

Technical Cooperation Document

I. Basic Information for TC

▪ Country/Region:	REGIONAL
▪ TC Name:	COP26 Strategic Roadmap Implementation
▪ TC Number:	RG-T3906
▪ Team Leader/Members:	Doherty Bigara Rodriguez, Jennifer (CSD/CCS) Team Leader; Aguiar Parera, Catalina (CSD/CCS); Alva, Maria Fernanda (CSD/CCS); Brusa, Federico (CSD/CCS); Ceva Alvarez, Mariana Daniela (CSD/CCS); Garcia Salinas, Andrea Victoria (CSD/CCS); Gomez, Juan Carlos (CSD/CCS); Martinez Cotrino, Juan Francisco (CSD/CCS); Mendoza Benavente, Horacio (LEG/SGO); Meirovich, Hilén Gabriela
▪ Taxonomy:	Research and Dissemination
▪ Operation Supported by the TC:	N/A
▪ Date of TC Abstract authorization:	16 Apr 2021.
▪ Beneficiary:	Bank's borrowing member countries
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	Sustainable energy and Climate Change Multi-donor Trust Fund(MSC)
▪ IDB Funding Requested:	US\$300,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (including Execution):	24 months
▪ Required start date:	July 2021
▪ Types of consultants:	Firms and individual consultants
▪ Prepared by Unit:	CSD/CCS-Climate Change
▪ Unit of Disbursement Responsibility:	CSD/CCS-Climate Change
▪ TC included in Country Strategy:	Yes
▪ TC included in CPD:	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation; Institutional capacity and rule of law; Environmental sustainability

II. Objectives and Justification of the TC

- 2.1 In the IDB Group Corporate Results Framework, 2020-2023 (GN-2727-12), the Board of Executive Directors of the IDB Group, set the climate change financing target of 30% of its operations for the IDB, IDB Invest and IDB Lab. This commitment includes three goals: (i) 65% of its annual project approvals should include investments in adaptation and mitigation to climate change; (ii) 100% of projects categorized as high risk should include a risk analysis and resilience measures by 2023; and (iii) 100% of country strategies should take into consideration Nationally Determined Contributions (NDC), or Long-Term decarbonization Strategies (LTS).
- 2.2 This climate-related financing is crucial as paradigmatic investments in renewable energy, electric mobility, sustainable urban development, climate-smart agriculture, and green buildings, as well as capacity building and preparation of natural disaster risk assessments are a cornerstone to attaining the objectives set by the Paris Agreement.

- 2.3 In this context, the COP-26 summit will bring parties together to accelerate action towards the goals defined in the Paris Agreement and the United Nations Framework Convention on Climate Change (UNFCCC). The United Kingdom (UK) is committed to working with all countries and joining forces with civil society, private sector, and people on the frontlines of climate change to inspire climate action ahead of COP-26. After being cancelled in 2020, the UK will host the 26th United Nations Climate Change Conference of the Parties (COP-26) in Glasgow on November 1-12, 2021. As a reminder, the stakes for this COP are mainly under: (i) the Rule Book and the renewed ambition of each country's NDC; (ii) the definition of the guidelines under article 6 of the Paris Agreement, which will define the carbon market instruments; and (iii) new finance for "loss and damage" which refers to the reparations to be made to the poorest countries. The priorities set by the UK presidency for COP-26 are:
- a. Adaptation and resilience. Helping people, economies, and the environment to adapt and prepare for the impacts of climate change.
 - b. Nature. Safeguarding ecosystems, protecting natural habitats, and keeping carbon out of the atmosphere.
 - c. Energy transition. Seizing the massive opportunities of cheaper renewables and storage.
 - d. Accelerating the move to zero-carbon road transport. By 2040, over half of new car sales worldwide are projected to be electric.
 - e. Finance. The need to unleash the financing that will make these priorities a reality, and power the shift to a zero-carbon economy.
- 2.4 As these priorities reflect and are connected to the needs and gaps under the COP-26 negotiations and the Paris Agreement implementation, the IDB Group has also identified six topics in which it will focus its work to pave its way towards COP-26, namely: (i) sustainable recovery and just transition; (ii) climate finance; (iii) transition to zero carbon energy and transport; (iv) biodiversity and nature based solutions; (v) resilience and adaptation; and (vi) innovative solutions and the private sector.
- 2.5 As the climate partner of the Latin American and Caribbean (LAC) region, the IDB Group will continue to provide support to countries in their efforts to achieve low carbon and resilient development, as well as meet the demand from governments to receive assistance in the design, execution, and monitoring of their portfolio of projects and initiatives aligned with the objectives of their NDC and LTS, and showcase key lessons learned.
- 2.6 Most countries in the region have submitted their NDCs¹ and increased their mitigation targets in their latest NDCs, for example, moving from intensity to absolute targets as in Chile or increases in the percentage reductions, as in Peru. Both Jamaica and Colombia have approximately doubled previous NDC commitments. If it implemented all the planned policies, Chile could peak emissions in 2023 rather than the proposed year of 2025 - which would make it a frontrunner on climate action according to the Climate Action Tracker (CAT). Regarding the development of Long-Term Strategies (LTS), we are supporting Peru and Colombia in their development,

