

Technical Cooperation Document

I. Basic Information for TC

▪ Country/Region:	BRAZIL
▪ TC Name:	Technical Support for Banco do Brasil in preparation for BB Amazônia Program
▪ TC Number:	BR-T1612
▪ Team Leader/Members:	Sierra Gonzalez, Eduardo (IFD/CMF) Team Leader; Cavazzoni Lima, Rafael (IFD/CMF) Alternate Team Leader; Zuniga Arias Amanda Raquel (IFD/CMF); Adam Mehl (CSD/ACU); Martinez Lopez, Cynthia (IFD/CMF); Echevarria Barbero, Carlos Jose (INE/ENE); Vasa, Alexander (IFD/CMF); Andreza Leodido (IFD/CMF); Marquez, Claudia (IFD/CMF); Takaes Santos Inaie (CSD/ACU); Queiroz Fenyves, Katia (CSD/CCS); Eschoyez, Guillermo Antonio (LEG/SGO); Celeste Marzo, Cristina (LEG/SGO); Palma Ribeiro Rafael (IFD/CMF); Azar Barros, Karina (IFD/CMF)
▪ Taxonomy:	Operational Support
▪ Operation Supported by the TC:	BR-L1633.
▪ Date of TC Abstract authorization:	12 Jun 2024.
▪ Beneficiary:	Banco do Brasil S.A.
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	Green Climate Fund(GRN)
▪ IDB Funding Requested:	US\$1,495,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	15 Feb 2025
▪ Types of consultants:	Individual consultants and firms
▪ Prepared by Unit:	IFD/CMF-Connectivity Markets and Finance Division
▪ Unit of Disbursement Responsibility:	IFD/CMF-Connectivity Markets and Finance Division
▪ TC included in Country Strategy (y/n):	y
▪ TC included in CPD (y/n):	n
▪ Alignment to the Update to the Institutional Strategy 2024-2030:	Diversity; Economic integration; Environmental sustainability; Gender equality; Gender equality and inclusion of diverse population groups; Institutional capacity and rule of law; Productive development and innovation through the private sector; Productivity and innovation; Social inclusion and equality

II. Description of the Associated Loan/Guarantee

- 2.1 This Technical Cooperation (“TC”) is designed to support the loan Program [BR-L1633](#) BB Amazônia - IDB Bioeconomy Program - *Banco do Brasil*. The general objective of the Program is to promote sustainable and inclusive development in the Brazilian Legal Amazon (BLA) by strengthening productive business activity in the context of bioeconomy. The specific objectives of the program are: (i) to expand access to credit for productive development of local bio-businesses across bioeconomy value chains; and (ii) to expand access to credit for the use of renewable energy and improved connectivity in the region.
- 2.2 The Program involves two main components supported by this TC: (1) Bio-business financing (US\$150 million) using loan resources from the Green Climate Fund’s (GRN)

(US\$75 million) and IDB (US\$75 million) and (2) Bio-business risk mitigation instrument (US\$8.8 million). A third component dedicated to Sustainable Infrastructure financing (US\$100 million), focusing on renewable energy and connectivity, will not be directly supported by the TC. The Program beneficiaries of Components 1 and 2 will be Micro, Small & Medium Enterprises (MSME) operating in the BLA, defined as bio businesses, including individual and family rural producers and community enterprises. Program beneficiaries of Component 3 will also include energy and internet service providers as enablers of bioeconomy development. Large anchor companies and bio-businesses' support organizations, given their key role to support market access, pipeline growth, and risk reduction strategies in the context of the program, are also indirect beneficiaries.

