



POLICY UPDATE

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Energy Transition in Mozambique must ensure the balance between access to energy for all and environmental sustainability

- The Center for Democracy and Development (CDD) organized on April 28 in Maputo City the national conference on “Challenges and Opportunities to Promote an Inclusive Energy Transition in Mozambique”, which served to present the report of the research conducted in the city of Pemba, as well as create a forum for dialogue between the relevant stakeholders in the energy transition process.



The conference is part of the CDD initiative, supported by the British High Commission in Mozambique, which aims to promote a more inclusive energy transition by leading a citizen consultation process that encourages greater involvement and participation of civil society.

Prior to the national conference, two events were held as part of the same project: the

workshop presenting the results of the “Citizens Consultation and Dialogue to Promote an Inclusive Energy Transition in Pemba”, held on March 30th, in partnership with the Pemba Municipal Council; and the webinar “Launch of the Citizens Consultation and Dialogue to Promote an Inclusive Energy Transition in Pemba”, held on February 9th.

United Kingdom High Commissioner in Mozambique, **NneNne Iwuji-Eme**



In the 28 April conference, the United Kingdom High Commissioner in Mozambique was responsible for the opening remarks. NneNne Iwuji-Eme began her intervention by stating that the British High Commission, through the partnership between the cities of Aberdeen (United Kingdom) and Pemba (Mozambique), is working with the municipal authorities of Pemba in the development of its long term objectives of promoting economic growth, prosperity and inclusive and sustainable economic systems

through urbanization plans, infrastructure and energy transition.

This is a plan that is still being developed with contributions from the citizens of Pemba, and it is expected that it will improve the environment for investments in local infrastructure sectors with regional impact, contributing to the stimulation of other sectors. The plan also aims to contribute to climate change adaptation, mitigation and resilience actions, as well as enabling Pemba to join the World Energy Cities Partnership, an initiative

that connects energy cities to promote sustainable energy production for the benefit of communities.

Building on the commitment made by Mozambique at the COP26 summit in November 2021, namely to reverse the scenario of land degradation, deforestation and achieve around 72% renewable energy based energy, the UK Government is committed to working with the Mozambican authorities on a long-term plan to harness future natural gas revenues from the Ro-

vuma Basin to build resilience, adaptive capacity to climate change, improved energy access as well as the transition to cleaner energy.

“The UK Government, represented by the British High Commission in Mozambique, is also committed to finding solutions to ensure that countries like Mozambique, which are most vulnerable to climate change, can access the finance and resources they need to build resilience for the future.”

Permanent Secretary of the Ministry of Mineral Resources and Energy (MIREME), **Teodoro Vales**



The Permanent Secretary of the Ministry of Mineral Resources and Energy (MIREME), Teodoro Vales, in his intervention, argued that in the conditions in which Mozambique finds itself, the need to ensure access to energy for all is essential. It is in this context that the Government

launched in 2018 a national programme called “Energy for All”, which advocates universal access by the year 2030.

Added to this challenging programme is the challenge of energy transition, a global agenda but one that carries national political and eco-

conomic weight. “In a country with nearly 60% of the population without access to electricity, it is somewhat paradoxical to ask those who have never had access to electricity at home to make a statement on something inherent to the energy transition. However, this should not constitute an exclusion factor in the approach to matters related to the energy transition process.”

MIREME believes that the energy transition should be made taking into account the existing conditions in the country. “For example, there is the need to abandon or renounce coal, but

at the moment coal is the main contributor to Mozambique’s balance of payments. Therefore, it is an important resource for the country’s economy, so it cannot be renounced from one day to the next. It is necessary that the energy transition be a gradual process that does not cause a rupture in the economic system”.

The Government has set a target for 2024 of increasing the generation capacity of clean and renewable energy by 600 megawatts, of which 400 megawatts will come from gas and 200 megawatts from hydro, solar and wind sources.

President of Mozambique Chamber of Energy, **Florival Mucave**



The Mozambique Chamber of Energy believes that the current debate on energy transition is not inclusive enough. And, because of that, there is still no Mozambican narrative on this theme. “It is imperative that we have a Mozambican narrative on this issue of energy transition, because if we base our narrative on the global debate, we will lose out, because we have, for example, coal, which is very important not only for the balance of payments, but also for the country’s foreign

exchange earnings”.

Florival Mucave mentioned that there are some important points that are part of the global debate on energy transition. The first is Net Zero, which is essentially to reduce carbon emissions by the year 2050. The reduction to zero of carbon emissions by 2050 has great implications for a country like Mozambique. And it is not just about coal, but also about the gas reserves in the Rovuma basin.

