



**UNITED NATIONS DEVELOPMENT PROGRAMME  
GOVERNMENT OF BRAZIL  
Project Budget**

**Project Number:** BRA/04/016

**Project Title:** Sustainable and Equitable Growth Technical Assistance Programme

**Start Year:** 2004  
**End Year:** 2005  
**Executing Agent:** NEX - National Execution  
**Implementing Agent:** NEX - National Execution  
**Revision Type:** INI - INITIAL

Budget Financing (in US\$)	
INPUTS	REV "A"
UNDP	
01-UNDP-IPF / TRAC - (Trac 1.1.1 & 1.1.2)	0
<b>Cost Sharing</b>	
Government	51,618
Financial Institutions	317,082
Country Office Admin. Costs:	11,061
<b>TOTAL</b>	<b>379,761</b>

**Brief Description:**

With deep macroeconomic reforms but low and erratic growth, Brazil has proved that stabilization is not enough on its own to grantee growth. However, economic growth has so far been the missing ingredient to rendering resilient and enduring social progress. Thus, the Government has embarked on an ambitious growth program based on the implementation of a series of microeconomic and institutional reforms.

Project BRA/04/016 intends to assist the government in preparing and implementing the new phase of its growth program as agreed with the International Bank for Reconstruction and Development - IBRD under the recently approved and financed First Programmatic Loan for Sustainable and Equitable Growth. Given the breadth of the program, it would have been difficult to design a meaningful technical assistance program which would not include the four key ministries in the implementation of Brazil's growth program, namely the Ministries of Finance, Justice and Science and Technology.

The objectives of the Project are:

- 1) Reduce logistics costs in order to raise productivity and facilitate trade by increasing the effectiveness of customs, reducing port costs and delays, reducing road transport costs and promoting efficient multimodal transport options;
- 2) Improve the business environment, by strengthening regulatory framework for infrastructure, anti-trust enforcement, corporate insolvency resolution and by reducing administrative costs to businesses;
- 3) Enhance the efficiency and depth of the financial system, by increasing competition in the banking sector, fostering mobilization of long-term capital through strengthened market for risk and stronger institutional investors in the insurance sector, and improving access to financial services;
- 4) Increase Brazil's technological innovation capacity to transform knowledge into productivity gains, by increasing regime for private R&D, and structuring/managing the Clean Development Mechanism, and
- 5) Support the preparation of reforms and other institutional measures to achieve other objectives of the Government's growth program such as deepening trade integration, reducing tax distortions and strengthening labor markets.

The Project envisages the provision of technical assistance and training services, office equipment and software to the various projects beneficiaries to carry out activities needed to achieve its objectives.

Project sustainability is assured by: (i) a strong Government's ownership of the growth program supported by the First Programmatic Loan for Equitable and Sustainable Growth and the proposed technical assistance program; and (ii) activities under the project support the implementation of reforms and other institutional measures under the microeconomic growth agenda.

Approved by:	Signature:	Date:	Name/Title:
Government (ABC):		10/9/04	<b>Embaixador Lauro Barbosa da S. Moreira</b> <b>Diretor Geral da ABC</b>
Executing Agent:		09/09/2004	<b>Lísicio Camargo</b> <b>Secretário Executivo Adjunto</b> <b>Ministério da Fazenda - MF</b>
Executing Agent:		09/09/2004	<b>Luis Fernandes</b> <b>Secretário Executivo</b> <b>Ministério da Ciência e Tecnologia - MCT</b>
UNDP:		13/09/2004	<b>Carlos Lopes - Resident Representative</b>