III. Objectives and Justification of the TC

- 3.1 **Background.** The BLA's biodiversity provides an opportunity to promote socio-economic prosperity in sync with the conservation and sustainable use of its natural resources¹. The bioeconomy encompasses any economic activity based on the use of renewable biological resources, whether from land or water, to obtain food, materials, and energy without compromising their availability for future generations. It includes activities related to the invention, development, production, and use of biological products and processes. The Gross Domestic Product (GDP) of the bioeconomy in the BLA is estimated at R\$12 billion², employing almost 350,000 people. Local consumption accounts for almost 68% of demand, another 31% originates in other regions of Brazil, and exports are practically zero, suggesting a low use of forestry and value chains in structured global markets.
- 3.2 While there is an array of constraints that combine to limit investment in the bioeconomy in the BLA, the program proposal focuses on the conception that the market is failing to bring about an efficient allocation of credit to productive units that are capable and willing to repay, given their current investment opportunities. The diagnosis associates this credit market failure to the case for an intervention that can facilitate the flow of funds by providing reasonable credit alternatives and strengthening the scope and effectiveness of risk mitigation mechanisms. The analysis identifies that in fact there is an opportunity to promote this sector, but financing the bioeconomy will require addressing challenges such as the need for substantial investments in bio-businesses without a credit history or guaranteed revenue, the lack of guarantees or assets, including land tenure issues, and the lack of access to the financial system, which is typical for smallholder agricultural systems and bio-business value chains³.
- 3.3 Bio-businesses in BLA are typically run by small producers and Micro, Small, and Medium Enterprises (MSME), which means they are generally too small for institutional financing in the capital markets and find it more difficult to access bank

¹ In this TC proposal, the definitions of "bioeconomy" and "bio-business" follow the guidelines of the Funding Proposal of the Amazon Bioeconomy Fund (ABF). The ABF, under IDB administration, is financed with resources from the GCF (GN-3081-1). Its objective is to reduce GHG emissions and increase the resilience of targeted value chains and ecosystems in the Amazon region by enabling the conditions to increase the flow of fund to bio-businesses.

² Nobre, C., et al., Nova Economia da Amazônia, WRI Brasil, 2023.

³ Nature Finance and *Fundação Getúlio Vargas*, The Global Bioeconomy, Preliminary Stocktake of G20 Strategies and Practices: a contribution to the Brazilian G20 Presidency's Global Initiative on Bioeconomy, 2024.

credit. Commercial bank debt in Brazil is scarce and often costly, the banking sector is relatively concentrated and marked by high interest rates. Bio-businesses are most affected by this market failure as they share the problems that MSME generally face: (i) sufficient information is not available, or its reliability is limited; (ii) the value of their loans is low, making it costly for banks to attend to them; and (iii) they have less availability of assets that can be used as collateral.⁴

- 3.4 All this is compounded by a general absence of financial institutions and higher credit restrictions for bio-businesses.⁵ Financial institutions are generally unaware of the differentiated risks of bio-businesses, which can be inherently greater than those of traditional businesses, especially as they operate in vulnerable areas and are strongly linked to cycles of nature. In general, when investment projects inspire high uncertainty, they are further disregarded by the private financial system.⁶
- 3.5 **Barriers to be addressed.** The TC will address key barriers that BB faces in the development of its Bioeconomy Strategy: (i) lack of pipeline of eligible investment projects across bioeconomy value chains; (ii) low investment readiness of eligible projects due to management and business development gaps of direct beneficiaries; (iii) poor coordination and cooperation between bio-businesses' support organizations and *Banco do Brasil* (BB) to increase volume and quality of program pipeline; (iv) lack of a classification methodology for bioeconomy projects and capacities to monitor social, environmental and climate impact results, including the definition of baselines and targets for impact indicators, data measurement and reporting processes; (vi) lack of capacities to address gender and diversity gaps.
- 3.6 **Objective.** The general objective of this TC is to support BB to promote sustainable development in the Brazilian Legal Amazon by: (i) supporting the expansion of a technical assistance program to promote bio-business' development, stakeholder engagement and credit access expansion, and (ii) supporting the development of the classification methodology, impact indicators, monitoring plan, reporting processes, gender and diversity related aspects of the BB's Bioeconomy Program.
- 3.7 **Beneficiaries.** The beneficiaries of this TC will be BB, one of the three largest Brazilian public banks and one of the main channels of Brazilian Government to implement credit policy, and its current and prospective clients and partners in the context of the development of its Bioeconomy Program.
- 3.8 **Added value.** While the Component 1 of this TC will support scaling operations of BB's Bioeconomy Hub,⁷ Components 2 and 3 will strengthen institutional development of BB for the implementation of its Bioeconomy Program.
- 3.9 **Strategic Alignment.** The TC is consistent with the IDB Group Institutional Strategy: Transforming for Scale and Impact (CA-631) and is aligned with the objectives of: (i) reduce poverty and inequality; (ii) address climate change; and (iii) bolster sustainable regional growth by promoting the expansion of credit access, stakeholder