“Mozambique has not yet extracted the first gas from the Rovuma basin and we are in 2022. So if by 2050 we have to reduce carbon emissions to zero and we have to make the transition from fossil fuels to renewable energy, without first ensuring that gas is transition energy, we can forget about the exploitation of our gas. When we talk about the energy transition, we have to emphasize that it is about the transition from the use of fossil fuels to renewables and gas is not a renewable energy. So the question is: Where does gas stand? Has gas earned that

position as a transition energy in the global debate? And what is our narrative in relation to that question? These are the questions that we have to take to the climate summit this year, because they are central issues for the development and elimination of poverty in Mozambique”.

The second point, and no less important, is the funds to finance the energy transition. It must be clear where the funds to finance the energy transition will come from, bearing in mind that Mozambique is not in a position to take on more debt.

Director of Inspection and Security of the National Petroleum Institute (INP)



The Director of Inspection and Security of the National Petroleum Institute (INP) suggested that there are five central questions around the theme of energy transition: (1) How to ensure that natural gas is considered clean and position Mozambique as a clean energy centre? (2) What is the impact of energy transition in the gas and energy master plan? (3) What are the implications of coal in Mozambique? (4) What other energy solutions should Mozambique evaluate?

Does it make sense or not to develop technologies using clean hydrogen? (5) How to accelerate renewable energy?

Within these questions, INP considers it pertinent to: (1) Prepare an energy strategy and evaluate scenarios on how Mozambique’s resources can be positioned to achieve Net zero; (2) Conduct a marketing and communication plan that will position Mozambique as a global and regional player for energy transition; (3)

Evaluate and establish policies for energy transition - for example - procurement that scores operators that present clean solutions; and introduce technologies that decarbonize industrial processes.

The INP Director of Supervision and Safety also referred to Decree 39/2021, of 4 August, which establishes adaptation and mitigation to climate

change as a specific objective. In this document, the strategic actions on how the issues inherent to the energy transition will be safeguarded are referred to. For example, the implementation of measures aimed at mitigating climate change through the use of cleaner energy and the promotion of projects aimed at using hydrogen as an energy source from natural gas.

President of Natural Resources and Energy of the Confederation of Economic Associations (CTA), **Simone Santi**

The President of Natural Resources and Energy of the Confederation of Economic Associations (CTA), Simone Santi, defended that the energy transition has to be Made in Mozambique, and not something copied from models of developed countries. He reinforced the idea that Mozambique's fossil natural resources cannot be left behind. "There is a need to have a gradual process that does not harm countries that have not yet had the opportunity to exploit their re-

sources and thus catapult the development of their nations."

CTA believes that there are still no mechanisms at the global level to compensate those countries that may not be able to benefit from their resources for the sake of achieving climate targets. In this context, it highlights that it is crucial that Mozambique defends that the debate on energy transition has to consider gas as an energy of transition.



Nilza Abdula, representative of the National Hydrocarbons Company (ENH)

“In our view, the energy transition is not just the moment when we stop using a certain type of fuel and start using another, it is a process that will have to do with a great deal of adaptation for our country, given the existing challenges and needs. We will need appropriate policies and strategies for our reality in order to achieve this. The horizon within which we intend to achieve universal energy access is quite

important, and perhaps it is much more important than talking about whether we are going to leave coal or gas. First we must have what to leave, we must have access to energy for all, and then we will think about how to replace, change, improve, perfect and be in accordance with the new technologies,” said Nilza Abdula, representative of the National Hydrocarbons Company (ENH).



CDD Researcher, **Américo Maluana**

After the first part of the conference in which the different actors shared their visions on energy transition, the presentation of the results of the “Citizens Consultation and Dialogue to Promote an Inclusive Energy Transition in Pemba” followed. The CDD researcher, Américo Maluana, started the presentation saying that the

project he started in Cabo Delgado plans to be more comprehensive. But, as a gateway, it began in Cabo Delgado precisely because it is currently the centre of one of the largest investments in the extractive industry in Africa.

Speaking about Mozambique’s energy matrix, he said that in 2010 the energy sources of Elec-



tricidade de Moçambique (EDM) were mainly hydroelectric, but since 2015 natural gas began to gain prominence and grow faster than hydro. “Although natural gas has improved access to energy in the country and is a cleaner energy source than other fossil fuels, the slower growth of hydro, solar and biomass supply has implied a reduction in the share of renewable energy in Mozambique’s energy matrix, which may compromise the long-term energy transition,” Américo Maluana highlighted.

