



Overview of revisions

021 Brazil CC Finance
by 22 Feb 2017*

* Now superceded by version of 240217, complete (Parts I and II) and sent to client for review and clearance. Notes on further changes added herein.

REFERENCES

- Client and Stakeholder Feedback on draft PIF dated 22 Feb 2017
- This document: Added Sheet to reply on the margins of draft document
- Complements the following: "Response to client based on 220217 feedback.docx"
- Client filename: "PIF_Brazil CC Mitigation Finance_1302017 mig A.S.O._ksc.docx"

FI – Response to Client + Stakeholders based on feedback from 22 Feb 2017 (PM)

In Review Comments Balloons, using the "Reply" function, Yellow highlight

Yellow = What is new vis-à-vis the 130217-version

Blue = Link to separate sheet

Grey = Current state of advancement of PIF editing in Part II

Green = For client and stakeholder feedback PLEASE

PIF Part I, version of 22 Feb 2017 with comments from stakeholders
 -- all addressed on 23 Feb --
 See also separate **Response Matrix** further down



PROJECT ID:
PROJECT TYPE: FULL
TYPE OF TRUST FUN

For more information about GEF, visit TheGEF.org

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 In Review Comments Balloons, using the "Reply" function, Yellow highlight
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PIF DRAFTING LEGEND – by 13 Feb 2017:
 Pink = content for to be defined, confirmed and completed in later iterations
 Red = for completion by client before submission
 Green = query client and stakeholders

PART I: PROJECT INFORMATION

Project Title:	Strengthening national capacity, funding leverage and viable mechanisms for meeting ambitious mitigation targets enshrined in Brazil's National Determined Contribution		
Country:	Brazil	GEF Project ID: ¹	XXX
GEF Agency:	IADB, UNDP	GEF Agency Project ID:	XXX
Other Executing Partner:	Ministry of Environment (MMA)	Submission Date:	XXX
GEF Focal Area:	Climate Change	Project Duration (Months)	60
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/>	Corporate Program: SGP <input type="checkbox"/>	
Name of parent program:	N/A (not applicable)	Agency Fee (\$)	394,725

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES²

Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)	Trust Fund	(in \$)	
		GEF Project Financing	Co-financing
CCM2 – Program 2 [Promote Innovation, Technology Transfer, and Supportive Policies and Strategies / Develop and demonstrate innovative policy packages and market initiatives to foster new range of mitigation actions] ³	GEFTF	2,595,000	26,800,000
CCM3 - Program 5 [Foster Enabling Conditions to Mainstream Mitigation Concerns into Sustainable Development Strategies / Integrate findings of convention obligations and enabling activities into national planning processes and mitigation contributions]	GEFTF	1,560,000	1,200,000
Total Project Cost		4,155,000	28,000,000

B. INDICATIVE PROJECT DESCRIPTION SUMMARY

Project Objective: To support Brazil in its ambition to both operationalize the proposed Sustainable Development Mechanism (SDM) foreseen under the Paris Agreement and achieve, through enabling action, mitigation goals enshrined in its Nationally Determined Contribution (NDC) as a joint effort of government, private sector and civil society.

Commented [F1]: Obrigada. Isto é útil.

Project Component	Type ³	Project Outcomes	Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
I. Results-based strategy for NDC's implementation	TA	<p>Outcome 1a) Strategic interventions and structured dialogues enable policy shifts and keep Brazil within a low carbon development path, as envisaged in its NDC</p> <p><i>Core indicators:</i></p> <ul style="list-style-type: none"> NDC Office established by MMA is operational NDC Office established by MMA meets capacity development 	<p>1.1 A new governance structure is designed under MMA to support the implementation of the NDC (functional, institutional and financial analysis are carried out)</p> <p>1.2 The human and material capacity of the NDC Office is strengthened for fulfilling its new mandate, according to identified needs and gaps, building-in from the onset financial sustainability prospects for the post-project period (GEF only supports the incremental costs of maintaining a strong NDC Office).</p>	GEFTF	2,400,000	26,800,000

¹ Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submissions.
² When completing Table A, refer to the excerpts on GEF 6 Results Frameworks for GETF, LDCF and SCCF and CBIT guidelines.
³ Financing type can be either investment or technical assistance.

Nota em 25/02/17:
Listagem atualmente transferida para a parte narrativa.