⁴ Barboza, R., et al., *O Banco Nacional de Desenvolvimento Econômico e Social (BNDES) e as micro, pequenas e médias empresas*, BNDES, 2019.

⁵ Nature Services, *Unlocking Private Capital by Valuing Bioeconomy Products and Services with Climate Mitigation and Adaptation Results in the Amazon*, 2021.

⁶ Ferraz, J., et al., *A contribuição dos bancos de desenvolvimento para o financiamento de longo prazo*, BNDES, 2013.

⁷ The Hub was launched in April 2024 by BB to coordinate the provision of financial and technical assistance services to bio-businesses.

engagement and capacity building for bio-business in the Amazon region. The TC is also aligned with the operational focus areas of: (i) biodiversity, natural capital and climate action; (ii) gender equality and inclusion of diverse population groups; (iii) institutional capacity, rule of law, and citizen security; (iv) social protection and human capital development; (v) productive development and innovation through the private sector; and (vi) sustainable, resilient, and inclusive infrastructure. This TC is also aligned with the Institutions for Growth and Social Welfare Strategy (GN-2587-2), by broadening access to credit through local financial institutions and with the IDB Integrated Strategy for Climate Change Adaptation and Mitigation, and Sustainable and Renewable Energy (GN-2609-1), by targeting activities that reduce GHG emissions, enhance carbon stocks, and/or increase resilience. The TC is also aligned to the Sector Framework Documents (SFD) on Climate Change (GN-2835-13), Environment and Biodiversity (GN2827-8), Agriculture (GN-2709-10) and Energy (GN2830-8). The TC is also consistent with the IDB Group Country Strategy with Brazil 2019-2022 (GN-2973),⁸ contributing to the strategic objective of increase the role of the private sector by improving the quality of the business environment and is also included in the 2024 Operational Program Report (GN-3207). The TC is also aligned with the Amazonia Forever Program through the pillars of (i) People; (ii) Sustainable Agriculture and Forestry; and (iii) Bioeconomy, as well as the transversal area of Women, Indigenous Peoples, Afro-descendants & Local Communities. The proposed activities of this TC are also aligned with the eligible activities of the GRN's Amazon Bioeconomy Fund (GN3081-1).⁹ According to its Operation Manual,¹⁰ this TC will support activities aligned with its Component I.3 (Technical Cooperation), under the following categories: (a) Bio-business pipeline development and supervision: (i) supporting capacity of potential beneficiaries (bio-businesses); and (ii) supporting capacity of public or private LFIs (Banco do Brasil); and (b) Tools for connecting bio-business to stakeholders and markets to help firms in the prototype phase or already operating with a minimum viable product to: (i) better connect with stakeholders and match their businesses with investors; (ii) greater access to new markets opportunities; (iii) access incubators/accelerators that support their transformation into scalable businesses, capable of attracting and absorbing funding offered by the Program, as well as additional private capital; and (iv) strengthen the presence of women, indigenous, afro-descendant and peasant communities among producers and companies with the possibility of investment, and promote the hiring of women and indigenous people in bio-business.

- 3.10 **Gender and Diversity.** Women's MSMEs in Brazil have less representation compared to firms owned¹¹ by men, where there are significant regional differences. In 2021, Micro and Small Enterprises (MSE) with a minimum of 50% of ownership by women represented 27.8% of active MSEs. One way to understand these challenges is through research with disaggregated data by gender. IDB will support *Banco do Brasil* through this TC to collect and analyze data to better understand the situation of women MSMEs in the BLA. Such study will assist in better understanding the constraints in access to financial services that women MSMEs in the BLA face, compared to men

⁸ The IDB Group Strategy with Brazil (GN-2973) is still in force. An extension to this document was approved until November 15, 2024 (GN-2973-3). The new Country Strategy is in preparation.

