

CAPACITY BUILDING: Opportunities and Challenges in Brasil

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Dimensions of the Current Dilemma

- GHG buildup continues and accelerates
- Climate Convention ratified, KP not yet
- Global economy is softening
- International financial support for environmentally sound, developmentally-oriented projects is declining

The Challenge for Brasil

- To understand the Brazilian contribution to GHG emissions and Brasil's vulnerability to climate change
- To integrate considerations of climate change into national development strategies
- To reinforce existing and emerging relationships and to enhance local capabilities in support of sound and sustainable patterns of national economic development

Opportunities for Project-Based Activities

- Exist at all levels of scale
- Are emerging in all major sectors of the economy
- Can capture multiple benefits in support of national development priorities

Illustrations of Emerging Opportunities

- Small scale: PRODEEM-BP project to put solar electricity in 1200 rural schools and health posts
- Medium scale: PLANTAR Pig Iron project to produce charcoal for steel production
- Large scale: Reinforce national program to use alcohol in vehicles
- Simple, practical steps to move forward
- Capacity-building targeted on the financial sector to familiarize public and private actors with special needs of projects with multiple objectives
- Reinforcing of Brazilian firms to act as monitors, evaluators, certifiers of project performance
- Training of a new cadre of managers
- for these projects

Where can the money for capacity building come from?

- From international agencies and institutions, e.g., GEF, PCF
- From the multilateral development banks
- From bilateral aid agencies
- From private firms and private capital markets
- From national and state financial institutions (BNDES?, FAPERJ?)

Why should project-based activities come to Brasil?

- Large potential markets
- Potentially useful trade relationships
- Large quantity of trained professionals
- Innovative approaches to financial engineering
- Local capacity to provide credible monitoring and reporting