

BRAZIL  
**UK PACT**



## **UK PACT – Brazil**

### **Energy Transition and Industry Decarbonisation**

### **Call for Proposals Q&A**

*July 2024*

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## 1. Introduction

This document compiles questions and answers from the Brazil-UK PACT Call for Proposals (CfP) on The Energy Transition and Industrial Decarbonisation (July 2024)

They are divided into four categories:

- [Scope and focus of the CfP](#)
- [Application process & requirements](#)
- [Finance requirements](#)
- [Project implementation](#)

## 2. Scope and focus of the CfP

**Q. Can we submit a proposal that aims to develop an ESG model for the decarbonisation of Brazilian ports?**

**Q. Is a project that does not focus on decarbonisation or energy efficiency, but has a significant environmental impact due to waste management eligible?**

A. No, to be eligible for funding, all proposals must respond to one of the options below. All projects should seek to assist key counterparts - Ministry of Development, Industry, Commerce and Services (MDIC) and Ministry of Mines and Energy (MME).

1. Access to credit for industrial decarbonisation in Brazil
2. Support the steel industry to achieve sectoral mitigation goals
3. Cement Industry Net Zero Roadmap: Support for the development of decarbonisation strategies in the areas of: (i) cement; and (ii) concrete & construction
4. Support the implementation of the National Policy of Energy Conservation and the National Program of Electricity Conservation within the industrial sector
5. Mapping current and future hydrogen demand and production in Brazil for the structuring of national low-carbon hydrogen “Hubs”

**Q. I understand that this call is only for Brazil. Is there an alternative program for development in Latin America or Colombia?**

**Q. Does this provide opportunities for African countries?**

A. This call is to develop projects in Brazil. To know more about future opportunities in other locations, visit the UK PACT Programme website: [UK PACT Homepage](#).

On this page: <https://www.ukpact.co.uk/contact-us> you can also register your e-mail to receive official communications from UK PACT.

**Q. I am seeking information on how to streamline the process of shipments from the UK to Brazil and Brazilian imports for UK exporters.**

A. This is not within the scope of this CfP.

**Q. Will only one project per area be approved?**

**Q. Is the aim of the call to ensure that all areas are covered?**

A. The number of projects awarded will depend on the number and type of proposals received and selection panel scoring.

**Q. Is it possible to target the project at a state or a group of states, or must the focus be national?**

A. Each proposal must specify who the key counterpart for each project is, as they will be the main recipient or beneficiary of the project's outputs. Key counterparts must be the Ministry of Mines and Energy (MME) or the Ministry of Development, Industry, Commerce and Services (MDIC), depending on the intervention area the project responds to.

**Q. For projects submitted under Intervention Area 2 - Support the steel industry to achieve sectoral mitigation goals:**

**(i) are applicants required to address all activities listed under the "Illustrative scope of activities" section, or is it acceptable for a project to focus on only a subset of these activities?**

A. Applicants should consider the listed activities when developing their proposal and are welcome to suggest additional ones where they add value and contribute to achieving the desired outcomes. Listed activities are based on the counterpart demands.

**(ii) is the emphasis of IA2 more on the development of alternative technologies for decarbonisation sources, specifically relating to charcoal, or on the establishment of alternative value chains to replace the use of charcoal?**

A. The emphasis is on the development of alternative technologies for decarbonisation sources to charcoal, such as biomass/biocarbon and/or agricultural residues/solid waste and urban effluents.

**Q. Can private companies register projects that aim to study a business model for the use of biomass in their own company? In this case, a study that aims to increase the use of biomass in a Coke-integrated plant? The study will not bring profit; however, the result of the implementation can generate future profits?**

**Q. Must the results of the study be made public after completion? Do we need to share with all details with the sector or just the highlight of our learnings?**

A. Applicants should be aware that projects must seek to assist government counterparts - Ministry of Development, Industry, Commerce and Services (MDIC) and Ministry of Mines and Energy (MME), as they are the key beneficiaries for this Call for Proposals. The five intervention areas presented within the [Terms of Reference](#) were based on specific demands the two Ministries presented, so all outputs and deliverables must be designed and distributed to MDIC and/or MME.

