

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	CHILE/CSC - Southern Cone
▪ TC Name:	Strengthening Chile's climate change agenda and support for the organization of COP25
▪ TC Number:	CH-T1223
▪ Team Leader/Members:	DELGADO, C. RAUL (CSD/CCS) Team Leader; MEIROVICH, HILEN GABRIELA (INO/NFP) Alternate Team Leader; BRUSA, FEDERICO (CSD/CCS); ANGEL GOMEZ, ANGELO EDUARDO (CSD/CCS); CELESTE MARZO, CRISTINA (LEG/SGO); SALAS PARRA, CRISTIAN (CSD/CCS); JARAMILLO GIL, MARCELA CRISTINA (CSD/CCS); SAAVEDRA GOMEZ, VALENTINA (CSD/CCS); LOPEZ TOVAR, SANDRA (CSD/CCS); LA ROSA, ANALIA (VPC/FMP)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	02 Apr 2019
▪ Beneficiary:	Government of Chile
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	\$ 600,000.00
▪ Local counterpart funding:	\$ 0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	Climate Change
▪ Unit of Disbursement Responsibility:	Climate Change & Sustainable Development
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality ; Institutional capacity and rule of law; None

II. Objective and Justification

- 2.1 The objective of this Technical Cooperation (TC) is to assist Chile in the logistics and advancement of COP expected outcomes, including at the domestic, regional, and international scales, as the country assumes the presidency of the twenty-fifth Conference of the Parties (COP25) to the United Nations Framework Convention on Climate Change (UNFCCC.). Activities in preparation of COP25 will also include some coordinated interventions with the government of Costa Rica, which will host the pre-COP summit. COP25 will take place between December 03 and 12th, 2019. The pre-COP is expected to occur in October – November 2019.
- 2.2 The Paris Agreement marked a turning point for the international climate agenda. As of February 1st, 2019, all LAC IDB Group borrowing members have submitted the first iteration of their Nationally Determined Contribution (or NDCs). These are the documents in which countries state both their conditional and unconditional measures to stabilize average global temperature rise at 2°C by the year 2100, thus, limiting the severe consequences of climate change on human activity. Under the Paris Agreement, and starting in 2020, countries are expected to submit newer, more ambitious, iterations of their NDCs through an iterative process known as the “ambition mechanism”. The COP, by its decision 1/CP 21, paragraph 35, invited Parties to communicate, by 2020, to the secretariat mid-century, long-term low

greenhouse gas emission development strategies in accordance with Article 4, paragraph 19, of the Agreement. COP25 will take place in December 2019. Among its outcomes, it is expected that COP25 will provide (i) the presentation of detailed, operational Long-Term Strategy (LTS) models, and (ii) substantive advances in international climate negotiations that garner support to ensure the proper operationalization of the ambition mechanism. This TC addresses the multisectoral challenge of climate change as it is identified in section 2b of the Update to the Institutional Strategy 2010-2020 (AB-3008). It is aligned with the IDB's Integrated Strategy for Climate Change Adaptation and Mitigation and Sustainable Renewable Energy (GN-2609-2) and its Action Plan (GN-2609-3). It will contribute towards the Ninth General Capital Increase (GCI-9) lending targets related to climate change, sustainable (including renewable) energy, and environmental sustainability. It is further aligned with the CSD/CCS Sector Framework Document (GN-2835-5.) Finally, this TC builds upon paragraph 2.17 of the 2019 - 2022 Chile Country Strategy. TC activities are funded and aligned with the objectives of the OC-SDP for Sustainability SUS fund.

