Public Disclosure Authorized

Energy and Mineral Sectors Strengthening Project II (P170850)

LATIN AMERICA AND CARIBBEAN | Brazil | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2020 | Seq No: 2 | ARCHIVED on 26-Mar-2021 | ISR46053 |

Implementing Agencies: Federative Republic of Brazil, Ministério de Minas e Energia

Key Dates

Key Project Dates

Bank Approval Date: 22-May-2020
Effectiveness Date: --
Planned Mid Term Review Date: 24-Apr-2023
Actual Mid-Term Review Date:
Original Closing Date: 31-Dec-2025
Revised Closing Date: 31-Dec-2025

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

To strengthen institutional capacity for market efficiency taking into consideration climate resilience in the energy and mining sectors in Brazil.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name
Component 1 – Technical assistance to increase efficiency, long term infrastructure adequacy and climate resilience in the energy and mining sectors.:(Cost $20.07 M)
Component 2 – Institutional strengthening of energy and mining institutions to establish and implement strategies, policies and regulation:(Cost $17.48 M)
Component 3 – Implementation support, monitoring and evaluation, knowledge sharing and dissemination.:(Cost $0.45 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	Satisfactory	Satisfactory
Overall Implementation Progress (IP)	Satisfactory	Moderately Satisfactory
Overall Risk Rating	Moderate	Moderate

Implementation Status and Key Decisions

The Project was approved by the Bank's Board on May 22, 2020.
The project was approved by the Senate on December 15, 2020. Loan signature and effectiveness now awaits approval of the national budget which has experience extraordinary delays.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	Moderate	Moderate	Moderate
Macroeconomic	Moderate	Moderate	Moderate
Sector Strategies and Policies	Substantial	Substantial	Substantial
Technical Design of Project or Program	Moderate	Moderate	Moderate
Institutional Capacity for Implementation and Sustainability	Moderate	Moderate	Moderate
Fiduciary	Moderate	Moderate	Moderate
Environment and Social	Substantial	Substantial	Substantial
Stakeholders	Moderate	Moderate	Moderate
Other	Low	Low	Low
Overall	Moderate	Moderate	Moderate

Results

PDO Indicators by Objectives / Outcomes

Pillar: Climate resilience

►PDO 1- Published Electricity sector expansion plans for increased security of supply (Number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure the number of climate informed deliverables produced with support from the project, that have resulted in actual plans or procedures published. This will be measured relative to a baseline of zero, based on administrative information collected by the PIU and regularly reported in the Implementation Progress Report.			

►PDO 2 - Climate-smart mining plan updated for the strategic development of mining sector (Number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025

Comments:	This indicator will measure the formulation of a climate-smart mining plan for the strategic development of the sector by the national government of Brazil, with the project's support, incorporating a climate smart mining framework. The current plan does not incorporate a climate smart mining framework, and thus this will be measured relative to a baseline of zero. The indicator will be based on administrative information collected by the PIU.

Pillar: Market Efficiency

►PDO 3 - Policy and market regulatory changes, to enhance market efficiency, published for consultation (Number). (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure the project's success in supporting the development and publication of updated policy or regulation material to enhance market efficiency in the energy and mining sectors. The project will support this objective by informing these changes through studies, policy notes, and assessments. The indicator be based on administrative information collected by the PIU. Market efficiency is understood as : "The extent to which the price of an asset reflects all information available about the actual value of the underlying assets." Thus, as the quality and amount of information increases, the market becomes more efficient, reducing opportunities for arbitrage and above-market returns. In addition to this, a more practical definition refers to: "The existence of market arrangements that are fit for purpose, providing actors throughout the value chain with incentives to operate their systems in an economic manner, with an appropriate balance of risk and reward that is in the interests of customers, who ultimately pay for the costs of an energy system operation."			

Intermediate Results Indicators by Components

C1- TA to increase efficiency, long term infrastructure adequacy and climate resilience

►Number of operational procedures updated (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	3.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure the number of operational procedures implemented, based on studies financed by the project and informed by climate-change considerations. This will be measured relative to a baseline of zero, based on administrative information collected by the PIU and regularly reported in the Implementation Progress Report.			