⁹ Funded Activity Agreement (FAA) between IDB and GRN was signed on the 2nd of August 2022.

¹⁰ Approved in 13th of December 2022.

¹¹ Information from official records (SEBRAE) only show information referring to ownership and not leadership.

MSMEs, and analyzing according to intersectionality aspects such as ethnic or race variables. Brazil still has an important path towards universalizing access and adopting specific strategies for the financial inclusion of Indigenous Populations (IPs), specifically in regions such as the BLA. Because of this, and due to the lack of information available to understand the reality of IPs owners/leaders of MSMEs, and the financing need or gaps they face, a Diversity Action Plan will be developed to guide the counterpart in understanding its characteristics and preferences.

- 3.11 **Complementarity.** This TC complements other IDB Group Programs under implementation in Brazil, sharing the overall goal to promote sustainable and inclusive development in the BLA, and more specifically by sharing the goal of strengthening productive business activity and promoting the expansion of credit access for MSMEs, including individual and family rural producers and community enterprises. For example, the TC has synergies with the operation BR-L1625, to be executed by the *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES), which is currently under preparation for financing productive investments of MSME in the BLA. BNDES and BB work together in partnership, which enables joint action in offering resources for investments in local companies of different segments and sizes, enabling the supply of the existing credit demand. This TC is aligned to IDB's [Amazonia Forever](#) Program, complementing its goal to increase financing in a regional collaborative environment. Other relevant ongoing IDB interventions in the Amazon include TCs that contribute to strengthening MSME capacities and business environment for productive alternatives consistent with those eligible under the proposed TC, complementing the latter by addressing other barriers faced by MSMEs in the region, especially from the demand side. These include: IDB Lab's [ATN/GN-20214-RG](#) (approved in 2023 for US\$5 million) and [ATN/ME-20241-RG](#) (approved in 2023 for US\$1.2 million) supporting bioeconomy as a sustainable livelihood alternative protecting the Amazon biome, [ATN/ME-18275-BR](#) (approved in 2020 for US\$1.7 million) supporting Amazon 4.0 and the use of new technologies to take advantage of the biological assets and biomimetics of the biodiversity of the Amazon, and [ATN/AZ-20334-BR](#) and [GRC/ME19848-BR](#), supporting the creation of Bioeconomy Ecosystem Hubs. Also, TC [ATN/GN-20238-BR](#) (approved in 2023 for US\$950,000) implemented by INT/INT for the development of an online Amazon Bioeconomy Marketplace; TC [ATN/OC-18818-BR](#); [ATN/OC-18819-BR](#), (approved in 2021 for US\$300,000) by CCS, which provides institutional strengthening to Banco da Amazônia and state governments to foster an enabling environment to scale up investments in sustainable bio-businesses in the Amazon; and TC [ATN/GN-21045-BR](#) (under preparation) to assist the Ministry of Environment and Climate Change (MMA) to strengthen Brazil's bioeconomy sector, supporting the Action Plan for the Prevention and Control of Deforestation (PPCD) on Brazilian Biomes, especially in the Amazon. This TC is also being developed under the framework of the Green Coalition for the Amazon, an initiative by BNDES and IDB to coordinate efforts among public development banks in the Amazon region aiming to support its sustainable development. In addition, the program builds on the operational synergies between the IDB and IDB Invest, seeking strategies for crowding in and attracting private investments, analyzing proper financial instruments, business acceleration, and value chains in the bioeconomy. In the BLA, these joint efforts include the Scaling-Up Sustainable Debt Capital Markets Financing for Brazil's Economic Recovery program ([ATN/OC-19012-BR](#)), supporting, among other clients, the three main cooperatives in the country, SICOOB, SICREDI and CRESOL. Particularly under the Amazonia Forever program, the IDB Invest-IFC Amazon Finance Network (AFN) complements the proposed TC with a strengthened

network of private financial actors serving the region with a focus on creating employment opportunities through financing for MSMEs.