III. Description of Activities and Outputs

- 3.1 The following activities will be developed: (i) Development of a strategic master-plan for all COP25 activities and support the logistics required to organize a worldwide summit; (ii) research activities to strengthen the Chilean negotiations team; (iii) Development and execution of alliance-building activities; (iv) Development of a comprehensive communications strategy; (v) Strengthening the national climate polity; (vi) technical support activities pertaining to the revision and update of Chile's NDC as well as its long-term strategy; (vii) technical support activities pertaining to the design and enactment of Chile's national framework climate law; (viii) technical support activities aimed at strengthening private sector involvement in the achievement of Chile's NDC objectives; (ix) the organization of joint regional knowledge dissemination workshops to fully understand the budgetary and planning implications of setting and achieving a 1,5°C target, including the management of climate risk, its impacts and other measures linked to the development of adaptive capacity; (xi) A regional coordination exercise to identify existing bottlenecks throughout the region for NDC operationalization.
- 3.2 **Component I: Bolstering Chile's capacity to host and manage COP25 results.** This component will provide technical assistance to the Chilean coordinating body and its ministries by assisting with the development and execution of activities relevant to ensure a positive outcome at COP25.
- 3.3 **Component II: Strengthening the national climate polity.** This component will provide technical support to the government of Chile by strengthening its national climate commitments. Interventions will aim at bolstering the national climate political economy through the support to design and execution of critical components for its operationalization.
- 3.4 **Component III: Advancing LAC's position regarding the improvement and operationalization of NDCs.** This component will benefit from the focus of COP25 to help Chile conduct regional knowledge dissemination activities tied to the proper operationalization of NDCs from a budgeting and planning perspective.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Bolstering Chile's capacity to host and manage COP25 results	\$ 300,000.00	\$ 0.00	\$ 300,000.00

Strengthening the national climate policy	\$ 200,000.00	\$ 0.00	\$ 200,000.00
Advancing LAC's position regarding the improvement and operationalization of NDCs	\$ 100,000.00	\$ 0.00	\$ 100,000.00

V. Executing Agency and Execution Structure

- 5.1 Given the scope of the operations' activities, the Climate Change (CCS) division of the IDB, the multiple ministerial entities involved, and the request by Chile, the unit of basic responsibility for the execution of this TC will be CSD/CCS. INO/NFP will work with CSD/CCS in relevant IDB Invest-themed interventions.
- 5.2 As the executing agency, the IDB will follow its procurement policies and guidelines related to hiring processes: (i) individual consultants will be hired in accordance with the guidelines set out in policy AM-650; (ii) consulting firms of an intellectual nature only will be hired in accordance with the "Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work" (GN-2765-1) and its related Operational Guidelines (OP-1155-4); and (iii) logistics and other related services in accordance with the "IDB Corporate Procurement Policy" (GN-2303-20). CSD/CCS has substantial experience in multisectoral climate policy development interventions, both through technical cooperation as well as through loan operations. Furthermore, the CCS division has already provided support to Mexico and Peru as they organized, respectively, COP16 and COP20. All hired consultancies and other procurement activities relevant for the execution of the operation will be in accordance with the Bank's procedures and policies. Execution will not start without: (i) the non-objection of the Bank's Chile country office; and (ii) a written request to the IDB by the Ministry of Finance's COP coordinators. The organization of a COP requires multi-sectoral coordination and governance instances. Key ministries include the Ministry of Finance, the Ministry of the Environment, the Ministry of Foreign Affairs, and the Ministry of Science, Technology, Knowledge and Innovation. While the minister of the Environment has been nominated as COP President, these four ministries will conform a coordinating entity, as will the office of the President. Furthermore, this TC considers the role assumed by the Ministry of Finance in leading a network of ministries of Finance on climate action.

VI. Project Risks and Issues

- 6.1 Some activities in this Technical Cooperation aim to support Chile during the COP25, but their nature also allows to bolster capacity within the ministries. As such, and to allow for these positive spillovers, a longer execution time may occur. The coordination of different ministries and prioritization of common goals can be complicated but given the presidential mandate, and Chile's institutional capacity, a coherent and coordinated dynamic is expected. To mitigate this risk, a joint work plan is being defined with the different ministries, as well as with the country's COP coordinating entity. The work-plan will define all support activities and will also be aligned with the TC's result matrix.

VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is "C".