**Q. Can concrete examples of anticipated activities and outcomes for each intervention area be provided to guide proposal development?**

A. The requested information is provided in Section *Funding priorities* within this call for proposals of the [Terms of Reference](#).

### **3. Application process & requirements**

**Q. Is this application valid to the applicant outside Brazil?**

**Q. Can I participate in this Call for Proposals from Nigeria?**

**Q. Can we have a project led solely by a Brazilian lead organization, or is a UK partner also required to make the proposal viable?**

**Q. Is there specific eligibility criteria for Brazilian institutions and partners to receive funding under the UK PACT programme?**

**Q. Can international entities also be part of the consortium? Can organisations based in Colombia be part of a consortium?**

A. The applicant's eligibility criteria are described in the [Terms of Reference](#). They are:

- For-profit and non-for-profit organizations can apply as lead.
- Government agencies and/or departments are not eligible to apply either as a lead organisation or partner in a consortium.
- All consortia must have at least one local partner. The local organisation does not need to be the consortium lead. A local partner is defined as an organisation that operates in Brazil under a National Register of Legal Entities (Cadastro Nacional de Pessoa Jurídica – CNPJ).

Proposals submitted by a single Brazilian organization will be eligible. A UK partner is not required. International entities can apply, if they comply with the criteria above. For more information, please refer to the Application Guidance section of the [Terms of Reference](#).

**Q. We would like to inquire if there are any restrictions or issues regarding the submission of multiple proposals from the same institution. Could you please clarify if it is possible for us to submit more than one proposal, including different proposals from different researchers?**

A. To be eligible for funding, all projects must respond fully to at least one of the five intervention areas specified in the [Terms of Reference](#). Applicants can submit proposals in different areas of intervention, with one proposal per intervention. Applicants are not permitted to apply more than once to the same intervention, either as lead or partners of a consortium.

**Q. Do we need letters from the consortium partners/key counterparts to confirm their participation in the application?**

A. *Consortium partners:* Lead organisations will be expected to have appropriate consortium agreements in place with any consortium partners at the start of the project and this will be a key condition for grant signing to proceed. The consortium agreement must detail the requirements and liabilities of the consortium partner(s) and should reflect the terms of the lead organisation's Grant Agreement with UK PACT.

*Key counterpart:* It is not mandatory to present an engagement letter from the chosen key counterpart, but early engagements with either MDIC and/or MME can be beneficial for writing the proposal and better tailor the proposal to fill the identified gaps by those Ministries.

**Q. Is the submission of specific organizational documentation, such as certificates, bylaws, or articles of association, mandatory for application?**

**Q. Beyond the provided templates and forms, are there additional required documents for the application process?**

A. As stated under the section 'Application guidance' of the [Terms of Reference](#), the documents required for application that make a proposal eligible are:

- UK PACT Country Programmes Proposal Template
- UK PACT Country Programmes Budget and Workplan Template
- Project ToC Application Form
- Project risk and issue register template

Applications must be coherent and legible. All documents must be properly filled out. Applications and all forms of communication with the program must be submitted in English.

To present evidence for the selection criterion ‘Knowledge, skills, experience, and team structure’, applicants should include staff members’ CVs attached to the Proposal.

**Q. Can Brazilian Government agencies and private sector companies participate in the proposal in roles other than formal partners, such as stakeholders, advisors, or contributors? If so, what are the guidelines and processes for their involvement in the project?**

**Q. Is it mandatory for the project to already have identified and negotiated a partnering cement company for participation or could this be done during the initial phases of the project, post-grant?**

A. Government agencies and/or departments are not eligible to apply either as a lead organisation or partner in a consortium. For-profit and non-for-profit organizations can apply as lead or as partner in a consortium, if the consortia have at least one local partner: an organisation that operates in Brazil under a National Register of Legal Entities (Cadastro Nacional de Pessoa Jurídica – CNPJ). Profit is considered a non-eligible cost for UK PACT.