Project Component	Type ³	Project Outcomes	Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
		<p>criteria (as of UNDP scorecard)</p> <ul style="list-style-type: none"> - Recurrent costs of NDC Office secured by project end (institutional sustainability) <p>NDC aligned policy shifts triggered within the following governance topics:</p> <ul style="list-style-type: none"> - land-use change & forests - food cropping & livestock - energy <p>Regarding dialogues:</p> <ul style="list-style-type: none"> - Metrics for effective stakeholder participation in structured dialogues from different groups and segments of government, private sector and society - Participants' ratings on the quality of structured dialogues <p>Outcome 1b) Brazil's capacity to leverage mobilize and diversify sources of funding and to roll out mitigation finance is enhanced.</p> <p><i>Core indicators:</i></p> <ul style="list-style-type: none"> - Number of investment plans developed for NDC priority areas including CCM finance and a discernible additionality argument - Number of financial and economic instruments developed, improved and/or implemented. 	<p>1.3 Six Four Policy & Finance CC Mitigation White Papers define priorities, feasible actions, plus specific players and barriers for NDC implementation within core NDC topics, triggering society-wide stakeholder dialogues, indicatively:</p> <ul style="list-style-type: none"> (i) Forests and conservation (ii) Electricity Sector (iii) Pasture & Integrated Crop-Livestock Systems (iv) Transport <p>1.4 The NDC Office builds and maintains a robust database and accompanying API on prioritized and tiered NDC actions, their means of implementation, engaged stakeholders and identified barriers for tracking a number of enabling parameters relevant for NDC implementation.</p> <p>1.5 A series of private sector engagement seminars on NDC implementation are carried out in at least four 15 states, triggering dialogues with relevant economic segments on home-bred innovation, "green jobs", competitiveness and barrier removal for an economy-wide low-carbon growth pathway.</p> <p>1.6. At least four investment plans for NDC-relevant government programs and economic segments implementation are developed (forests, agriculture & livestock, biofuels, electricity), along with a framework of collaboration with the private sector, relevant financial institutions and international cooperation.</p> <p>1.7. National funds and national financial arrangement: sources of funding diversified, operations improved, development of projects supported, and the level of dependence from government optimized within a rapidly changing market environment.</p> <p>1.8 Other sources of climate finance are explored and leveraged as appropriate.</p>			

Commented [F4]: De fato, contamos quatro itens abaixo. Portanto, deveria ser "Four White Papers...". Fora isso, vale lembrar que são "society-wide stakeholder dialogues" e ainda estamos por definir os formatos e temas. **[Vide folha à parte com mais detalhes].**

Commented [ASd05]: Apenas eletricidade? Está restrito, pois não abarcaria biocombustíveis, por exemplo. Incluir transportes resolveria? Creio que energy sector seria mais apropriado.

Commented [F6R5]: Que tal a seguinte listagem: "... according to priority and additional measures stated in the NDC":

- (i) **Biofuels**
- (ii) **Land Use Change and Forests (LUCF)**
- (iii) **The Energy Mix** [*]
- (iv) **Sustainable agriculture**
- (v) **Clean Technologies and the Industrial sector**
- (vi) **Urban Transportation**

[Vide folha à parte com mais detalhes].

Commented [ASd02]: Por que não usar "agriculture"?

Commented [F3R2]: Porque é a tradução mais precisa de agropecuária e que por definição exclui ao mesmo tempo "biofuels". **[Vide folha à parte com mais detalhes].**

Commented [T7]: Por que 15 estados? Acho excessivo. Deveria estar focado nos estados com emissões significativas.

Commented [F8R7]: Proponho 4 estados, que poderiam ser MT, MG, PA, SP, os quais congregam uns 40% das emissões.

Poderemos também adotar outros critérios, com base no que é citado no texto: "home-bred innovation", "green jobs", "competitiveness" e a listagem poderia ser ligeiramente diferente. Mas não precisamos listar os estados agora.

Commented [Office9]: O questionamento sobre 1.3 cabe aqui também.

Commented [F10R9]: **[Vide folha à parte com mais detalhes].**

Commented [KdOSC11]: Sugiro ampliarmos para o conceito amplo de várias fontes e fundos, incluindo fundo clima, Amazonia, e outros que possam surgir. Quanto mais amplo mais usos podemos fazer.

Commented [F12R11]: Mudanças aceitas. Nos indicadores, substituo somente "elaborated" por "developed, improved and/or...".

