



Mr. Gustavo Aishemberg  
UNIDO Representative, Brazil  
Main Allotment Holder, Observatory for Renewable Energy in Latin America and the Caribbean  
United Nations Industrial Development Organization (UNIDO)  
Centro Empresaria Brasil 21, SH-SUL,  
Quadra 6, Conjunto A, Bloco A-Sala 612  
Brasilia-DF, CEP 70316-000,  
Brazil

Re: ATN/OC-13631-RG. Nonreimbursable  
Technical Cooperation for support the  
increase of renewable energy markets with  
knowledge and capacity building.

Dear Mr. Gustavo Aishemberg:

This letter of agreement (the "Agreement") between the United Nations Industrial Development Organization (acting as responsible for the implementation of the Regional Observatory for Renewable Energy in Latin America and the Caribbean, the "Beneficiary") and the Inter-American Development Bank (the "Bank"), is to formalize the granting of a nonreimbursable technical cooperation (the "Technical Cooperation") to the Beneficiary for support the increase of renewable energy in Latin America markets with knowledge and capacity building (the "Project"). The terms of this Technical Cooperation are included in the Plan of Operations, which is attached as Appendix A and which forms an integral part of this Agreement. The principal aspects of this operation are the following:

1. The Bank shall expend from the resources of the Sustainable Energy and Climate Change IDB Special Program an amount of seven hundred fifty thousand dollars of the United States of America (US\$ 750.000) (the "Contribution") to contract and pay the individual expert(s) or consulting firm(s) (the "Consultants") necessary to meet the objectives of this Technical Cooperation as described in Appendix A. The Contribution is granted on a nonreimbursable basis.
2. The period for execution of the Program shall be eighteen (18) months, from the effective date of this Agreement. The period for the last disbursement of the resources of the Contribution shall be eighteen (18) months from the same date. Any part of the

Contribution which has not been utilized within this period shall be canceled. The aforementioned deadlines and any others that may be stipulated in this Agreement may be extended, when duly justified, with the written consent of the Bank.

3. By virtue of this Agreement, the Beneficiary agrees that the Bank shall use the resources of the Contribution directly and exclusively to contract and pay the Consultants necessary to meet the objectives of this Technical Cooperation. The Bank agrees to submit the name of each Consultant for the Beneficiary's approval, prior to contracting such Consultant for the execution of any corresponding study or other activity contemplated in this Technical Cooperation.

The Bank may use the resources of the Contribution to hire and pay other services than consulting services necessary for the fulfillment of the objectives of this Technical Cooperation, with the exception of services for software development or software acquisition. Under no circumstances is to be understood that the services other than the consulting services include procurement of works and goods.

4. The Beneficiary undertakes to assist the Consultants in the performance of their tasks, and provide the necessary technical, logistic, and secretarial support required for the execution of the Technical Cooperation. This support is estimated in one hundred eighty seven thousand five hundred dollars of the United States of America (US\$ 187.500), in-kind (the "Counterpart Resources").
5. The financing of the consulting services detailed in this Agreement does not imply any commitment whatsoever by the Bank to finance, wholly or partially, any other program or project that might directly or indirectly result from the execution of this Technical Cooperation. The opinions of the Consultants shall not commit the Bank to the same position. The Bank reserves the right to express any comments or reservations regarding such opinions as it may deem appropriate.
6. The Beneficiary undertakes to notify the Bank, in writing, within a maximum period of ten (10) working days from the date of signature of this Agreement, whether it considers this Agreement to contain information that may qualify as an exception to the principle of disclosure of information under the Access to Information Policy of the Bank, in which case the Beneficiary undertakes to identify such information in the relevant provisions of the Agreement. In accordance with the aforementioned policy, the Bank will make available on its "Web" page the text of this Agreement once it has entered into effect and the aforementioned period has expired, excluding only that information which the Beneficiary has identified as an exception to the principle of disclosure of information under this policy.

Please confirm your acceptance of the terms and conditions of this Agreement, in representation

of the Beneficiary, by signing and returning one original to the Bank's Country Office in Brazil.

This Agreement shall be signed in two (2) originals of equal tenor by duly authorized representatives, and will enter into force on the date of its signature by the Beneficiary.

