



**INITIATION PLAN
FOR A GEF PROJECT PREPARATION GRANT (PPG)**

Country: Brazil

UNDAF Outcome(s):

5. More efficient use of available resources is ensured to promote an equitable and environmentally sustainable economic development.

Expected CP Outcome(s):

5.3. Sustainable development government policies designed and implemented.

Expected CP Output(s):

5.3.1. Public managers (federal, state and municipal) with strengthened capacities for design and management of sustainable development programs.

Indicator(s) linked to:

Out put 5.3.1 - Private sector participation increased in urban water and sewage services; Management plans for Conservation Units; Training of Env. analysts and local technicians on the use of technology to detect deforestation; Market for low emissions technologies developed; Nat'l capacity developed for CFCs in the Foam, Refrigeration, Chillers, Solvents; Legal framework for south-south cooperation revised; Cooperation projects between Brazil and other countries; Successful experiences and best practices disseminated.

Programme Period: 2007-2011
 Programme Component: PPG
 PPG Title: BRA/10/G41 - RCCS - Renewable CO2
 Capture and Storage from Sugar Fermentation
 Industry in Sao Paulo State
 ATLAS Proposal ID: 00060475
 ATLAS Project ID: 00076153
 PIMS Project ID: 4322
 Duration: August, 2011
 Management Arrangement: UNDP

Total budget: 75,000
 Allocated resources:
 • Government
 • Other:
 o GEF 50,000
 • In kind contributions 25,000

AGREED BY UNDP RESIDENT REPRESENTATIVE / UNDP DIRECTOR:

Jorge Chediek
 Resident Representative

Signature

Date: 08 September, 2010

Brief Description of Initiation Plan

This preparatory phase aims at finalizing the project design and draft the necessary project documentation for the submission to the GEF a FSP Project, whose the main objective is the removal of barriers to the deployment, diffusion and transfer of renewable CO₂ capture and storage technology from sugar fermentation in the production of ethanol.

The PPG funds will support three main sets of activities:

- The collection of data for finalizing the baseline analysis;
- The assessment of local and institutional capacities and stakeholder participation for improved management and FSP implementation;
- Drafting of the project documents including the definition of the logical framework, project strategy, as well as monitoring and evaluation mechanisms.

GEF PPG approved grant document and TBWP

(Please see attached)



GEF

**REQUEST FOR PROJECT PREPARATION GRANT (PPG)
PROJECT TYPE: FULL-SIZED PROJECT
THE GEF TRUST FUND**

Submission date: 13 August 2009
Re-submission date: 16 September 2009

GEF PROJECT ID:
GEF AGENCY PROJECT ID: 4322
COUNTRY: Brazil
PROJECT TITLE: RCCS - Renewable CO₂ Capture and Storage from Sugar Fermentation Industry in Sao Paulo State
GEF AGENCY: UNDP
OTHER EXECUTING PARTNERS: Brazil Ministry of Science and Technology
GEF FOCAL AREA: Climate Change
GEF-4 STRATEGIC PROGRAM: Technology Transfer; CC SP4
NAME OF PARENT/PROGRAM/UMBRELLA PROJECT : N/A

A. PROJECT PREPARATION TIMEFRAME

Start date of PPG	January 2010
Completion date of PPG	August 2011

B. PAST PROJECT PREPARATION ACTIVITIES (\$) Not Applicable

List of Past Project Preparation Activities	Output of the Activities	Project Preparation Amount (a)	Co-financing (b)	Total c = a + b
Total Project Preparation Financing				

C. PROPOSED PROJECT PREPARATION ACTIVITIES (\$)

PPG resources are being requested to support a detailed analysis of the project outcomes, outputs and overall strategy in consultation with stakeholders. The PPG aims at finalizing the project design and draft the necessary project documentation. PPG funds will therefore be used to support three main sets of activities. The first is the collection of data for finalizing the baseline analysis and inputs to further detail the barriers limiting technology transfer of the Renewable Carbon Capture and Storage (RCCS) technology in Brazil. The second is the assessment of local and institutional capacities and stakeholder participation for improved management and FSP implementation. The third is the drafting of the project documents including the definition of the logical framework, project strategy, as well as monitoring and evaluation mechanisms.

Each set of activities is described in detail below:

1. Baseline analysis and technical studies for the further definition of project components

The PPG resources will be used to further collect and analyse baseline data and undertake technical studies. This will enable a more precise understanding of the technical, capacity, and institutional barriers associated to the technology transfer (including technology deployment and dissemination) of the RCCS technology. The following project preparation activities will be carried out:

- Consolidation of main data on RCCS and an information gap-analysis;
- Assessment of the relevant legal and regulatory frameworks;
- Identification of the technology transfer activities required;
- Estimation of the global environmental benefits;

- Pre-feasibility study of the pilot RCCS project.

