reinforcement of SPIS business development by developing social engineering modules and specific support to INIR D050401 (150,000€)	The National Institute for Irrigation is a public institution with its headquarters in Maputo, created under Decree no. 9/2012, of 11 May, of the Council of Ministers and endowed with legal personality with technical and administrative autonomy. INIR is responsible for ensuring the efficient and sustainable planning, development and management of land and water resources for production in the irrigation sector. INIR is a central player in the RERD2 project and has the responsibility within this project to democratise access to SPIS. Given the experience gained in the current project, INIR is best placed to implement quality social engineering for SPIS beneficiaries.
INGD (National Institute for Disaster Risk Reduction and Management)	Grant agr D0303- Contribute to the dissemination of people centered early warning systems at district and provincial level D030301 Grant to INGD to contribute to presidential initiative on early warning systems (210.000 €)	The National Institute for Disaster Risk Management and Reduction abbreviated as INGD, was created through Presidential Decree n° 41/2020 of 28 December, as the coordinating entity for Disaster Risk Management and Reduction. The INGD is focused on several areas of action including the Coordination of disaster prevention and mitigation actions; (ii) Coordination of emergency actions and post-disaster reconstruction actions. INGD has delegations at decentralized level (focal point at provincial and district level) and has ensured the establishment of a network of DRM committees at local level (Comitês Locais de Gestão do Risco de Calamidades – CLGRC).

UEM (Centre for Energy Research, Centro de Estudos de Agricultura e Gestão de Recursos Naturais (CEAGRE),...)	Grant agr (420,000€) A050103 120000€; A020202 300000€	Applied research on e.g. green hydrogen, phasing down coal export, LNG as a transition fuel, sustainable biomass production, waste management and clean energy use, mega hydro-energy plants, decentralised energy generation and use., gender A continued, periodical expertise input support in energy sector analysis, modelling and scenario building, and its link with (inter)national climate change information and reporting, as for instance the NDC and LTS exercises in the framework of the Paris Climate Agreement and in the energy transition collaboration within the AU through AFREC, is deemed necessary. There is also a need to promote and further refine the collection of household census data on for instance MTF energy access or biomass use, especially in view of the risk of increased class- and gender-based energy poverty due to climate change, inflation, supply constraints, and the move toward more expensive low-carbon technologies. Such periodical expertise input is envisaged to be sourced especially from national research and training institutes.
ADE (Agência Nacional de Desenvolvimento Geo-Espacial)	Grant agr (100,000€) A020103	Applied geo-spatial research and data management on e.g. sustainable biomass production, decentralised energy generation and use.
NGO active on productive use of energy such as AVSI, IDE, SNV etc³⁰	Grant agr C0301 Test of different business models and assess the impact of the combination of residential, community, and productive customers C030109 - Grant mechanism with NGO to support productive use (500.000 €)	Identify and further assess potential productive use of energy in the mini-grids areas and surrounding agricultural areas to increase the energy demand and ensure the sustainability of the assets. Funding support is foreseen to provide soft-skills and hard components, such as provision of studies or construction work (e.g additional HH connexions), provision of equipment for productive use of energy, etc. Potential local partners will roll out the cluster-based approach and support productive use of energy. The identification of partner (NGO) will be further assessed during inception phase.
FRAMEWORK COOPERATION AGREEMENT		
VITO	Specific Cooperation Agreement (Framework Cooperation Agreement Num.114) (65,000€)	VITO will be further tasked to provide support on energy sector analysis, modelling and scenario building, and its link with (inter)national climate change information and reporting, as for instance the NDC and LTS exercises, in the energy transition collaboration within the AU through AFREC, in MTF energy access surveys or biomass use remote monitoring, and support to UEM and INE
SWDE	General cooperation agreement / specific cooperation agreement D0205 - Training at District, Provincial and Central level aiming at provincial and district level to promote cross-sectorial dialogue and peer learning (Gaza and Maputo) D020502 (115,000€)	The Société wallonne des eaux (SWDE) is an autonomous public company, constituted as a cooperative society. Its public service activities are defined by the Water Code and mainly concern three areas: water production (catchment, pumping and potabilisation), distribution of drinking water through pipes, protection of water resources intended for human consumption, etc. SWDE has developed a set of technical courses on water in Belgium (notably, an above-ground educational network). They are experimented in SWOP and provide dedicated support to water operator in Guinea Conakry and Republic Democratic of Congo).
Belgian public waste operators (Bruxelles Propreté, Intradef, TIBI)	Framework cooperation agreement / specific cooperation agreement. E0201 "Strengthening the capacity of municipalities to enforce the waste management plans" (36.400 €) E0501 "Involving the recycling industries downstream in the planning and contracting mechanisms related to the implementation of the collection system." (18.200 €)	In response to the increasing complexity of waste management and the need to invest in heavy infrastructures, Belgium municipalities have joined forces and created syndicates as a distinct utility more than 40 years ago. These syndicates are responsible for operating residential waste collection system and treatment while municipalities remain involved in the implementation of the waste management plan and pay a contribution proportional to the volume and the nature of the residential waste collected on their territory. These syndicates hold an operational and stakeholder engagement know-how which is very relevant to the activities to be implemented via the program.