IV. Description of activities/components and budget

- 4.1 **Component 1. Technical Assistance Program (US\$1,145,000).** The objective of this component is to promote bio-business' development, stakeholder engagement and credit access expansion - through the development of an implementation plan, staff training, and the execution of pilot technical assistance projects to support scaling operations of BB Bioeconomy Financial Hub, a program recently launched by BB¹² to coordinate its initiatives related to the bioeconomy in the Amazon Region. BB Financial Hub (Hub) coordinates the provision of both financial and technical assistance services to bio--businesses, in addition to prospecting for new business and innovation opportunities. The following areas of the hub will be supported by this TC: (i) **credit access promotion**, to accelerate credit proposal preparation, credit analysis and approval processes for eligible bio-businesses' projects; (ii) **business development**, to support the development of economically feasible business models, offering mentoring, business support services, and access to networks of investors and partners through open innovation models, accelerators and incubators; (iii) **investment structuring**, for to support financial structuring for investment projects; (iv) **online courses**, to enable financial and business management literacy for bio-businesses' leadership through the provision of online courses; and (v) **in-person workshops**, to promote interaction and collaboration between bioeconomy stakeholders and the local community, facilitating the dissemination of knowledge and good practices.
- 4.2 **Activities.** Activities to be supported by this component will benefit both BB and eligible BR-L1633 program beneficiaries (bio-businesses). The following activities are proposed to strengthen the institutional development of BB while benefiting program beneficiaries: (i) development of diagnostics and assessments by hired consultants for preparing the scaling of operations of BB's Hub and increasing its effectiveness, (ii) design and implementation of a digital training platform for BB staff and program beneficiaries to enable financial and business management literacy and improve management and monitoring of Hub's activities, (iii) organization of workshops to promote engagement among BB staff, program beneficiaries and other bioeconomy stakeholders. The following activities are proposed to deliver technical assistance services directly to program beneficiaries, in coordination with BB Hub: execution of pilot projects by hired consultants, including local travel costs for the provision of technical services, aiming at BB's Bioeconomy pipeline expansion through the development of business mentoring recommendations, open innovation tools, credit proposals, business plans and financial projections.
- 4.3 **Expected outputs.** The expected outputs for this component will be:
- a) **Diagnostics and assessments completed related to the Hub's implementation plan activities:** (i) analysis of bio-businesses' needs and capacity gaps ; (ii) comparative analysis of existing technical assistance programs; (iii) mapping of potential service providers and analysis of their complementary capacities; (iv) mapping of key stakeholders that could be

¹² [Hub Financeiro was launched in April 2024.](#)

activated through strategic partnerships and open innovation models to strengthen the business ecosystem; (v) definition of strategic objectives and key results to be achieved; (vi) cost analysis of service provision; (v) indicators and monitoring plan.

- b) **Up to 60 pilot interventions implemented to support bio-businesses development:** (i) business mentoring recommendations, (ii) open innovation tools, (iii) credit proposals, (iv) business plans and (v) financial projections.
- c) **Virtual training platform designed and implemented:** to enable financial and business management literacy for bio-businesses' leadership, as well as trainings for BB Hub staff.
- d) **At least 2 stakeholder engagement workshops organized:** to promote interaction and collaboration between bioeconomy stakeholders and the beneficiaries, facilitating the dissemination of knowledge and good practices.
- e) **Lessons learned:** while bio-businesses will be impacted directly by pilot projects supported by this TC, lessons learned from their execution will provide valuable feedback for scaling operations of BB's technical assistance program.

4.4 **Component 2. Classification methodology, impact indicators, monitoring and reporting (US\$150,000).** This component will support BR-L1633 bioeconomy project classification methodology, impact indicators, monitoring plan and reporting processes. Thus, this component is focused on the institutional development of BB to meet key program requirements during the program preparation phase, complementing preparation activities already under development.

4.5 **Activities.** This component will support the following activities during the preparation phase of the program: (i) classification of financed activities across bioeconomy value chains to support in the development of the Social and Environmental Management System, Climate Investment Tracking and Program Monitoring System; (ii) the review of baselines and targets for impact indicators already defined in program's Results Matrix; (iii) identification of data sources and measurement methods for the same indicators in the Monitoring Plan; and (iv) establishing the reporting process of the program.

