

## Technical Cooperation (TC) Document

### I. Basic project data

▪ Country/Region:	Regional
▪ TC Name:	Programming and dissemination of the NDC Invest
▪ TC Number:	RG-T2904
▪ Team Leader/Members:	Team Leader: Jennifer Doherty-Bigara; co team leader: Hilen Meirovich (INO/NFP) Team members: Margie-Lys Jaime (LEG/SGO), Hilen Meirovich (INO/NFP), Juliana Almeida, Graham Watkins, Thiago Mendes, Catalina Aguiar and Juan Gomez (CSD/CCS)
▪ Taxonomy:	Research and Dissemination
▪ Date of TC Abstract:	09/14/2016
▪ Beneficiary:	Latin American and Caribbean IDB Member Countries
▪ Executing Agency and contact name:	Inter-American Development Bank, Climate Change Division (CSD/CCS)
▪ Donors providing funding:	Sustainable Energy and Climate Change IDB Special Program (SCI)
▪ IDB Funding Requested:	US\$500,000
▪ Local counterpart funding, if any:	US\$125,000 (in kind)
▪ Disbursement period:	26 months (execution period: 22 months)
▪ Required start date:	January 1 <sup>st</sup> 2017
▪ Types of consultants:	Firm and individual consultants
▪ Prepared by Unit:	Climate Change Division (CSD/CCS)
▪ Unit of Disbursement Responsibility:	CSD
▪ TC Included in Country Strategy:	No
▪ Included in CPD:	No
▪ Alignment with the Institutional Strategy:	Climate change cross cutting issue

### II. Objective and Justification of the TC

- 2.1 The Paris Agreement marked a turning point on the climate agenda. The accord has been signed by 180 countries, and 23 of them have also deposited their instruments of ratification, acceptance or approval, an important step that has already been taken by 5 countries in Latin America and the Caribbean (Bahamas, Barbados, Belize, Guyana and Peru). As the ratification unfolds before 2020, it will become adamant to refine the commitments made during the 21<sup>st</sup> Conference of Parties (COP21) to the United Nations Framework Convention on Climate Change (UNFCCC) through the submission of the Intended Nationally Determined Contributions (iNDCs).
- 2.2 The iNDCs include climate change actions proposed by parties to contribute to the reduction of greenhouse gas (GHG) emissions, the objective agreed on, which is in line with limiting the average global temperature rise well below 2°C by 2100, implying net zero carbon emissions from mid-century.
- 2.3 Whilst most of these commitments officially start in 2020, it is essential to ensure progress towards their implementation from 2016. Delivering the necessary levels of finance for implementation will require translating these INDCs into investment plans that identify: (i) potential investment opportunities and project pipelines; (ii) financing needs; and (iii) options to mobilize financing and capacity from the private sector.

- 2.4 There is an urgent need to enhance the provision of finance, technology and capacity-building in order to mobilize stronger and more ambitious climate action including the private sector, financial institutions and other subnational authorities.
- 2.5 In this context, the Inter-American Development Bank Group (IDBG) created “[NDC Invest](#)”, a one stop shop platform that will offer a comprehensive and holistic package of instruments and tools to facilitate the design of investment plans based on the countries’ INDCs, while such plans are aligned with the Sustainable Development Goals (SDGs) Agenda. The *NDC Invest* will encompass four components:
- a. NDC Programming: will assess all LAC NDC’s to enhance the necessary enabling conditions, and engage relevant public and private stakeholders in the preparation and execution of the investment plans;
  - b. NDC Pipeline Accelerator: will increase sustainable infrastructure investments through the provision of support for planning, pre-feasibility studies and financial, legal and market assessments;
  - c. Market Booster: will seek reimbursable and non-reimbursable grants available to overcome market failures through the design and promotion of innovative financial instruments;
  - d. NDC Credit Enhancer: will aim at making the projects supported by NDC Invest more appealing to the investors (i.e. rates, maturity and grace periods, among others).
- 2.6 At the same time, the *NDC Invest* platform will also allow the IDBG to fulfill its commitment of increasing climate change to 30% of its portfolio –established in the Bahama’s resolution (AB-3008), as well as improve the coordination across a range of relevant initiatives and activities throughout the IDBG.
- 2.7 The objective of this TC is to build a strategy that will allow the *NDC Invest* to become a product adopted by countries, but also to mainstream its understanding inside the IDBG to ensure its successful implementation.
- 2.8 The operation is consistent with the Update to the Institutional Strategy (UIS) 2010-2020 (GN-2788-5) and is aligned with the development challenge of productivity and innovation as it intends to disseminate a tool (NDC Invest) that will facilitate the creation of investment plans to fulfill the commitments established by Latin-American countries in the context of the Paris Agreement. The operation is also aligned with the cross-cutting theme of climate change and environmental sustainability as it provides support to countries in the region to attract new investments that ultimately will contribute to reduce their GHG emissions, boost their resilience and improve their capacity to adapt to a changing climate. Additionally, the operation will contribute to the Corporate Results Framework 2016-2019 (CRF) (GN-2727-4), by helping governments achieve their goals in terms of mitigation and adaptation to climate change via the use of a technological and planning tool designed by the IDBG.<sup>1</sup> Likewise, the proposed TC is aligned with the IDB’s Integrated Strategy for Climate Change Adaptation and Mitigation and Sustainable Renewable Energy (GN-2609-1) and its Action Plan (GN-2609-3).
- 2.9 This TC has synergies with other on-going IDB projects. For instance: “*Financing Implementation of Intended Nationally Determined Contributions*”