Nota em 25/02/17: Como o escopo do Output 1.7 foi expandido (antes estava restrito à reforma do Fundo Clima), pensei por bem abrir o 1.8 para cobrir 'internacional'.

Project Component	Type ³	Project Outcomes	Outputs	Trust Fund	(in \$)		
					GEF Project Financing	Co-financing	
			(GEF Agency supporting: IADB)				
2. Support to MRV and SDM	TA	<p>Outcome 2a) MRV support arrangements and functions are adequately developed and implemented with the required transparency standards.</p> <p>Core indicator:</p> <ul style="list-style-type: none"> - Metrics on the results from MRV support arrangements <p>Outcome 2b) Brazil's participation in the SDM and in other applicable mechanisms is supported.</p> <p>Core indicators:</p> <p>Relevant metrics on Brazil's level of access to the carbon compliance market:</p> <ul style="list-style-type: none"> - Number and types of projects - Volumes and amounts traded - Other relevant metrics t.b.d 	<p>2.1. Needs & gaps for optimizing MRV functions are identified through a focused study and they are systematically addressed.</p> <p>2.2. Structure, rigor and controls are consistently infused into national MRV tracking systems, ensuring methodological compliance, cost effectiveness, transparency.</p> <p>2.3. A robust and transparent accounting framework of both mitigation outcomes and financial transfers is consolidated in the context of Brazil's participation in the SDM and in other applicable mechanisms for boosting its achievement of NCD targets.</p> <p>(GEF Agency supporting: UNDP)</p>	GEFTF	1,560,000	1,200,000	
Subtotal						3,960,000	28,000,000
Project Management Cost (PMC) ⁴			(GEF Agency share: 50% UNDP, 50% IADB)		195,000	0	
Total Project Cost						4,155,000	28,000,000

Commented [F13]: I accepted the changes, but needed to amend it still. Formulations were not precise enough.
[Vide folha à parte com mais detalhes].

Commented [F14]: Como não compreendi exatamente o que quer dizer MRV "arrangements", proponho "Metrics on results from MRV support measures". Fora isso, outras mudanças foram aceitas.

For multi-trust fund projects, provide the total amount of PMC in Table B, and indicate the split of PMC among the different trust funds here: ().

C. INDICATIVE SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE, IF AVAILABLE

Sources of Co-financing	Name of Co-financier	Type	Amount (\$)
Recipient Government	Ministry of Environment (MMA), Fundo Clima	Grants	13,400,000
Recipient Government	Ministry of Environment (MMA), Fundo Clima	Grants	13,400,000
Recipient Government	Ministry of Environment (MMA)	In-kind	1,200,000
GEF Agency	Inter-American Development Bank (IADB)		?
GEF Agency	United Nations Development Program	Grants	?
Total Co-financing			28,000,000

⁴ For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

D. INDICATIVE TRUST FUND RESOURCES REQUESTED BY AGENCY, COUNTRY AND THE PROGRAMMING OF FUNDS

GEF Agency	Trust Fund	Country/Regional/Global	Focal Area*	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee (b) ^{b)}	Total (c)=a+b
IADB	GEFTF	Brazil	Climate Change	n/a	2,500,000	237,500	2,737,500
UNDP	GEFTF	Brazil	Climate Change	n/a	1,655,000	157,225	1,812,225
Total GEF Resources					4,155,000	394,725	4,549,725

a) Refer to the [Fee Policy for GEF Partner Agencies](#).

E. PROJECT PREPARATION GRANT (PPG)⁵

Is Project Preparation Grant requested? Yes [X]

PPG AMOUNT REQUESTED BY AGENCY, TRUST FUND, COUNTRY AND THE PROGRAMMING OF FUNDS

GEF Agency	Trust Fund	Country/Regional/Global	Focal Area*	Programming of Funds	(in \$)		
					PPG (a)	Agency Fee ⁶ (b)	Total c = a + b
UNDP	GEFTF	Brazil	Climate Change	n/a	91,575	8,700	100,275
Total PPG Amount					91,575	8,700	100,275

F. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS⁷

Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
4. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO _{2e} mitigated (include both direct and indirect)	Indirectly through NDC implementation XXXXXX metric tons [figure for the Government to provide, considering the NDC and the project's approx. period 2017-2022]

⁵ PPG requested amount is determined by the size of the GEF Project Financing (PF) as follows: Up to \$50k for PF up to \$2m (for MSP); up to \$100k for PF up to \$3m; \$150k for PF up to \$6m; \$200k for PF up to \$10m; and \$300k for PF above \$10m. On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

⁶ PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.