4.6 **Expected outputs.** The expected outputs for this component are technical reports, spreadsheets and presentations containing: (i) a detailed description and application of the proposed classification methodology on the program's bioeconomy portfolio; (ii) baselines, targets, data sources and reporting process for program's impact indicators. This component will support the accomplishment of immediate crucial program preparation requirements while increasing its development effectiveness.

4.7 **Component 3. Gender and Diversity (US\$200,000).** This component will support in the development of gender and diversity related aspects of the program, with a special focus on the inclusion of indigenous, *quilombolas*¹³ and riverside populations.

¹³ *Quilombolas* refer to remaining members of Afro-descendant communities called "*quilombos*". Throughout Brazil's history, *quilombolas*' communities emerged from enslaved people who fled captivity and sought refuge in the forests. Over time, several of these fugitives gathered in certain locations, forming communities.

- 4.8 **Activities.** This component will support the following activities: (i) a research/survey on MSMEs financial profile and preferences in the Amazon, which would be focused on identifying potential gender and diversity gaps; (ii) the design of a Diversity Action Plan for BB, which will integrate an assessment of indigenous, *quilombolas* and riverside peoples of the Amazon, and their relation to bio-businesses, including community-led enterprises, private companies and the financial system; (iii) institutional development support to inform BB's financial product design by understanding credit distribution patterns; (iv) training for BB staff in the gender and diversity financial inclusion spectrum.
- 4.9 **Expected outputs.** The expected outputs for this component are: (i) report on gender and diversity gaps; (ii) Diversity Action Plan and (iii) report on recommendations for BB's financial product design; (iv) BB staff trained. This component will support the accomplishment of program preparation requirements while increasing BB's capacities to implement effective strategies to address gender and diversity gaps.
- 4.10 **Budget.** The total cost of the project is US\$1,495,000 million which will be fully funded by Green Climate Fund (GRN) Bioeconomy Amazon Fund (GN-3081-1) resources. The Bank's contribution will finance the hiring of consulting services (individual and firms) for the development of the activities. Table 1 details this budget:

Table 1. Indicative Budget in USD

Activity/Component	Description	IDB/GRN	Total Funding
Component	Technical Assistance Program (BB Financial Hub)	1,145,000	1,145,000
Component	Classification methodology, impact indicators, monitoring and reporting	150,000	150,000
Component	Gender and Diversity	200,000	200,000
TOTAL		1,495,000	1,495,000

- 4.11 **Supervision.** The supervision of the TC will be the responsibility of the Connectivity, Markets, and Finance Division (IFD/CMF). This TC will be executed in coordination with the Amazon Coordination Unit (CSD/ACU). To ensure proper execution of the proposed program, the project team will organize periodic meetings with BB and hired consultants. The project team will also fulfil all the annual and periodical monitoring requirements established by the Bank under current policies and procedures for this type of operation.
- 4.12 **Monitoring.** Monitoring of the execution of this TC will be done, according to IDB policies for this type of operation and IDB-GCF Amazon Bioeconomy Fund requirements.

V. Executing agency and execution structure

- 5.1 As per the beneficiary request (BB) through a manifestation letter sent to the IDB's Country Representative on May 13th, 2024, the TC will be executed by the IDB through the Connectivity, Markets and Finance Division (IFD/CMF). In alignment with Annex II of OP-619-4 (Procedures for the Processing of Technical Cooperation Operations and Related Matters), the justification for the execution by IDB is the lack of BB institutional capacity. BB's recently formed Bioeconomy Department has limited staff, which shares different responsibilities and priorities, including business

development, portfolio monitoring, institutional representation, and the management and expansion of BB's Bioeconomy Hub. The work proposed by this TC is highly technical and requires proper quality review and monitoring of expert consultant work. CMF has proven experience in effectively executing similar TCs with National Development Banks in Brazil and supported the development of BB's Bioeconomy Strategy since its beginning. Thus, having IDB executing this TC will support the achievement of TC objectives. Nonetheless, the execution of this TC requires strong engagement and coordination with BB staff and leverages existing BB's initiatives under development, such as BB's Bioeconomy Hub.