¹ 13 LAC countries: <https://www4.unfccc.int/sites/ndcstaging/Pages/LatestSubmissions.aspx>

and the region has two LTS officially submitted to the UNFCCC digital platform², Mexico and Costa Rica.

- 2.7 Objective: The IDB Group will set a roadmap towards COP-26 to showcase the main initiatives and projects it is currently developing in LAC to enhance the ambition of countries, based on their demand. In particular, the operation will allow to: (i) structure a roadmap that will enable a coherent and unique message and showcase activities intended to pave the way towards COP-26; and (ii) support the presence of the IDB Group during COP-26 and our Paris Alignment commitment.
- 2.8 This work will be complemented by other technical cooperation operations led by the IDB, such as: (i) *"Identifying and disseminating best practices and opportunities to support COP-25 outcomes and Paris Agreement implementation throughout LAC"* (ATN/MC-18254-RG); (ii) *"Strengthening resilience in Latin America and the Caribbean"* (ATN/AC-18143-RG), which will develop further analyses and capacities to identify adaptation and resilience options; and (iii) *"Informing the design of long-term decarbonization strategies"* (ATN/FR-18228-RG).
- 2.9 The present operation is consistent with the Second Update to the Institutional Strategy (AB-3190-2) and is aligned with the development challenges of: (i) *productivity and innovation*, as it intends to foster low carbon and resilient investments. The operation is also aligned with the cross-cutting themes of: (i) *climate change and environmental sustainability* as it provides support to countries in the LAC region to present their NDC updates, LTS and other key strategies towards COP-26; and (ii) *institutional capacity and the rule of law*, as it enables national institutions to include vulnerability in their national planning. Likewise, the proposed technical cooperation (TC) is aligned with the IDB's Integrated Strategy for Climate Change Adaptation and Mitigation and Sustainable and Renewable Energy (GN-2609-1) and its Action Plan (GN-2609-3). Additionally, the operation responds to the objectives of Sustainable Energy and Climate Change Fund (SECCI), as COP26, the Paris Agreement and the engagement of the Ministries of Finance for a climate agenda are closely related to the results mentioned in paragraph 1.2 of the document that established the Sustainable energy and Climate Change Multi-donor Trust Fund (MSC) (GN-2435-6). Additionally, the operation will contribute towards the goal of the Ninth General Capital Increase of the IDB (GCI-9), that establishes that 30% of its lending should include climate considerations, under the Bahamas Declaration, as it enables different mechanisms for climate change mainstreaming.

III. Description of Activities/Components and Budget

- 3.1 **Component 1. Paving our way towards COP-26 and consolidating the IDB Group as the climate partner of the region (US\$150,000).** This component will finance: (i) the development and implementation of the IDB Group Roadmap towards the COP-26, which will start with the milestone of a regional virtual summit to showcase the Group's main achievements towards the implementation and attainment of the Paris Agreement objectives; and (ii) support the launch of the Climate Platform for Ministries of Finance in LAC. This entails the hiring of consultants for organizational and communicational purposes for the roadmap, logistics and implementation, graphic design (brochures, banners, infographics etc.),

² <https://unfccc.int/process/the-paris-agreement/long-term-strategies>

paid advertisement campaign for IDB corporate channels, as well as a communications firm for the organization of the IDB's online pre-COP-26 event. Regarding the Climate Platform for Ministries of Finance, it will finance the hiring of a facilitator to ensure a bottom-up approach to the event planned in September 2021 to officially launch the network for cooperation and collaboration which shall be based on the countries' priorities and development of key technical notes, a logistics firm will be hired to ensure the quality and publish deliverables from the event.

- 3.2 **Component 2. Building a strategic presence during COP-26 and supporting the Paris Alignment commitment (US\$150,000).** Per previous experience, and while including COVID-19 considerations, the IDB Group will require to consolidate a virtual and in person presence during COP-26. To do so, this component will allow to finance: (i) an official IDB Group's event under the UNFCCC standards, and under the final guidelines for in person and virtual participation; (ii) an event on Climate Finance and Paris Alignment in coordination with other Multi-lateral Development Banks (MDB)³ as announced during COP-25⁴ in which the MDB and IDFC pledged to align financial flows with the objectives of the Paris Agreement, including to support the 'Five Voluntary Principles for Mainstreaming Climate Action with Financial Institutions; and (iii) the hiring of consultants to support the IDB's virtual and in situ presence in Glasgow, as well as generate communications material for the event. and (iv) events to support the showcase of the IDB event portfolio, climate finance figures and Paris Alignment commitment.
- 3.3 The total cost of this operation has been estimated in US\$300,000, which will be financed with resources from the Sustainable Energy and Climate Change Multi-Donor Trust Fund (MSC).