⁷ Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the Corporate Results Framework in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF, SCCF or CBIT.

RESPONSE MATRIX

021 Brazil CC Finance

FI (IADB) 23-02-2017* (slightly updated)
"Folha à parte"

REFERENCES

- Client and Stakeholder Feedback on draft PIF dated 22 Feb 2017
- This document: Added Sheet to reply on the margins of draft document
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	Comments (mostly in PT) from 22 Feb 2017	Response (in PT and EN), dated 23 Feb 2017
	<p><u>Reviewer A.S.O. +</u> <u>Reviewer 'Usuário do Microsoft Office'</u></p>	
1	<p>A.S.O.: <i>"Apenas eletricidade? Está restrito, pois não abarcaria biocombustíveis, por exemplo. Incluir transportes resolveria? Creio que energy sector seria mais apropriado."</i></p> <p><u>Context:</u> Output 1.3 Apenas eletricidade? Está restrito, pois não abarcaria biocombustíveis, por exemplo.</p>	<p>Ainda estamos por definir os formatos e temas dos "White Papers".</p> <p>Temos algumas opções sobre como organizar os "White Papers", que podem vir a ser possíveis pre-cursos de políticas nacionais, mas sem duplicar o que já foi feito.</p> <p>O objetivo é incitar o debate sobre mudança climática e competitividade para que isso possa corroborar na implementação da NDC, e notando que não estamos organizando esses debates por 'setores', mas sim por 'tópicos', e que essa lista é meramente indicativa, ou seja, isso pode mudar entre agora e o CEO Endorsement do projeto.</p>

Comments (mostly in PT) from 22 Feb 2017	Response (in PT and EN), dated 23 Feb 2017
<p>Incluir transportes resolveria? Creio que energy sector seria mais apropriado.</p> <p><u>Usuário</u> "O questionamento sobre 1.3 cabe aqui também."</p> <p><u>Context:</u> Output 1.6 At least four investment plans for NDC-relevant government programs and economic segments implementation are developed (forests, agriculture & livestock, biofuels, electricity), along with a framework of collaboration with the private sector, relevant financial institutions and international cooperation.</p>	<p>Portanto sugiro dizer <i>"indicatively within the following topics"</i>.</p> <p>Eis as opções:</p> <p>Opção 1) Segundo as intenções da NDC <i>"According to priority and additional measures stated in the NDC":</i></p> <ul style="list-style-type: none"> (i) <i>Biofuels</i> (ii) <i>Land Use Change and Forests (LUCF)</i> (iii) <i>The Energy Mix [*]</i> (iv) <i>Sustainable agriculture</i> (v) <i>Clean Technologies and the Industrial sector</i> (vi) <i>Urban Transportation</i> <p>-----</p> <p>[*] Notando que pode haver uma sobreposição de temas e adicionando uma nota ao (iii) <i>"With a specific focus on: renewable energy sources, non-fossil energy sources (other than hydropower), on the power supply sector (including wind, biomass and solar), as well as focus on the electricity sector, the latter with respect to efficiency gains."</i></p> <p>-----</p> <p>Opção 2) Desenvolver os White Papers em cima dos capítulos do Documentos de base, que também são seis, mas diferem um pouco da sub-divisão dos tópicos da NDC:</p> <ul style="list-style-type: none"> 3 BIOCOMBUSTÍVEIS 4 SETOR FLORESTAL 5 SETOR ELÉTRICO 6 PASTAGENS E INTEGRAÇÃO LAVOURA-PECUÁRIA-FLORESTA (ILPF) 7 TRANSPORTE 8 INDÚSTRIA <p>Opção 3) Simplificar, que é a proposta atual, dando um pouco de flexibilidade e apresentando temas que são uma mistura das opções anteriores:</p> <ul style="list-style-type: none"> (i) <i>Forests and conservation</i>