The main results of the research conducted in Pemba can be divided into four main areas):

1. There are a number of macroeconomic factors that must be taken into account in order to shape a coherent national energy transition strategy that takes into account the geographical inequalities between northern and southern Mozambique. In this process, it is necessary to use gas revenues to expand access to energy and use the Rovuma gas to produce energy. This implies negotiating with foreign companies to allow some of the gas for the domestic market.
2. Understanding of the logic behind the energy transition is limited among civil society organizations in Pemba (and Cabo Delgado) and extremely limited among the population. Access to energy is understandably the highest priority for the population (particularly as energy access is estimated at 22% in Cabo Delgado) and not the energy transition.
3. There is a need to empower the municipality of Pemba so that it can play a positive role and influence the decision making process at other levels. This should involve adopting existing and future socio-economic development plans that add approaches that are sensitive to energy transition issues.
4. There needs to be a conflict sensitive approach, because Cabo Delgado lives in a specific humanitarian context, which does not make much sense to go in with a very blunt approach on energy transition issues. Since the population of Pemba still lacks the most pressing basic needs typical of the conflict in which it finds itself, it is

proposed to adopt measures including, for example, the use of solar powered water supply and lighting for new settlements within the city.

At the end of his presentation, Américo Malua-

na highlighted some of the study's recommendations, which essentially involve improving understanding and knowledge of the energy transition among the main actors, while facilitating the development of a joint energy diversification plan for Pemba.

Administrator for the business development area of Electricidade de Moçambique (EDM), **Pedro Nguelume**

During the debate, the EDM Business Development Director, Pedro Nguelume, made it known that with the new Electricity Law, the energy sector is liberalized and there are registrations of independent producers, with emphasis on renewable energy ones. "But as a country, it is important that we are clear that renewable energy has its challenges. The real challenge is that with renewable energy, it is not possible to light 24 hours a day, you need a base energy."

He also mentioned that in the context of the debate on energy transition it is necessary to be clear about the national priority. "When I look at the north of Mozambique, I don't talk about energy transition, my concern is access to energy at that point. Looking at the national priority, the first thought is about how we are going to give access to energy to Mozambicans, including those who are in the most remote points of this country."



Renamo MP on the Commission for Agriculture, Economy and Environment (5th Commission), **Alfredo Magumisse**

The Renamo MP on the Commission for Agriculture, Economy and Environment (5th Commission) of the Assembly of the Republic, Alfredo Magumisse, stressed the need to be cautious about the energy transition speech, arguing that all the developed countries that lead this debate have very high levels of access to energy,

and they have gone through these fossil fuels, such as coal and oil. "I believe that, as long as it is necessary to develop Mozambique, we have to have the courage to defend our position and use our resources for the wellbeing of Mozambicans. And gradually, we will add renewable energies", he concluded..



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Marta Licuco, Cabo Delgado's Human Rights Defender

On the same occasion, Marta Licuco, Cabo Delgado's Human Rights Defender, argued that there is a need to train and empower women in the energy sector, so that they are part of the energy transition at all levels, towards a fair, inclusive and gender equal energy transition.

As closing remarks, the Executive Director of

CDD, Prof. Adriano Nuvunga, mobilized all actors to be engaged in the process of promoting an energy transition that is fair and inclusive, because only then will progress be sustainable. He took the opportunity to remind everyone that this initiative will culminate in the establishment of a Citizens' Assembly for Energy Transition in Pemba.



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Conferência sobre os Desafios e Oportunidades para Promover uma Transição Energética Inclusiva em Moçambique



NneNne Iwuji British
Alta Comissária do Reino Unido



Prof. Doutor Teodoro Vales
Secretário Permanente do Ministério dos Recursos Minerais e Energia



Florival Mucave
PCA da Câmara de Energia de Moçambique



Américo Maluana
Pesquisador do CDD



Prof. Adriano Nuvunga
Director do CDD






Empresa Nacional de Hidrocarbonetos



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Mais informações: +258 84 16 10 633/ americomaluana@cddmoz.org

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Doador:



 **Montebelo Indy Maputo Congress Hotel**



EDITORIAL INFORMATION

Property: CDD – Centro para Democracia e Desenvolvimento
Director: Prof. Adriano Nuvunga
Editor: Emídio Beula
Author: Nelsa Langa
Team: Emídio Beula, Dimas Sinoa, Américo Maluana
Layout: CDD

Address:
 Rua Dar-Es-Salaam Nº 279, Bairro da Sommerschild, Cidade de Maputo.
 Telephone: +258 21 085 797

CDD_moz
E-mail: info@cddmoz.org
Website: http://www.cddmoz.org

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