³⁰ The type of grant procedure (call for proposals or direct award) will be determined during the preparation phase.

9.3 Responsibilities of the strategic and operational steering bodies

Steering Committee (SC):

- Periodically monitor overall progress and the achievement of expected results.
- Ensure overall monitoring of compliance with commitments made by stakeholders.
- Ensure the internal and external strategic coherence of operations.
- Take all the necessary measures for the strategic reorientation of operations in accordance with the specific agreement.
- Validate annual programming.
- Validate strategic/technical adjustments proposed by the technical committee (TechCom).
- Ensure ownership of operations by all stakeholders.

Technical Committee (TechCom):

- Periodically monitor the overall progress of activities and validate operational plans
- Monitor compliance with the commitments of the various implementing actors
- Participate in the preparation and monitoring of contracts and operational partnerships
- Ensure the internal consistency of intervention approaches and the complementarity of activities with other (local) development initiatives in the field (state, private or led by other TFPs)
- Analyze operational constraints and challenges and seek solutions or mitigation measures
- Ensure the link between the intervention management unit (MU) and the Steering Committee (C):
 - prepare C meetings
 - formulate proposals for strategic or technical modifications
 - advise and guide the C in decision-making based on in-depth knowledge of the field
- Discuss contextual developments related to the intervention sectors/themes
- Ensure the appropriation and implementation of the recommendations made by reviews and technical backstopping
- Contribute to capitalization, knowledge sharing and communication activities

9.4 Definitions: types of partnerships

Implementing partner: any organization/institution responsible for executing one or several portfolio activities.

Operational partner: any organization/institution responsible for defining and/or implementing one or several portfolio activities. May be actively involved in the portfolio formulation process and take a leadership role in some of the portfolio governance bodies.

Strategic Partner: government partner institution or coordination body with whom the intervention coordinates the intervention, shares relevant information in order to ensure alignment with priorities, promote synergies and greater harmonization amongst contributions.

Technical-Financial Partner: partner multi-or bilateral agencies contributing to the same sector, domains and/or beneficiaries of the intervention and who need to be consulted throughout project implementation for the purpose of dialogue, coordination and harmonization.

Other stakeholders: public or private stakeholders whose strategic objectives are in line with those of the action and who are important actors contributing to exchange of information, and promoting synergies, harmonization and coordination with national strategies/policies/other initiatives).