Comments (mostly in PT) from 22 Feb 2017		Response (in PT and EN), dated 23 Feb 2017
		<p>(ii) Electricity Sector (iii) Pasture & Integrated Crop-Livestock Systems (iv) Transport.</p> <p>Aguardo feedback.</p>
	Reviewer A.S.O.	
2	<p>Comment on “food cropping & livestock”: <i>Por que não usar “agriculture”?</i></p> <p><u>Context:</u> Outcome 1, Core indicators NDC aligned policy shifts triggered within the following governance topics:</p> <ul style="list-style-type: none"> - land-use change & forests - food cropping & livestock - energy 	<p><i>“Food cropping & livestock”</i> é a tradução mais precisa em inglês para a expressão “agro-pecuária” e que por definição, ao mencionar “food” exclui ao mesmo tempo “biofuels”.</p> <p>Podemos também dividir o tópico em dois e dizer “agriculture” e “livestock”; ou simplesmente “agriculture”, o que por definição inclui implicitamente a pecuária.</p> <p>Podemos também adicionar “biofuels”, mas pode-se também assumir que este esteja implícito em “energy”.</p> <p>A questão para este indicador é verificar as principais mudanças em termos de políticas (“policy shifts”) e no que implica isso – e isso é uma questão de governo.</p> <p>A intenção ao listar somente três e deixá-los bem abrangentes era dar margem a vários tipos possíveis de <i>‘policy shifts’</i> mas pegando os principais tópicos da NDC.</p> <p>Na análise das ações, devemos nos perguntar que mudanças em termos de políticas são necessárias para implementar a NDC e como o projeto poderá influenciar esses processos.</p> <p>Se há outra preferência, poderemos mudar.</p> <p>Aguardo feedback.</p>

Comments (mostly in PT) from 22 Feb 2017		Response (in PT and EN), dated 23 Feb 2017
Reviewer Miguez		
3	<p>Comment on the number “15” for the count of states for the private sector engagement seminars on NDC implementation</p> <p><i>“Por que 15 estados? Acho excessivo. Deveria estar focado nos estados com emissões significativas.”</i></p> <p><u>Context:</u> Output 1.5</p>	<p>Addressed. New proposal: <i>Output 1.5</i> <i>A series of private sector engagement seminars on NDC implementation are carried out in at least four states, triggering dialogues with relevant economic segments on home-bred innovation, “green jobs”, competitiveness and barrier removal for an economy-wide low-carbon growth pathway.</i></p> <p>Uma contra-proposta inicial é de 4 estados, que poderiam ser por exemplo MT, MG, PA, SP.</p> <p>Poderemos também adotar outros critérios, com base no que é citado no texto: “home-bred innovation”, “green jobs”, “competitiveness” e a listagem com base no potencial para gerar esses elementos poderia ser ligeiramente diferente.</p> <p>De qualquer forma, não precisamos listar os estados agora – somente um número indicativo.</p>
Reviewer ‘Usuário do Microsoft Office’		
4	<p><u>Context:</u> Outcome 2a) and Core Indicators</p> <p>Comments on reviewer’s changes, where formulations were not clear.</p>	<p>Proposed slightly reformulated.</p> <p><u>The original formulation for Outcome 2a was:</u> <i>“Country-based MRV systems and functions are adequately supported for yielding robust accounting, transparency and compliance.”</i></p> <p>With the changes added by the reviewer it became the following: <i>“Outcome 2a) Country-based <u>transparency of support arrangements and functions are adequately developed and implemented.</u>”</i></p> <p><u>Our comment on the margin:</u> <i>“Changes accepted, but needed to amend it still. Formulations were not precise enough.”</i></p> <p><u>Further comment:</u></p>

Comments (mostly in PT) from 22 Feb 2017	Response (in PT and EN), dated 23 Feb 2017
	<p>There are a few problems inherent to the formulations verbatim for Outcome 2a. Perhaps the word “MRV” was accidentally deleted. Some changes to the formulation are needed for it to be clear.</p> <p>We note the following:</p> <ul style="list-style-type: none"> - Something is missing: “arrangements and support functions for what?” - “Country-based transparency” is not very precise. It seems to make reference to ‘our domestic way’ of introducing transparency to the support functions, which does not make good sense in this context. <p><u>A counter-proposal for the Outcome:</u> <i>“Outcome 2a) MRV support arrangements and functions are adequately developed and implemented with the required transparency standards.”</i></p> <p><u>About the Core indicators, now only one, the formulation introduced by reviewers was:</u> <i>“- Results from MRV arrangements.”</i></p> <p><u>Our comment on the margin:</u> <i>“Como não compreendi exatamente o que quer dizer MRV “arrangements”, proponho “Metrics on results from MRV support measures”. Fora isso, outras mudanças foram aceitas.”</i></p> <p><u>A counter-proposal from us:</u> <i>“Metrics on results from MRV support arrangements”</i></p>

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