2. Assessment of local and institutional capacities and stakeholder participation requirements for the technology transfer of CO₂ capture and storage technology in sugar fermentation processes for ethanol production

PPG resources will be used to: a) organize a stakeholder' consultation workshop; b) collect information on, and analyze the capacities of:

- Local technical and scientific institutions that could be involved in the RCCS technology transfer activities;
- Private sector ethanol producing sugar mills that have the potential and the interest in participating in the technology transfer of RCCS;
- Professionals and technical personnel required for the technology demonstration both at the implementation level, including monitoring, and at the dissemination level;
- Financial institutions and equipment manufacturers/suppliers that could be interested in supporting the replication of the pilot project.

3. Drafting project documents:

With the support of PPG resources, the following actions will be undertaken:

- Validation of proposed project outcomes, outputs, and activities, based on a logical framework analysis and the definition of expected local, national, and global environmental benefits, cost effectiveness, and sustainability of different approaches;
- Definition of indicators for determining the impact of project outcomes;
- Finalization of project M&E plan with baseline, targets, and indicators;
- Costing the expected project outcomes and outputs, finalizing co-financing sources and commitments, in compliance with the GEF incremental cost principles; and
- Drafting of the required Project Documents.

Proposed PPG Activities	Output of the PPG Activities	PPG Amount -a	Co-financing- b	Total c = a + b
Baseline analysis and technical studies	Completed baseline and barrier analysis Defined market-/technology-based strategies.	15,000	10,000	25,000
Assessment of local and institutional capacities	Defined institutional capacity building components for the FSP Delineated participation and coordination mechanisms for stakeholders for project implementation.	20,000	10,000	30,000
Drafting of Project Documents	Agreed upon project log frame Project monitoring & evaluation plan and budgets for the FSP Project Document and CEO Endorsement Request.	15,000	5,000	20,000
Total Project Preparation Financing		50,000	25,000	75,000

D. FINANCING PLAN SUMMARY FOR PROJECT PREPARATION GRANT: (\$)

	Project Preparation	Agency Fee

GEF financing	50,000	5,000
Co-financing	25,000	
Total	75,000	5,000

E. PPG REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY

N/A as this is a single focal area, single country and single GEF Agency project

F. PPG BUDGET REQUEST

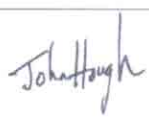
Cost Items	Total Estimated Person Weeks for GEF Grant (PW)	GEF (\$)	Co-financing (\$)	Total (\$)
Local consultants *	20	15,000	15,000	30,000
International consultants*	8	20,000	0	20,000
Travel**		7,000	2,500	9,500
Workshops**		5,500	5,000	10,500
Reporting & documentation		2,500	2,500	5,000
Total PPG Budget		50,000	25,000	75,000

(REVISED PPG BUDGET) AUG 30, 2010

Cost Items	Total Estimated Person Weeks for GEF Grant (PW)	GEF (\$)	Co-financing (\$)	Total (\$)
Local consultants *	20	15,972	15,000	30,972
International consultants*	8	4,000	0	4,000
Travel**		11,267	2,500	13,767
Contractual Services - Companies		18,193	5,000	23,193
Materials & Goods		568	2,500	3,068
Total PPG Budget		50,000	25,000	75,000

G. GEF AGENCY CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

Agency Coordinator, Agency name	Signature	Date	Project Contact Person	Telephone	Email Address
John Hough UNDP/GEF Deputy Executive Coordinator		09/16/09	Diego Masera Climate Change Regional Technical Advisor	507-3024594	diego.masera@undp.org

Annex A

Consultants Financed by the Project Preparation Grant (PPG)

Position Titles	\$/ Person Week	Estimated PWs	Tasks to be performed
Local			
CO₂ capture and storage expert	1,500	11	<ul style="list-style-type: none"> ▪ Analysis of related technical project data and assist in the development of project strategy and design. ▪ Pre-feasibility study for pilot project ▪ Assist in the development of capacity building and technology transfer assistance program ▪ Assist in the analysis of the legal, regulatory and institutional framework for CO₂ storage and capture <p><u>Qualifications:</u> Local expert in CO₂ capture and Storage related technologies and aware of the biofuels situation of the country.</p>
Ethanol production advisor	1,500	6	<ul style="list-style-type: none"> ▪ Assist in the pre-feasibility study for the pilot project ▪ Assist in the definition of the capacity building and training needs for the technical project data. <p><u>Qualifications:</u> Local advisor in the ethanol production industry with capacity building experience.</p>
Capacity Building and legal advisor	1,500	3	<ul style="list-style-type: none"> ▪ Design of an appropriate technical capacity building program ▪ Analysis of the legal, regulatory and institutional framework for CO₂ storage and capture ▪ Analysis of related legal issues and assist in the development of the project capacity building. <p><u>Qualifications:</u> Local advisor on capacity building needs assessments related to technology transfer programs with deep knowledge of the legal and regulatory framework of CCS.</p>
International			
CO₂ capture and storage expert	2,500	8	<ul style="list-style-type: none"> ▪ Responsible for provision of high level technical assistance ensuring that the project is designed in accordance to the latest international experiences. ▪ In charge of the definition of the capacity building and technology transfer assistance program ▪ The international consultant will also assist in the definition of the project strategy and main outcomes, as well as the development of the project's logical framework. <p><u>Qualifications:</u> High level expert in CO₂ capture and storage related technologies, with solid experience in GEF procedures.</p>