9.5 PEFA Climate - Climate responsive public financial management framework

All countries face the dramatic challenges posed by changing climate. Countries need to adapt to the impacts of increasing erratic natural phenomena. In addition, the decarbonization of the economies represent a difficult development path that requires striking difficult trade-offs. Countries will need to devote significant resources to adaptation, mitigation and decarbonisation policies. The political leadership will need to take clear bold decisions to ensure **shifts in public policy for a smart allocation of resources**. Countries Fiscal Policies (Taxation and Expenditure) plays a fundamental role to provide incentives to households' and businesses' investments while complementing them, to shift the development path and transition of the country towards climate resilient and low carbon technologies and infrastructure. Through its fiscal policy a **government can leverage public resources, shifting them from declining, carbon-intensive technologies** and thereby reducing the risk of stranded assets and future carbon liabilities.

Recognizing that national budget processes, budget planning, public investment management, procurement practices, and intergovernmental fiscal relations have a critical role to play in meeting the challenge of climate change means **leveraging the governments' capacities to lead the transition**.

The transition towards a more resilient, decarbonised economy is not only a tremendous challenge. It will also bring **significant development benefits** in terms of employment creation, pollution reduction, competitiveness, access to energy and energy security. Governments need to ensure that the transition toward low carbon and resilient economic activities is just. They will need to implement **measures to ensure social equity by protecting the vulnerable**.

Considering climate risks and opportunities requires a **systematic whole-of-government approach which encompasses the PFM cycle** including climate-informed macroeconomic analysis and planning, revenue, public investment, procurement, and expenditure management. It also includes mechanisms for promoting institutional collaboration across ministries for sectoral planning, project design, and implementation.

PEFA Climate³¹ Why, How, What

A Government has three main objectives: (i) ensure macroeconomic stability, (ii) ensure strategic allocation of resources and (iii) ensure the provision of services. A good PFM system is intended to ensure that the policies of governments are implemented as intended and achieve their objectives.

The **PEFA Climate evaluation** informs on the extent to which a country's **PFM system is** ready to support and foster the implementation of government climate change policies, i.e., is "**climate responsive**" while ensuring the achievement of the abovementioned objectives.

It provides information on whether laws and regulations, institutions, systems, procedures, and processes are conducive to the implementation of climate change activities throughout the budget cycle. This includes evaluating whether the planning and design of budgetary policies considering climate, the resulting budget allocations needed to implement them, the system to track of these allocations are such that ensure that policies are implemented as intended. Finally, it evaluates whether and to what extent the monitoring and evaluation of the efficiency and effectiveness of these policies and investments are functional to the Government objectives.

The PEFA Climate framework builds on the PEFA framework and, after the piloting, will (i) include the most relevant examples of good practices in developed and developing countries for each key subject; (ii) building

³¹ Public Expenditure and Financial Accountability (PEFA) framework for assessing climate responsive public financial management (PFM).

on the examples, highlight the steps to be undertaken for improvement, and (iii) reference relevant technical tool kits and implementation guidance.

PEFA assessments are meant to provide a benchmark of the performances of a PFM System and is an instrument to track its evolution. Similarly, the PEFA Climate assessment report will provide a **benchmark of performance** and identify the **opportunities** for countries to make their **PFM more climate responsive**. If repeated over time, it highlights where and whether **progress** has been made towards PFM climate responsiveness.

The decision to undertake a PEFA Climate assessment is at the discretion of country authorities. The PEFA Climate assessment is intended to be conducted on a voluntary basis concurrently with a PEFA assessment. This would allow countries to efficiently capitalize on data already collected during the PEFA assessment process and result in cost and resource efficiency gains.

Considering that **Mozambique has recently concluded a PEFA** evaluation and considering that in the past the authorities have been keen in piloting new PEFA methodologies, there is an **interest in undertaking a PEFA Climate** with financial support of some donors, capitalising on the recently concluded evaluation while assessing the PFM system responsiveness to climate change.

The link is clear with Goal 13 of the Sustainable Development Goals (SDGs) that calls for urgent action to tackle climate change and its impact. SDG 13 presents five targets:

1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries;
2. Integrate climate change measures into national policies, strategies and planning;
3. Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning;
4. Implement the UN Framework Convention on Climate Change; and
5. Promote mechanisms to raise capacity for planning and management.

