



National Dialogue on Climate Finance

April 30, 2024

Summary and key recommendations

The National Dialogue on Climate Finance was held in Luanda on April 30, 2024. The goal was to share experiences and perspectives on climate finance in Angola.

The dialogue included the participation of key actors from the public and private sector related to climate finance. The opening session was chaired by Her Excellency Minister of the Environment, Ana Paula Chantre Luna de Carvalho and also present were Her Excellency Minister of Finance, Vera Esperança dos Santos Daves de Sousa, Her Excellency Minister of Health, Sílvia Lutucuta, His Excellency Minister of Agriculture and Forestry, António Francisco de Assis, His Excellency Governor of Luanda Manuel Homem, the UN Resident Coordinator in Angola, Zahira Virani, Her Excellency Secretary of State for the Environment, Her Excellency Secretary of State for Climate Action and Sustainable Development, Her Excellency Maria da Piedade, Secretary of State for Culture and His Excellency Secretary of State for Health, as well as, UNDP Resident Representative, Denise António, and the Hon. Ambassador of Norway to Angola, Bjornar Dahl Hotved, Hon. Ambassador of the Democratic Republic of the Congo to Angola, Kalala Mayiba Constantin, Hon. Ambassador of the Kingdom of Morocco to Angola, Saadia El Alou and the Hon. Ambassador of Switzerland to Angola, Lucas Johannes Gasser.

In her interventions at the opening session, the UN Resident Coordinator in Angola highlighted the importance of the event and that it reaffirms the Government of Angola's commitment to the 2030 Agenda and the development of the Integrated National Financing Framework (INFF), which has been a key instrument that has helped more than 80 countries mobilize more finance for climate action. He also highlighted the importance of increasing financing in response to climate change and highlighted that integrated actions must contribute to economic development and be aligned with the country's development goals, always with the focus on leaving no one behind.

Regarding the intervention of Her Excellency Minister of Finance, she highlighted the importance and relevance of the event and that it should serve as a point and starting point for concrete action taking into account the moment and the search for a more prosperous future for the country.

Recognizing the enormous challenge that climate change represents for the country, due to its geographical reality, there must be support from multilateral institutions such as the UNDP and the UN, about technical assistance and training of national actors to mobilize funds and implementation of adequate financing mechanisms adapted to the Angolan context to ensure that climate financing is more inclusive, fairer and more equitable.

In her opening speech, Her Excellency Minister of the Environment, distinguished SDG 13 for Climate Action as the priority that brought together everyone present. In the case of Angola, the Minister of the Environment highlighted that the 2022-2035 National Strategy for Climate Change (ENAC), is the strategic framework for climate action that focuses on five main pillars, namely mitigation, adaptation, financing, training and research and systemic monitoring. Action-based sectoral, the various responsible actors must increasingly cooperate and implement the strategy, focusing on developing a diagnosis and an action plan for financing and guaranteeing the implementation of projects for the benefit of the most vulnerable communities.

For the work sessions, two presentations were held for all participants, the first being given by the National Director of Climate Action and Sustainable Development, Cecília Silva Bernardo, who discussed the Financing of the National Strategy for Climate Change (ENAC), and the second on the Financing Framework for Climate and the SDGs, by the UNDP Policy Specialist for NDC and SDG Financing, Christopher Marc Lilyblad.

Three discussion panels were held, and it was important to highlight the main recommendations made from these panels.

PANEL I: How to Expand Climate Financing in Angola

- 1) Institutionalization of the National Climate Fund as the instrument that facilitates access, mobilization and coordination with the various sources for financing for adaptation and mitigation of climate change, in line with the 2022-2035 National Strategy for Climate Change (ENAC), and should be regulated by private law and have financial and administrative autonomy;
- 2) Instrumentalize the National Commission for Climate Change and Biodiversity as a vehicle for implementing climate action, as provided for in ENAC;
- 3) Disseminate the Operational Framework for Sustainable Development developed by the Ministry of Finance (MINFIN), as well as disseminate the eventual Action Plan for Attracting Climate Financing and engage the various actors who must operationalize ENAC;
- 4) Increase funding for action on climate change but also increase the efficiency of financing/use of funds, having concrete objectives and projects ;
- 5) Create a institutional platform/mechanism for the interaction of different actors, stimulating the connection between the different sources of financing and the search for financing (including the

dissemination of information/promotion within civil society and other actors that are more appropriate to certain financing instruments);

6) Carry out a detailed diagnosis to understand what Angola must do to access different sources of climate financing;

7) Ensure access to climate financing at a decentralized level (provincial and municipal);

8) Develop an Action Plan to attract Funding with details of who, how much, when, how, etc. in terms of mobilizing climate finance;

9) Carry out regular reviews and continuous monitoring of the country's efforts in seeking financing and implementing climate action projects.

PANEL II: Innovative Climate Financing Mechanisms

1) Renewable energies must be seen as a great potential for Angola, as increased production can be a source of funds for climate action through the export of surplus renewable energy production;

2) An inventory of the potential of Angolan forests must be completed, which can also be a source of financing considering its different applications;

3) Angola must prepare to better equip the business environment to respond to the great challenges in accessing the global funds allocated to the sub-Saharan region for private investment, considering the paradox in which, there is a large economy at the national level but an economy the private sector is very small and is not attractive to investors;

4) Necessary instruments to increasingly attract and promote other sources of financing such as green banks, blue and green are good. Conditions already exist in the country, such as a functioning stock exchange and a framework of instruments, with only work to begin to move forward and achieve the necessary goals ;

5) Capital markets and the role of the private sector: Angola has a high potential to mobilize private financing to achieve the SDGs and NDCs. The capital market offers an opportunity in this regard. The Ministry of Finance and the Angolan Debt and Stock Exchange (BODIVA) play a key role. The country adopted the Operational Framework for Sustainable Financing (Presidential Decree no. 106/23) which allows issuing green and social bonds related to sustainable development projects, including the sectors identified in Angola's NDCs;

6) At least US\$5 million must be invested in the recovery of the renewable energy project in Baía Farta, as well as the allocation of financing for the rehabilitation of dams, to generate another source of financing.

PANEL III: Carbon Market as a Source of Climate Finance

- 1) As a precautionary measure, there is a need to carry out a strategic assessment to adapt projects to certification mechanisms;
- 2) A National Market must be defined and regulated to determine the types of projects and the creation of a technical group to work on its regulation, within the scope of the National Commission for Climate Change and Biodiversity, also bringing the different actors to participate in this process;
- 3) Joint consultation must be carried out within the scope of the National Commission on Climate Change and Biodiversity, regarding the country's priorities on the Carbon Market, including integrity issues;
- 4) Assign the National Monitoring, Reporting and Verification System (MRV) within the scope of its mitigation subsystem the responsibility to prepare a national registry.

April 30, 2024.

The participants.