Indicative Budget (US\$)

Activity/Component Description	IDB/Fund	Total
Component 1. Paving our way towards COP-26 and consolidating the IDB Group as the climate partner of the region	150,000	150,000
COP-26 RoadMap and virtual event	100,000	100,000
Climate Platform for ministries of finance event	50,000	50,000
Component 2. Building a strategic presence during COP-26 and supporting the Paris Alignment commitment	150,000	150,000
COP-26 events, knowledge products and presence	130,000	130,000
Paris Alignment support	20,000	20,000
Total	300,000	300,000

IV. Executing Agency and Execution Structure

- 4.1 The Bank will act as the executing agency due to its ability to leverage its extensive network of internal and external subject-matter experts and well-established relationships with relevant stakeholders. The Climate Change Division of the IDB (CSD/CCS) will be responsible for the supervision and implementation of this operation's resources. The execution of the TC will be coordinated with the relevant divisions of the Bank including IDB Invest and IDB Lab.

³ MDB concerned are the African Development Bank (AfDB), the Asian Development Bank (ADB), the Asian Infrastructure Investment Bank (AIIB), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Inter-American Development Bank (IDB), the Islamic Development Bank (IsDB), the New Development Bank (NDB) and the World Bank.

⁴ <https://sdg.iisd.org/news/mdbs-commit-to-align-activities-with-paris-agreement/>

- 4.2 The IDB will carry out the execution activities through CSD/CCS, which will be responsible for the operation's supervision, disbursements, and procurement. In addition, CSD/CCS will coordinate with other relevant IDB departments.
- 4.3 The project will leverage synergies and complementarities with IDB operations, research, and in-house expertise in NDC and LTS planning and implementation. Additionally, due to the regional nature of this TC and since it is originated at the initiative of the Bank, in accordance with Annex II of OP-619-4, the Bank will act as the executing agency.
- 4.4 The Bank will follow its procurement policies and guidelines related to contracting processes: (i) individual consultants will be hired according to the guidelines established in policy AM-650; (ii) consulting firms of an intellectual nature will be hired according to the "Policy for the selection and contracting of consulting firms for operational work carried out by the Bank" (GN-2765-4) and its Operational Guidelines (OP-1155-4); and (iii) other non-consulting services will be hired in accordance with the "IDB Corporate Procurement Policy" (GN-2303-28).
- 4.5 Prior to the start of execution of activities related to the two components of the TC in any beneficiary country, a non-objection letter will be obtained from the official liaison entity with the Bank in the respective country.
- 4.6 As part of the execution of the present TC, the team intends to hire the firm *Fábrica de Medios*, based on their unique capacity and value added to provide a diverse range of services necessary to carry out the event with high quality standards. They provide a holistic package including, web and graphic production; Zoom interface and Youtube transmission (using IDB channels); promotional video and material for networks; interpretation into four languages and facilitation. Finally, they have previous experience with all Bank platforms and software packages that are a fundamental to IDB event coordination and organization.

V. Major Issues

- 5.1 COP-26 was postponed in 2020 due to the surge of the Covid-19 pandemic. Although the summit is expected to take place in November 2021, as vaccines are yet to be provided to all citizens in LAC, a 100% virtual COP-26 is yet to be confirmed. CSD/CCS will establish the necessary mechanisms to ensure adequate and timely implementation, as well as coordination with main implementors (Knowledge, Innovation and Communications Department of the IDB).
- 5.2 This TC will also support the products to be developed under the Paris Agreement alignment works led by the IDB Group and Ministries of Finance, given the limited timeline and technical analysis required to ensure an adequate engagement the TC has included members of the Paris alignment Work group and will closely follow up the process to avoid any delays.

VI. Exceptions to Bank policy

- 6.1 No exceptions to Bank policies have been identified for this operation.

VII. Environmental and Social Strategy

- 7.1 Per the Environment and Safeguards Compliance Policy of the Bank (OP-703), the operation has been classified as Category "C", thus no environmental assessment

studies or consultations are required (see the [Safeguard Policy Filter](#) and the [Safeguard Screening Form](#)).

Required Annexes

[Results Matrix - RG-T3906](#)

[Terms of Reference - RG-T3906](#)

[Procurement Plan - RG-T3906](#)