A first exercise in Mozambique, will give a unique opportunity to integrate other kind of indicators and therefore to innovate. The time aligned with the new portfolio gives us also the have information on the trends of the country to reinforce his resilience on climate change.

9.6 Debt for Climate Swap

About debt-swaps

Debt swaps refer to agreements between a creditor and a debtor, wherein the existing debt is replaced by a new instrument or commitment, entailing some financial relief for the debtor and a reallocation of cash flows towards targeted objectives.

Because of their (i) potential positive impact on debt metrics and (ii) associated commitment to pursue SDG-related objectives, debt swaps are getting increased attention from international financial institutions are creditor and debtor countries.

Debt for-climate swaps

Debt for Climate (DFC) swaps are a type of debt swap in which the debtor nation, instead of continuing to make external debt payments in a foreign currency, makes payments in local currency to finance climate projects domestically on agreed upon terms.

Under a debt-for-climate swap, creditor countries (e.g. Italy, Belgium, Portugal, Spain..) **allow debtor governments** (e.g. Mozambique) **to reduce their contractual debt obligations** (contributing to debt

sustainability) in return for a commitment to devote the freed-up resources to local climate-related spending (contributing to climate change mitigation and/or adaptation).

- DFC swaps can **reduce the level of indebtedness** as well as **free up fiscal resources** to be spent on **green investments**.
- They have figured prominently in the public debate in recent years as a potential scalable solution to help address debt, climate, and biodiversity crises, and to provide additional financing towards the achievement of the SDGs³².
- Debt for climate swaps are in line with Belgium’s position note on debt relief.³³

Structure of DFC Swaps

While each transaction will vary, a generic structure of a DFC swap agreement is represented by the following instrument mechanics

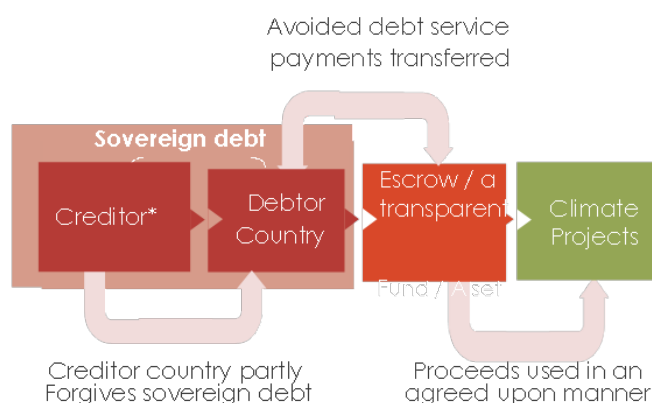


Figure 1515 Illustration of DFC swaps mechanism

Alternatively, new debt can be issued by a debtor nation to replace existing debt with a commitment to use proceeds to address climate change through mutually agreed performance-linked incentives such as lower interest rates, grants, carbon offsets to service interest, etc.

In the perspective of a DFC, several options exist regarding the recipient entity.

Based on examples from other countries (France, Spain, Italy, Germany, etc.) with respect to other countries (Seychelles, Bolivia, etc.), two options exist for this type of operation:

- A debt cancellation or debt swap is possible under a Paris Club agreement or an international agreement.
- A debt swap would be possible outside of the Paris Club agreement or an international agreement if some conditions (to be defined by the creditor country and with the debtor country) are fulfilled.

³² See for example Independent Expert Group on Climate Finance (2020) *Delivering on the \$100 billion climate finance commitment and transforming climate finance*

³³ Schuldverlichting ten gunste van ontwikkelingslanden in de strijd tegen Covid-19 – Belgisch standpunt

* Creditor is likely to be another sovereign, but private sector creditors could also encouraged to participate in a DFC swap