



CASE
STUDY

Case Study



Municipal Finance

Almada, Portugal - less carbon fund

This is an example for how to combine EU Funds with innovative financing instruments and Energy Performance Contracting.

In 1999, the Municipality of Almada created the Local Energy Agency of Almada, AGENEAL. With 15 stakeholders (both public and private), representing all the most important sectors of activity in Almada – energy, water and solid waste utilities, public transport, education, service providers, building and public work companies and the Municipality of Almada, AGENEAL is a private, non-profit association whose objective to promote energy efficiency and rational use of energy at local level.

The Inventory of Greenhouse Gas Emissions and the “Local Strategy for Climate Change of the Municipality of Almada” formed the basis for the Municipal efforts in the rationalization of energy use. AGENEAL, with the support of the Municipality of Almada, has been responsible for local energy efficiency projects and for the task of promoting educational projects aimed raising awareness of the importance of energy efficiency among citizens and key players.

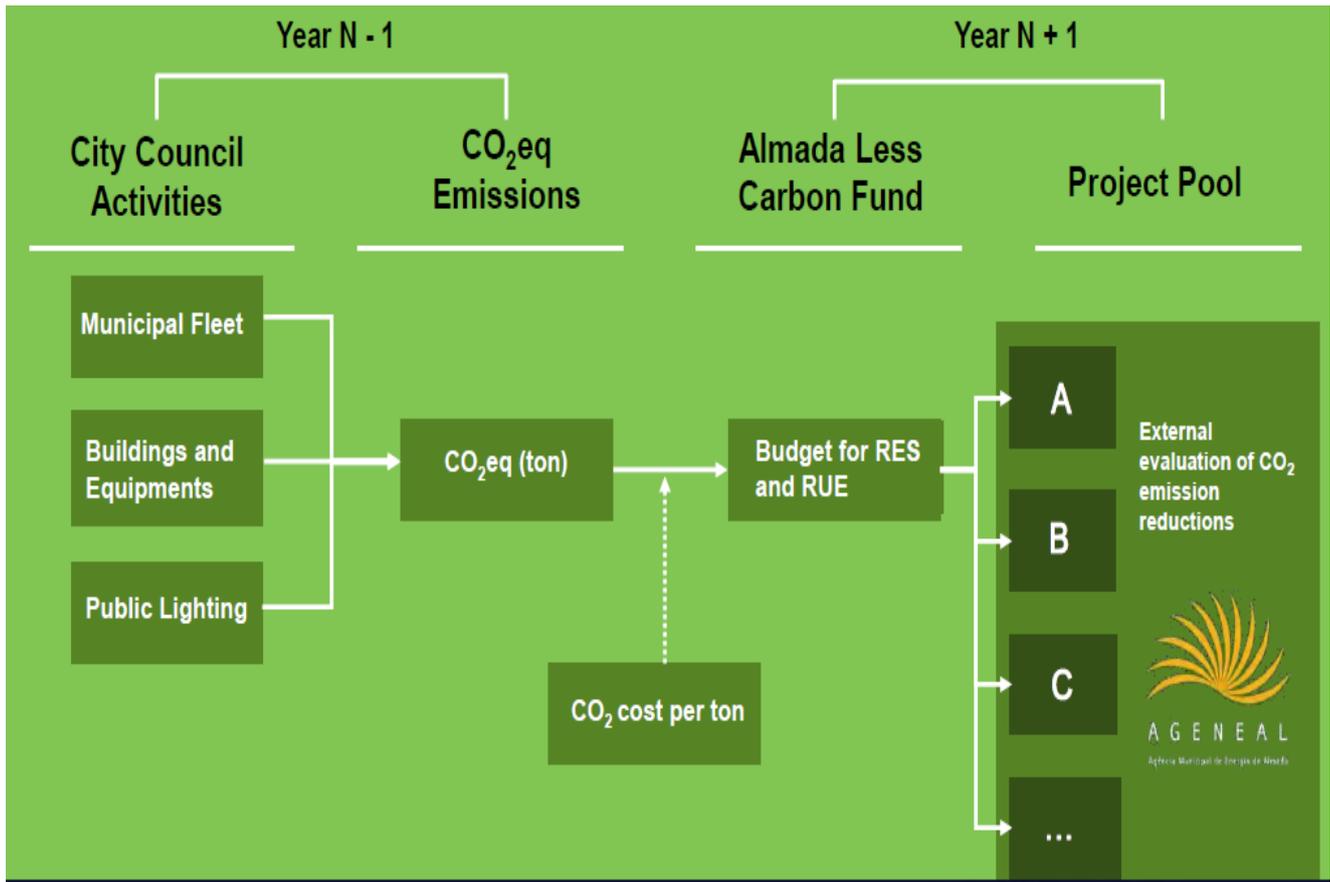
Funding sources:

Finance came from a combined approach of EU and local funding. The latter is again a combined approach comprising of

1. The “less carbon climate fund”
2. The “financial” fund
3. Tax reduction.

The less carbon climate fund is supported by a budget line which internalized the compensation of previous years’ municipal CO₂ emissions. As can be seen from the Figure 33, the city started off with a municipal fleet (electric bicycles), energy efficiency measures in public buildings and a change to LEDs in public lightning. This built the base for the CO₂ savings, which were priced and resulted in the initial equity for the low carbon fund.

Almada's Funding for the low-carbon fund



Source: http://www.energy-cities.eu/db/almada_573_en.pdf

Lessons learned

1. Strong political commitment essential
2. Community meetings and including the public in a transparent manner helps to bring in the "WE" instead of the "You"
3. Essential elements for fruitful meetings include defining a clear program for each Forum, focused on a specific subject, and providing a technical presentation structured around the chosen subject to avoid excessive and unnecessary distraction of the participants off the main subject. The facilitator's role is to keep the discussion centered on the proposed topic and create a favorable atmosphere to obtain the desired level of inputs from the participants.
4. Since Almada has different funds to finance its local plan it was important to keep each fund separately from each other and define its objectives well

References

Further information/sources: http://www.energy-cities.eu/db/almada_573_en.pdf

More examples can be found here. The web page can be sorted by countries, cities and number of population. http://www.energy-cities.eu/cities/case_studies.php?lang=en

Credentials

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