►Climate-informed methodology adopted in the energy expansion plans (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will asses if the energy expansion plans implemented with support from the project have been informed by climate-change considerations. This will be assesed based on administrative information collected by the PIU and regularly reported in the Implementation Progress Report.			

►Climate resilience informed electricity dispatching methodology utilized (including adjustments on hydrological patterns) (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will asses if the electricity dispatch methodology implemented with support from the project has been informed by resilience to climate-change considerations. This will be based on administrative information collected by the PIU and regularly reported in the Implementation Progress Report.			

►Electricity sector policy or market regulation developed (Number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure the project's success in supporting the development and inclusion of updated policy or regulation material for the electricity sector, under component 1. The indicator will inform the fulfilment of the PDO indicator related to the development of policy and market regulatory changes, and will be based on administrative information collected by the PIU.			

►Gas sector policy or market regulation developed (Number). (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure the project's success in supporting the development and inclusion of updated policy or regulation material for the gas sector, under component 1. The indicator will inform the fulfilment of the PDO indicator related to the development of policy and market regulatory changes, and will be based on administrative information collected by the PIU.			

►New methodology for electricity price formation formulated (YES/NO). (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure the project's success in supporting the implementation of an updated methodology for electricity price formation, under component 1. The indicator will be based on administrative information collected by the PIU.			

C2- Institutional strengthening of energy & mining institutions to implement strategies and policies

►Monitoring of mining activities by satellite images (YES/NO) (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target

Value	No	No	No	Yes
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure the project's success in supporting the ANM's the development of a satellite-based monitoring system aimed at the continuous monitoring of mining activities, under component 2. The indicator will be based on administrative information collected by the PIU.			

►Number of new tools or methodologies introduced or upgraded (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	10.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure the number of activities (Improved methodologies, tools implemented and trainings implemented) completed. These activities will strengthen planning, management and control capacity for the power, gas and mining sectors, under component 2. This will be measured relative to a baseline of zero, based on administrative information collected by the PIU and regularly reported in the Implementation Progress Report.			

►Sectoral databases created or disclosed for planning or monitoring (Number). (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure successful creation or disclosure of sectoral administrative or technical databases related to the planning and monitoring of the sectors involved. This will strengthen the transparency of the power, gas and mining sectors, and empower stakeholders, under component 2. This will be measured relative to a baseline of zero, based on administrative information collected by the PIU and regularly reported in the Implementation Progress Report.			

►National government staff trained (including independent/implementing agencies) (Number). (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	200.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	This indicator will measure the number of national government staff (including national agencies) trained through the project. These activities will strengthen the planning, management and control capacity for public servants in the sectors, under component 2. This will be measured relative to a baseline of zero, based on administrative information collected by the PIU in each of the trainings and regularly reported in the Implementation Progress Report.			

C3– Implementation support, monitoring and evaluation, knowledge sharing and dissemination.

►Number of training, mentoring and gender awareness initiatives geared towards enhancing female participation in management positions in key energy and mining institutions. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	8.00

Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	The indicator will measure the amount of workshops, meetings and other fora to promote gender awareness at key institutions with responsibility for the energy, mining and gas sectors, organized with support from the project. These activities are expected to promote good practices, share lessons learned and encourage mentoring towards higher female participation in the sector, specially in management positions. This will be measured relative to a baseline of zero, based on administrative information collected by the PIU in each of the trainings, and regularly reported in the Implementation Progress Report.			

►Share of female employees stating in the survey that training, mentoring and gender awareness initiatives had a positive impact on their career planning (Percentage) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	50.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	The indicator will measure (through surveys conducted yearly) the impact of the gender-focused workshops supported by the project. The surveys would be disaggregated per assessment of impact, i.e. "positive", "neutral" and "negative". This would allow to capture the impact of its gender support measures. This will be measured relative to a baseline of zero percent, based on yearly surveys of female employees participating in gender-awareness initiatives (trainings, mentoring, and others), sent by the PIU, and regularly reported in the Implementation Progress Report.			

