



BELGIAN FEDERAL CLIMATE CHANGE SERVICE



## Report of the COP21 Side Event:

### Multi-stakeholder Partnerships in Early Stage Project Development in the Municipal Waste Sector in Mozambique

After his introduction of the topic, Mr. **Ash Sharma** (NEFCO) invited **Ms. Patricia Grobden** (Belgian Federal Climate Change Service) to provide the context for the initiative. She explained that the process started in 2011 with a bilateral risk and reward sharing agreement between the Belgian federal climate change service and Carbon Africa Ltd for the development of a composting of municipal waste CDM Programme. Due to the fall in carbon prices, the scope of the agreement shifted towards the development of a Nationally Appropriate Mitigation Action (NAMA) Proposal for the waste sector, implying the involvement of more actors, such as local and national government entities. Ms. Grobden stressed that critical success factors for multi-stakeholder partnerships in early phase project development include a strong commitment of all parties involved, sufficient time and an open and transparent communication.

**Ms. Marilia Telma Manjate** (MITADER) introduced Mozambique's National Climate Change Strategy and its Integrated Waste Management Strategy that provides a basis for integrated management of municipal solid waste, taking into account the minimization of production, collection, transport, treatment and final disposal of waste. For the implementation of the strategy Mozambique wants to promote partnerships between public sector, private sector and civil society. Since many activities reduce or avoid GHG emissions, climate finance could be an avenue for the implementation of the strategy. She explained that a Task force, consisting of several local and national government entities and civil society actors, was established in 2014 for the development and formulation of NAMAs and other climate finance opportunities in the waste sector in Mozambique. The Task Force prepared several NAMA proposals. The national approval process for submitting them to the NAMA registry is on-going.

**Mr. Antoine Belon** (AMOR) explained the NAMA architecture for the waste sector which is based on the hierarchy of the waste treatment practices : first recycling, then waste to energy, and finally deposit in controlled or sanitary landfill. He provided further insights for the three specific component NAMAs that Mozambique intends to submit soon to the NAMA registry. The component NAMA "Recycling through Waste Transfer and Recycling Centers" is being implemented at pilot scale in two municipalities but needs further support for the development of the financial mechanism and for capacity building at municipal level. The component NAMA "Use of Waste as Refuse Derived Fuel (RDF) for cement factory" received financial support from the Climate Technology Centre & Network (CTCN) for the development phase and will soon look for financial support for implementation. He concluded with an overview of the activities identified for the development of the component NAMA "Waste Management Models and Sanitary Landfills".



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**Mr. Sandro Conceição** (Intercement) provided the audience with further insights in how cement companies can contribute to management of municipal waste, using it as a final destination and recovery of energy and minerals contained in it. The co-processing of waste reduces GHG emissions, as it replaces fossil fuel use. Sandro Conceição explained that his company plans to start using waste in 2017 and want to reach an annual use 40.000 tons from 2018 on-wards or 20% of the annual municipal waste production in Maputo and Matola, thereby reducing 50.000 ton of CO<sub>2</sub> per year. Upon a question from the audience, Sandro Conceição explained that RDF and landfilling is at present the best option for Mozambique. The municipal solid waste is an urgent problem to solve, and must be done with local support and local companies. The incineration is not the solution for now as it requires a huge amount of investment which is not available at present so the government decided to install a new landfill. By co-processing the RDF in the cement kiln, Intercement valorises the energy available in the waste. RDF represents 20% of the total waste and so there is space to implement alternative waste treatments. For now a solution engaging all the stakeholders (collectors, government and private companies like Intercement) needs to be urgently implemented.

In the final presentation of the side event **Mr. Adriaan Tas** (Carbon Africa Ltd) made a strong case for the need for innovative approaches in financing early project development. Project development implies moving along a bumpy and risky road and the deliverables of a pre-feasibility phase are less tangible, as it involves mainly laying an institutional foundation to bring the project to the next level. Early project development implies bringing different stakeholders together, working on a common vision and identifying win-win situations. Answering a question from the audience, Adriaan Tas confirmed that according to him several project developers are willing to work in a risk and reward sharing structure but the difficulty lies in the identification of the risks and the benefits. He emphasised again that a support mechanism targetting the early phase of project development can help entrepreneurs in this risky environment.

The Belgian Minister for Energy, Environment and Sustainable Development, **Ms. Marie Christine Marghem**, concluded the side event. She mentioned that the commitment shown by the task force contributed to creating the conditions for Mozambique to access additional climate finance. She further informed the audience that the Belgian federal government remains committed to supporting developing countries for the implementation of their climate policy. Besides contributing to different climate funds and international initiatives, the Belgian Federal Government will also investigate how it can use the lessons learned from this successful pilot case to develop a strategy for early phase project support, preferably through multi-stakeholder partnerships.

There were a number of questions and comments from the audience moderated by **Mr Sharma**. These related to the need for national and local governments to apply public procurement procedures in tendering, the possibility for Africa to leapfrog waste treatment technologies and moving up the waste hierarchy in Africa, risk sharing with the private sector and the role of the Green Climate Fund in project preparation.