

Brazil Programme Strategy

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Background to the Prosperity Fund

The Prosperity Fund builds on the achievements of the previous Low Carbon High Growth Strategic Programme Fund, and supports the following FCO Policy Priority:

"Build Britain's prosperity by increasing exports and investment, opening markets, ensuring access to resources, and promoting sustainable global growth".

An **open global economy** is the most effective way to support development and increased prosperity. The Prosperity fund supports the establishment of transparent and stable regulatory regimes and the promotion of economic policies that underpin strong, sustainable, balanced and low carbon growth. We will encourage openness to trade and investment, discourage protectionism and strengthen the multilateral trading system. In particular, we want to foster international support for this agenda through increasing commitment to open markets and free trade and promoting economic reforms.

If we are to avoid dangerous **climate change**, which will undermine the conditions necessary for sustainable global economic growth, we need urgently to transform the global economy to a low carbon one. Achieving this will depend to a large extent on agreeing and implementing an ambitious, comprehensive and equitable global framework agreement in the UN Framework Convention on Climate Change. But the political conditions are not yet in place to deliver the political commitment or the necessary shift in investment. Political will to tackle climate change will only be secured once leaders are confident that policies to mitigate climate change will not undermine their growth, prosperity and security objectives. The fund will support this work.

Low carbon policies can and should enhance **energy security** globally. But there will still be demand for energy from hydrocarbon sources into the medium term and oil and gas prices will continue to be key drivers in the global economy. We want to deepen engagement with energy producers, both bilaterally and in multilateral fora, and encourage conditions that enable the necessary investment in transitional oil and gas, promote price transparency and reduce volatility, encourage low carbon growth and improve the reliability of energy supplies. We want the fund to contribute by building support for open and effective international energy markets and by promoting the take-up of alternative energy sources and more efficient consumption of energy. We are keen to encourage projects linked to the phasing out of fossil fuel subsidies which helps countries do this in a way that has full regard to fuel poverty and social impacts.

Brazil is a priority post for work on all three areas: climate change, energy security and open economy.

Programme Structure in Brazil

- 1. The Prosperity Programme in Brazil is managed by the Programme Team at the British Embassy in Brasilia. Information about bidding rounds and contacts in Brazil can be found at: https://www.gov.uk/government/world/brazil
 - 2. Bidding rounds are split between a concept and full bid stage. Call for bids and deadlines can be found at: https://www.gov.uk/government/world/brazil
 - 3. Projects are selected by a Programme Board consisting of a representative from the London Programme Secretariat, the British Embassy in Brazil (FCO), Whitehall representatives (DFID, UKTI, DECC, British Council, DEFRA) and an external independent member from British business (from British Chamber of Commerce).

General Guidance: How to Bid

Proposals should be submitted on the Prosperity bidding form available at https://www.gov.uk/government/world/brazil. Organisations looking to submit a bid are strongly encouraged to talk to Programme Team in the British Embassy in Brasilia at an early stage, to confirm if the proposal is aligned to the Programme objectives and fits with our requirements. We also recommend that prospective bidders check the terms and conditions in the contract.

The British Embassy makes payments to project implementers only in arrears on a quarterly basis and does not pay in advance.

The FCO places a strong emphasis on programme and project-level evaluation. Project implementing organisations must submit quarterly progress reports for the duration of the project, and submit a project completion form within three months of the project conclusion. In addition, depending on the scale of the project, a full and independent evaluation may be required. Evaluation costs should be factored into the project budget from the outset.

Stages of bidding rounds (available at http://ukinbrazil.fco.gov.uk/pt)

- British Embassy announces call for bids on the website https://www.gov.uk/government/world/brazil
- Submission of Concept bids to the British Embassy (only part A of bid form)
- · Review of concept bids against strategic fit and project design
- British Embassy to reply to selected concept bids and request for full proposals
- Submission of Full proposals (only if approved during concept bid round) to British Embassy
- · British Embassy to announce results
- · Contract and start of Projects

Eligibility:

- Civil Society Organisations, International NGOs, Research Organisations, Think Tanks, Government institutions and Universities are eligible to apply for bids.
- The primary beneficiary of the Projects submitted to the Prosperity fund must be Brazil (included in the OECD DAC list), in line with DAC criteria.
- All projects must be in support of the Foreign Policy Priority 2 ("Build Britain's prosperity by increasing exports and investment, opening markets, ensuring access to resources, and promoting sustainable global growth") and this strategy.
- We are looking for practical interventions that will lead to a real and timely difference to decision-making. Proposals focusing purely on research, analysis, seminars or workshops will not be relevant unless they lead to specific and measurable action.
- Projects can be at regional or state level within a country, provided that replicability is built into the proposal and sufficient impact is likely.
- Proposals must make clear that they are adding value to, and not duplicating, other donor activity.

Programme Objectives and Indicators

These objectives and indicators support the FCO's Foreign Policy Priority 2:

"Build Britain's prosperity by increasing exports and investment, opening markets, ensuring access to resources, and promoting sustainable global growth".

Objectives		Indicators
_	Further integration of the Brazilian economy into a transparent, strong rules-based international economic system.	 Support for Brazil to implement reforms that deliver a more open and efficient business environment for domestic and international companies alike. Support for Brazil to implement tax reforms that improve efficiency and move towards international standards. Support for Brazil to implement measures which increase transparency and reduce bribery and corruption. Support for Brazil's capital markets to deepen and open to support Brazil's economic development without undermining stability. Support for Brazil to undertake reforms and reduces barriers to market access for companies.
2.	Support for Brazil to successfully implement its ambitious infrastructure development plans.	2.1 Support for Brazil to implement reforms that improve efficiency and transparency of infrastructure projects.
3.	Greater innovation drives stronger economic growth in Brazil.	3.1 Support for Brazil to implement policies which foster greater innovation.
4.	Support for Brazil on green and sustainable growth in Brazil.	4.1 Support for Brazil to integrate green and sustainable growth into economic and development planning, including innovation, cities, infrastructure and major sporting events.

	4.2 Support for Brazil on domestic emissions reductions, including subsidiary tools/mechanisms.4.3 Support for Brazilian business sectors towards greening the wider economy.
Support for Brazil to enhance energy value chain to promote resource	5.1 Support for Brazil to accelerate investments in innovation (e.g. R&D) to promote low carbon technologies to maintain a clean energy matrix as it grows.
security and efficiency, both in Brazil and globally, by encouraging investments and innovation in low	5.2 Support for Brazil to promote energy efficiency and new/alternative technologies (e.g. smart grid).
carbon technologies and oil & gas.	5.3 Support for Brazilian Government and producers improve efficiency, productivity, safety and predictability of output.
	5.4 Support for Brazil to play an active role in international energy fora, promoting a stable, transparent, safe and sustainable energy market.
	5.5 Support for Brazil to increase oil & gas regulation production and improve business environment.
	5.6 Support for Brazil to explore unconventional gas (e.g. shale gas) and create a strong regulatory framework to support it.
	5.7 Support for Brazil to promote innovative SMEs in the oil & gas sector.