

## H2PortoSanto

### Technical assistance for Porto Santo, Portugal

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H2PortoSanto project aims to transform local residual biomass into clean hydrogen, helping the island become less dependent on foreign and fossil fuel energy. Currently, Porto Santo's waste is sent to the neighbouring island Madeira for incineration, representing environmental and economic costs that ideally could be avoided. Transforming local residual biomass into hydrogen will tackle two island challenges: the need for more clean energy production and the need for a local circular waste management approach.

As part of this technical assistance, an overview of funding and financing opportunities that would be applicable to the H2PortoSanto project was elaborated, together with guidelines and an action plan that will support the local partners to successfully submit the current project to the European funding programmes identified. Moreover, Porto Santo requested support on the development of an investment term sheet/pitch targeting the [EU Island Marketplace](#) (to get in touch with technology providers and investors to advance on the project).

The Islands secretariat worked with the island in making the project more bankable, i.e., more attractive for private investment. In this context, work was performed to shape the project in the way that investors are used to see, and in a language that they can understand. In summary, steps were taken to convert a project idea into a standardised concept note.

Moreover, the secretariat provided tools to increase the project maturity level in order to, in the future, be matched with investors from our investor network ([EU Island Marketplace](#)). More concretely, the Islands secretariat developed and provided a financial model tool which aims to calculate and predict the project cash flows, and at the same time, present them in a standardised way to investors. Also, a risk assessment tool was delivered allowing to quantify and/or qualify the risks associated to the project implementation.

Finally, beyond the exchange of knowledge mentioned above, on 23 November 2021, a training session on financial topics took place between Clean Energy for EU Islands financial team and Porto Santo project developers. This discussion was more focused on proper financing schemes.

As a final remark, the project is still in an early stage of maturity. With this technical assistance, H2PortoSanto has the proper tools to improve the project maturity level and be ready to showcase the project to private investors.