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<sup>1</sup> Country Development Results Indicator N° 25 of the CRF.

(ATN/MC-15367-RG), “*Climate Risk: Identification, Management and Opportunities*” (ATN/MC-15636-RG), and “*Climate Change and Civil Society*” (RG-T2912) as they support the internal mainstreaming of the *NDC Invest* platform at the IDB, among others.

### III. Description of Activities/Components and Budget

3.1 **Component 1: Programming and strengthening the adoption of *NDC Invest* in Latin America and the Caribbean (LAC) (US\$350,000).** *NDC Invest* will require a strategic communications plan in order to promote and disseminate the platform components, to ensure that the intended message is received, understood and acted upon by the intended audiences. The communications firm or consultant will dedicate its efforts to: (i) mobilize the *NDC Invest* towards its objectives; (ii) promote the platform; (iii) inspire countries, donors and partners into action; (iv) build meaningful content and interactions that raise awareness of the IDBG purpose; and (v) strengthen key relationships, both internally and externally. This will involve the following activities:

#### a. Strategic communication plan

- i. Build a unique communications plan for *NDC Invest* based upon a diagnostic regarding the communication challenges and opportunities of the IDBG,
- ii. Create key messages, and define holistic campaigns that entail different kinds of presentations to appropriately disseminate the *NDC Invest* platform.
- iii. The Climate Change Division (CCS) will engage with other divisions of the IDB and the IIC to foster a partnership among communications champions to build strategic engagements that will facilitate: (i) discussions aimed at the alignment of stakeholders; (ii) the development and presentation of communications plans and messaging documents; (iii) partnerships with internal teams to execute proposed ideas; and (iv) monitor/measure results to ensure successful outcomes.

#### b. Knowledge and dissemination

To ensure a common understanding of *NDC Invest* across the IDBG, CCS will engage with key IDB divisions to: (i) design adequate activities that will enable their appropriation of the *NDC Invest*; (ii) develop a Massive Open On-line Course (MOOC) to foster climate resilient and low carbon pipelines; and (iii) organize workshops. The trainings will have two key audiences: (a) internal audience: CCS will design and implement in-person trainings at headquarters and country offices, so their staff is familiar with *NDC Invest's* access and opportunities; and (b) external audience: in coordination with VPC, CCS will implement in-person trainings with key stakeholders on *NDC Invest's* components and how it will facilitate the implementation of their NDCs.

3.2 **Component 2: Internal coordination with private sector to foster *NDC Invest* opportunities (US\$150,000).** Due to the cross-cutting nature of the *NDC Invest*, it will require maximizing existing resources and a scaled up collaboration to mainstream climate related financing opportunities among different IDBG teams.

3.3 The coordination and engagement with the IIC will be adamant for *NDC Invest* to provide a complete support to countries in their NDC. Therefore, it will be crucial to

have strategic material to ensure cross fertilization of climate considerations in key areas identified by the IIC as the private sector will be crucial to generate a solid *NDC Invest* portfolio.

- 3.4 Additionally, assessments and knowledge products prepared collaboratively will allow to foster coordination and innovative procedures. This component will involve the following activities: (i) blended finance programming in key sectors for LAC countries based on INDCs data; (ii) design and dissemination tools to engage with private sector stakeholders regarding *NDC Invest* opportunities; and (iii) identification of investment information gaps in sectors prioritized in LAC INDCs to support private sector involvement.