Revised Annex A (consultants financed by PGG) August 30, 2010

Position Titles	\$/ Person Week	Estimated PWs	Tasks to be performed
Local			
CO₂ capture and storage expert	1,935.75	8	<ul style="list-style-type: none"> ▪ Analysis of related technical project data and assist in the development of project strategy and design. ▪ Pre-feasibility study for pilot project ▪ Assist in the development of capacity building and technology transfer assistance program ▪ Assist in the analysis of the legal, regulatory and institutional framework for CO₂ storage and capture <p><u>Qualifications:</u> Local expert in CO₂ capture and Storage related technologies and aware of the biofuels situation of the country.</p>
Ethanol production advisor	1,935.75	5	<ul style="list-style-type: none"> ▪ Assist in the pre-feasibility study for the pilot project ▪ Assist in the definition of the capacity building and training needs for the technical project data. <p><u>Qualifications:</u> Local advisor in the ethanol production industry with capacity building experience.</p>
Capacity Building and legal advisor	1,935.75	3	<ul style="list-style-type: none"> ▪ Design of an appropriate technical capacity building program ▪ Analysis of the legal, regulatory and institutional framework for CO₂ storage and capture ▪ Analysis of related legal issues and assist in the development of the project capacity building. <p><u>Qualifications:</u> Local advisor on capacity building needs assessments related to technology transfer programs with deep knowledge of the legal and regulatory framework of CCS.</p>
International			
CO₂ capture and storage expert	4,000	1	<ul style="list-style-type: none"> ▪ Responsible for provision of high level technical assistance ensuring that the project is designed in accordance to the latest international experiences. ▪ In charge of the definition of the capacity building and technology transfer assistance program ▪ The international consultant will also assist in the definition of the project strategy and main outcomes, as well as the development of the project's logical framework. <p><u>Qualifications:</u> High level expert in CO₂ capture and storage related technologies, with solid experience in GEF procedures.</p>

Position Titles	\$/ Person Week	Estimated PWs	Tasks to be performed
Companies - Contractual Services			
Company acting on the CO₂ capture and storage area	7,731	2	<ul style="list-style-type: none"> ▪ Analysis of related technical project data and assist in the development of project strategy and design. ▪ Pre-feasibility study for pilot project ▪ Assist in the development of capacity building and technology transfer assistance program ▪ Provide analysis of the legal, regulatory and institutional framework for CO₂ storage and capture <p><u>Qualifications:</u> Company aware of CO₂ capture and storage processes and which acts in the biofuels industry in the country.</p>
Company acting on the Ethanol production field	7,731	1	<ul style="list-style-type: none"> ▪ Assist in the pre-feasibility study for the pilot project ▪ Provide capacity building and training needs for the technical project data. <p><u>Qualifications:</u> Company able to provide capacity building in the ethanol production field.</p>

Total Budget and Work Plan

Award ID:	00060475
Award Title:	BRA/10/G41 - RCCS - Renewable CO2 Capture and Storage from Sugar Fermentation Industry in Sao Paulo State
Business Unit:	BRA10
Project Title:	BRA/10/G41 – PIMS 4322 - RCCS - Renewable CO2 Capture and Storage from Sugar Fermentation Industry in Sao Paulo State
Project ID: PIMS no.	4322
Implementing Partner (Executing Agency)	Brazil Ministry of Science and Technology

GEF Outcome/Atlas Activity	Responsible Party/Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Total (USD)			
OUTCOME 1: FSP prepared and presented to the GEF	UNDP	62180	SCCF GEF	71200	International Consultants	15,972	-	-	-	15,972			
				71300	Local Consultants	4,000	-	-	-	4,000			
				71600	Travel	11,267	-	-	-	11,267			
				72100	Contractual Services	18,193	-	-	-	18,193			
				72300	Materials & Goods	568	-	-	-	568			
					sub-total GEF	50,000	-	-	-	50,000			
					Total Outcome 1	50,000	-	-	-	50,000			
					TOTAL	50,000	-	-	-	50,000			