►Results of citizen feedback on project-supported products published on Ministries websites (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5.00
Date	01-Jan-2020	27-Aug-2020	27-Aug-2020	31-Dec-2025
Comments:	The indicator will measure the number of products supported by the project for which citizen-feedback results have been published on Ministries websites. The link to these results will be easily available to the general public, and a public notice on their availability will be temporarily posted on the relevant ministry's "news" section. Transparency on citizen feedback is expected to promote good practices, use of lessons learned and encourage higher awareness in the sectors. This will be measured relative to a baseline of zero, updated annually based on administrative information collected by the PIU, and regularly reported in the Implementation Progress Report.			

Performance-Based Conditions

Data on Financial Performance

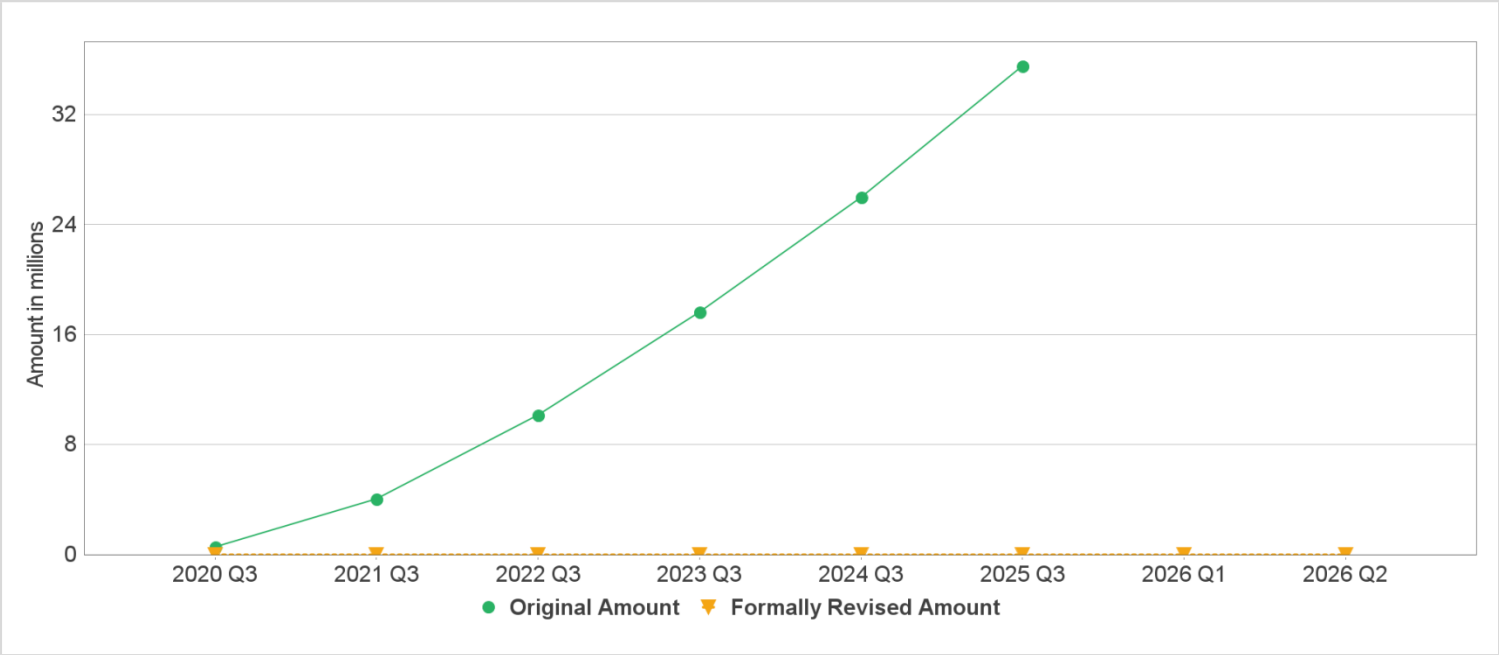
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P170850	IBRD-90740	Not Effective	USD	38.00	38.00	0.00	0.00	38.00	0%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P170850	IBRD-90740	Not Effective	22-May-2020	--	--	31-Dec-2025	31-Dec-2025

Cumulative Disbursements



PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC

Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.