**Indicative Results Matrix**

Component/Description	Unit	Baseline (2016)	Yr 1	Yr 2	Completion Date	Means of Verification
<b>Component 1. Programming and strengthening the adoption of NDC Invest in LAC</b>						
Outcome 1.1: Design and disseminate a strategic communication plan for NDC Invest						
Output						
Strategic communications plans approved for the NDC Invest	Nº	0	1	1	September 2017 September 2018	Communication Plans approved by management
Communication products (blogs) in collaboration with other divisions	Nº	0	5	5	December 2017 December 2018	Website-blogs
Outcome 1.2: Common understanding of NDC Invest's objectives among IDB divisions						
Output						
Completed mainstreaming activities for NDC Invest among IDB divisions	Nº	0	2	2	December 2017 December 2018	Publications Tools Scorecards
MOOC on PPPs with Climate considerations completed	Nº	0	1	0	December 2017	MOOC course completed
Internal and external NDC Invest workshops completed	Nº	0	2	2	December 2017 December 2018	Agendas
<b>Component 2. Internal coordination with private sector to foster NDC Invest opportunities</b>						
Outcome 2.1: Maximizing opportunities through the involvement of the private sector						
Output						
Approved IDBG Strategy to strengthen the collaboration between the IDB and the IIC on climate related investments	Nº	0	1	0	December 2017	Strategy Approved by management
Approved Analysis of blended finance in the NDC context	Nº	0	1	0	December 2017	Internal Publication

- 3.5 The total cost of this project is US\$625,000. US\$500,000 will come from the Sustainable Energy and Climate Change IDB Special Program (SCI). The remaining US\$125,000 corresponds to the in-kind contribution provided by technical staff of ministries from participating countries, and includes time by the counterpart staff and office space. The counterpart amount has been estimated as the sum of men-hours that participating professionals from ministries will put into the review and other recommended studies.

**Indicative Budget (US\$)**

<b>Component</b>	<b>IDB</b>	<b>Local Counterpart<sup>2</sup></b>	<b>Total</b>
Component 1. Programming and strengthening the adoption of NDC Invest in Latin America and the Caribbean (LAC)	350,000	125,000	475,000
Component 2. Internal coordination with private sector to foster NDC Invest opportunities	150,000	0	150,000
<b>Total</b>	<b>500,000</b>	<b>125,000</b>	<b>625,000</b>

**IV. Executing agency and execution structure**

- 4.1 Given the nature of this TC, the IDB, through CCS will execute the TC and take responsibility for its supervision, disbursements and procurement. Additionally, CCS will coordinate with other participating IDB departments and liaise with other key initiatives and stakeholders involved in implementation and financing of iNDCs.
- 4.2 The collaboration with IIC will benefit from the co-leadership of this TC, and ensure active involvement and a close communication to move a common agenda forward.
- 4.3 Procurement arrangements: The Bank will contract individual consultants, consulting firms and non-consulting services in accordance with current Bank procurement policies and procedures.

**V. Major issues**

- 5.1 Since the Paris Agreement officially starts its implementation in 2020, the external risks could come from a lack of understating from member countries which could delay the activities. On the internal side, coordination will be key, but will be mitigated through the NDC Invest focal points which have already been collaborating to define the platform.

**VI. Exceptions to Bank Policy**

- 6.1 There are no exceptions to the Bank policy.

**VII. Environmental and Social Strategy**

- 7.1 It is not anticipated that the activities of this TC will have negative social or environmental impacts. According to the Environment and Safeguards Compliance Policy of the IDB (OP-703) the operation has been classified as Category "C" (see the [Safeguard Screening Form/Safeguard Policy Filter](#)).

**VIII. Required Annexes:**

Annex I: [Terms of Reference](#)

Annex II: [Procurement Plan](#)

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<sup>2</sup> In kind contribution given the Research and Development focus of the Technical Cooperation.

PROGRAMMING AND DISSEMINATION OF THE NDC INVEST

RG-T2904

CERTIFICATION

I hereby certify that this operation was approved for financing under the **Sustainable Energy and Climate Change IDB Special Program (SCI)** through a communication dated November 22, 2016 and signed by Felipe Caicedo (ORP/GCM). Also, I certify that resources from said fund are available for up to **US\$500,000** in order to finance the activities described and budgeted in this document. This certification reserves resource for the referenced project for a period of four (4) calendar months counted from the date of eligibility from the funding source. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, represent a risk that will not be absorbed by the Fund.

Original Signed

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Sonia M. Rivera

Chief

Grants and Co-Financing Management Unit

ORP/GCM

12/08/2016

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Date

Approved:

Original Signed

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Amal Lee Amin

Division Chief

Climate Change and Sustainable Development Sector

CSD/CCS

12/09/2016

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Date