

WATER SECTORIAL FUND – *CT HIDRO*: A BRAZILIAN MECHANISM TO INNOVATE THE WATER SECTOR

Sanderson A. MEDEIROS-LEITÃO

Ministry of Science and Technology / *Ministério da Ciência e Tecnologia*, Secretaria de Política Tecnológica Empresarial. Esplanada dos Ministérios, bloco E, sala 363. 70067-900 Brasília, DF, Brazil Tel: + 55 – 61 – 317.7817 / + 55-61-912.9068. Fax: + 55 – 61 – 317.8097

E-mail: samleitao@mct.gov.br

Abstract

The Brazilian Water Sectorial Fund - CT-Hidro, implemented as of 2001 is presented as an innovative mechanism to foster the scientific and technological sector of the country as well as a mechanism to promote development in Brazil.

1 INTRODUCTION

The Water Sectorial Fund - *CT-Hidro*, was created in 2000 but only started to be implemented as of 2001. It has the objective of funding scientific and technological development projects whose purpose is to foster the adequate water resources use. *CT-Hidro* also contributes to the rational and integrated use of the water within the river basin, which is the management unity according to Brazilian National Water Policy, Federal Law 9.433/1997.

2 DISCUSSION AND ACHIEVEMENTS

CT-Hidro provides support for scientific and technological development research activities in the following areas: experimental technological development, scientific and technological research projects, development of basic industrial technology and implantation of research infrastructure.

Hydroelectric power accounts to about eighty-five per cent of the electricity produced in Brazil. The hydroelectric power sector represents a valuable source of income to the Brazilian Federation. *CT-Hidro*'s funding resources correspond to 4% of the financial compensation due to the water resources use in the hydroelectric power generation. The financial compensation is a percentage of the value of the produced power to be paid by the hydroelectric power service concessionaires to the states and to the municipalities where the hydroelectric power stations are located or whose territories were inundated by the waters of reservoirs built with the purpose of hydroelectric power generation.

The Managing Committee, constituted within the scope of the Ministry of Science and Technology is composed by members of the government and the civil society water sector. It indicates the priority areas to fund projects which will induce to the development of water related technologies. These provide the necessary tools to promote progress within the river basin both in urban and rural areas.

The Managing Committee has elected the following areas as priority areas: Water sustainability of the Semi-arid Region; Water and integrated urban management; Management of climatic variability impacts on the water systems and on society; River basin soil use and conservation; Integrated water systems uses and environmental conservation; Extreme events prevention and control; River basin water quality; River basin management; Coastal water resources sustainable use; River basin behavior; Products and processes development; Human resources capacity building; and Research and development support infrastructure. These priority areas were

divided into four themes and four general activities. The four themes correspond to Water resources management, water conservation in the urban environment, sustainability in the Brazilian environment and integrated & efficient water use. The chosen four general activities are: Human resources capacity building; Socioeconomic and environmental process evaluation in the Brazilian river basins; Product, processes and equipment development; and Infrastructure adaptation.

Over 170 projects of the priority areas chosen by *CT-Hidro's* Managing Committee are starting to be implemented with an investment of over 10 million *Euros*. These values represent a significant result, consequence of the efforts made by the Brazilian government and scientific community to invest in science and technology in the water resources sector with the purpose to promote progress and spread water technology throughout that vast and diverse country including all sectors of its population. In doing so, the government intends to induce a significant social inclusion to the modern technological world.

3 CONCLUSIONS

CT-Hidro was created in a particularly important moment for the water sector of Brazil. Its institution coincides with the strengthening of the National Water Resources Council, the consequent consolidation of the National Water Resources Management System – NWRMS and the creation of the National Water Agency – ANA. These combined factors led to the approval of 179 projects - with the approximated value of 10.3 million Euros - in *CT-Hidro's* two years of existence. New tenders will occur in 2003 demonstrating the growing effort and interest made by the Brazilian Ministry of Science and Technology to invest in water related technology and to promote development in this country.