- 5.2 The administrative and technical supervision of the proposed technical assistance program will be the responsibility of IFD/CMF in close coordination with Amazon Coordination Unit (ACU) to ensure synergies with other IDB initiatives in the Amazon, avoid duplication of efforts, and promote alignment with the Amazonia Forever Program. The execution will be under the responsibility of IFD/CMF. Project workplan and deliverables developed by consultants will be supervised and approved by IDB, and peer-reviewed by BB. The list of beneficiaries for the execution of pilot projects will be provided by BB, in accordance with the eligibility criteria of the Program.
- 5.3 **Procurement.** All procurement to be executed under this Technical Cooperation have been included in the Procurement Plan (Annex IV) and will be hired in compliance with the applicable Bank policies and regulations as follows: (a) Hiring of individual consultants, as established in the Regulation on Complementary Workforce (AM-650) and (b) Contracting of consulting firms for services of an intellectual nature and the contracting of logistics services and non-consulting services in accordance with the Corporate Procurement Policy (GN-2303-33) and its Guidelines.
- 5.4 The project team, supported by hired consultants, will assume the responsibility for drafting and submitting project reports to the donor (GCF), according to the IDB-GCF Amazon Bioeconomy Fund requirements.

VI. Major issues

- 6.1 The knowledge products generated by this technical cooperation will be the property of the Bank and may be made available to the public under a creative commons license. However, at the request of the beneficiary, in accordance with the provisions of manual AM-331, the Bank may also license and/or transfer the intellectual property of any of these products to the beneficiary, through a specific contractual commitment to be prepared with the advice of the Legal Department.
- 6.2 Find below the major risks identified for the preparation and implementation of the program, which will be mitigated by the execution of this TC. Table 2 details the risks:

Table 2. Implementation Risks

RISK TAXONOMY	RISK DESCRIPTION	RISK LEVEL	COUNTERMEASURES
Economic and Financial	BB Hub might not be able to engage with enough beneficiaries for providing training and technical assistance services due to the lack of relationship with prospective clients and limited presence of BB in target territories, specially out of the main urban centers.	Medium Low	Hiring service providers with relevant prior experience in providing technical assistance to enhance business capacities and increase credit access of target beneficiaries and territories.
Institutional	Lack of coordination among program stakeholders (IDB, BB, consultants)	Low	As the responsible for execution of the TC, CMF will establish contract

RISK TAXONOMY	RISK DESCRIPTION	RISK LEVEL	COUNTERMEASURES
	and other stakeholders), resulting in delays in the TC execution.		management structure, including regular supervision and coordination meetings with BB and service providers.
Economic and Financial	Due to remoteness and lack of adequate infrastructure (transportation, energy and connectivity) of beneficiary's locations, services providers could be unable to maintain an adequate level of engagement and technical support for beneficiaries, jeopardizing results of the TC.	Low	Allowing service providers to have some degree of flexibility to deliver technical assistance services in a continuous and effective manner, which includes the possibility of organizing regional workshops to aggregate more than one beneficiary from neighboring locations and combining remote and in-person activities (hybrid), whenever possible.
Internal processes	BB is unable to provide the required information for the execution of consultancies, including program impact indicators and disaggregated credit portfolio data by value chain, activity financed, gender and diversity groups.	Low	Having consultancies develop the proper diagnosis of current situation and propose action measures for BB to address the challenges identified, including new data sources, methodologies and action plans to be adopted by BB in a timely manner.

VII. Exceptions to Bank policy

7.1 There are no exceptions to the Bank policies.

VIII. Environmental and Social Aspects

8.1 This Technical Cooperation is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, this TC does not have applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).

Required Annexes:

[Request from the Client_66848.pdf](#)

[Results Matrix_97206.pdf](#)

[Terms of Reference_55631.pdf](#)

[Procurement Plan_68359.pdf](#)