Yours Faithfully,

/s/ Daniela Carrera-Marquis

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Daniela Carrera-Marquis  
Representative  
Federative Republic of Brazil

AGREED:

UNIDO

/s/ Gustavo Aishemberg

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Gustavo Aishemberg  
UNIDO Representative, Brazil

Date: June 3, 2013

## ANNEX A

### THE PROJECT

#### Increasing renewable Energy Markets with Knowledge and Capacity Building

#### **I. Objective**

- 1.01** The Project will help produce three knowledge products (Components 1, 2 and 3) and disseminate these results to energy services practitioners and policy makers in the region in order to support the increase of renewable energy in Latin America markets.
- 1.02** The measurements and data provided by the studies established in the components mentioned below will be essential to better prioritizing technologies per country, which projects to support, their funding and how much will they cost, and even identifying knowledge gaps.
- 1.03** In short, this Project is intended to provide essential market analysis that pushes forward the region's work in three areas: renewables energy, energy efficiency, and universal access to modern energy.

#### **II. Description**

##### Component 1: Energy Market and Technology Baseline Study

- 2.01** A detailed lay-of-land study analyzing at least fifteen (15) countries and one (1) regional analysis based on this information will be obtained through this component.
- 2.02** This component will identify market strengths and gaps by detailing the current situation of energy technologies deployment. A report will be emitted describing the current situation of deployment of energy technologies in each of the fifteen (15) selected countries.

##### Component 2: Case Studies Index of Successful Projects

- 2.02** A single report compiling and indexing two case studies in each country for at least fifteen (15) countries (total of thirty (30) case studies) and one (1) analysis of the Latin American region based on those case studies. This studies and analysis will allow at least fifteen (15) countries to prioritize technologies based on local criteria such as policies, markets, and population and base these decisions off of concrete, local examples.

- 2.03** A report will be emitted describing two of the most advanced projects in the renewable energy field in each of the fifteen (15) selected countries. The two cases to be analyzed will be selected according to their ability to be replicated in the other countries, taking into consideration the national context and the priorities of the national institutions.

Component 3: Financial Resources and Scenarios Report

- 2.04** Through this component project scenarios will be elaborated for public, private and multilateral investors for at least fifteen (15) countries. Therefore, the financial information of Latin America markets will be increased making easier for public and private sector actors to make or confirm their own financial projections of projects.
- 2.05** A report will be emitted identifying the financial resources for renewable energy developments that are available in each selected country. The report will analyze and describe financial models, mechanisms and facilities that can be accessed to finance renewable energy projects in the country. In addition, the report will identify and describe successful experiences. This report will provide the necessary information that potential investors need to consider to design the best possible financing strategies for each type of technology. Additionally, from a regional and global perspective, the availability of updated information from different countries on the respective financial markets will be extremely useful in order to compare and assess similar practices and common problems.

Component 4: Dissemination and Training

- 2.06** Through this component studies to Latin America energy practitioners will be disseminate. The regional energy sector capacity will be increased by disseminating knowledge products, including workshops for one hundred fifty (150) trainees.
- 2.07** As a result of this component workshops will be held. These workshops intend to reach one hundred fifty (150) practitioners from all the Bank member countries bringing them together to learn from experts in order to strengthen capacity in the region on certain topics.

**III. Total Cost of the Project**

- 3.01** The estimated cost of the Project is the equivalent of nine hundred thirty seven thousand five hundred dollars of the United States of America (US\$ 937.500), in accordance with the following Budget:

**Budget**

(in thousands of US\$)

<b>Component</b>	<b>Description</b>	<b>IDB</b>	<b>Counterpart</b>	<b>Total</b>
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ATN/OC-13631-RG

		<b>Funding*</b>	<b>Funding**</b>	<b>Funding</b>
Component 1 - Energy Market & Technology Baseline Study	Study of renewable energy and energy access in 15 countries	<b>\$225,000</b>	<b>\$12,500</b>	<b>\$237,500</b>
Component 2 - Case Studies Index of Successful Projects	Study to define status and barriers to RE technologies in LAC	<b>\$225,000</b>	<b>\$12,500</b>	<b>\$237,500</b>
Component 3 - Financial Resources and Scenarios Study	Report to study and produce viable financial scenarios about RE in 15 LAC countries	<b>\$150,000</b>	<b>\$12,500</b>	<b>\$162,500</b>
Component 4 – Dissemination and Training Workshops	RE and Access-related dissemination of results and regional Workshops	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$300,000</b>
<b>TOTAL</b>		<b>\$750,000</b>	<b>187,500</b>	<b>\$937,500</b>

\* including corresponding supervising and coordination activities and Staff travel for dissemination of the program activities

\*\* in kind resources, as part of the current implementation of the Regional Observatory for Renewable Energy in Latin America and the Caribbean