Other roles in the proposal (for both public and private organizations) must be described in your [Project Proposal](#), under section 4. Stakeholder engagement plan.

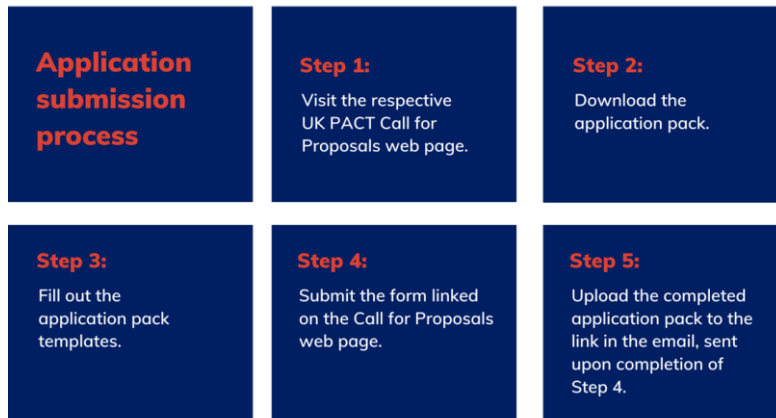
**Q. Are there existing networks or platforms provided by UK PACT to connect Brazilian organisations with potential UK partners?**

A. No. Consortia formation is the responsibility of interested organisations during the Call for Proposal window. A UK partner is not required. International entities can apply, if they comply with the criteria detailed in the [Terms of Reference](#).

**Q. What is the application process for Brazilian institutions and partners, and are there any specific requirements or documentation needed?**

**Q. To whom should the proposal be addressed?**

A. The proposals must be submitted following the steps outlined below:



To start your application process, you must **complete the templates in the application pack** and **then** submit the form linked on the CfP web page. After submitting the form, **you will receive an email containing a link to upload your application pack**. Your application pack and must be downloaded, completed in English, and submitted via the link sent to your email.

Please note that the application process is only complete once the templates have been uploaded to the link shared to your email. Upon successful completion of the process, applicants will receive a confirmation email.

**Q. Who are the readers and evaluators of the proposal? Can you provide examples of their roles or positions?**

A. The selection panel is formed by individuals from the organizations involved in the UK PACT Programme implementation, each will provide different perspectives for the evaluation process. Final selections will be made based on how proposals score against the criteria listed in the [Terms of Reference](#), fit within the portfolio of other UK PACT projects and affordability within the UK PACT budget. We reserve the right to take a portfolio-based approach to the final selection of projects.

**Q. I want to seek clarification on the requirements for a project to be considered non-profit: what are the criteria? What documents need to be presented? What is the deadline for submitting the documents and information?**

A. The applicant does need to provide proof of their organisation’s non-profit nature. Regarding the project’s non-profit nature, during delivery this is established through the assurance report process as part of the terms of the grant agreement.

All necessary documents must be submitted before the Call for Proposal deadline, on 21 August 2024 - 12:00 BRT / 15:00 UTC.



**Q. How will the project's cost-benefit ratio be calculated?**

A. The budget and value for money compose, together, an evaluation criterion. Your project will be rated based on the description of this and other criteria, as presented on the [Terms of Reference](#), section "What are the selection criteria?":

*Budget and Value for Money - The budget is clearly linked to the activities and outputs outlined, with appropriate allocation of time and resources, and costs that appear reasonable for the activities proposed, including sufficient allocation for project management, reporting and data collection to allow for close coordination with UK PACT. The application provides confidence that the project will represent good value for money, including FCDO's Four Es (economy, efficiency, effectiveness, and equity) and excluding all non-eligible costs, such as profit. The Four Es are detailed in the Applicant Handbook.*

**Q. What are the detailed criteria and scoring parameters for evaluating and selecting the projects?**

A. You can find all detailed information on the [Terms of Reference](#), section "What are the selection criteria?"

**Q. Regarding GEDSI, are there additional requirements beyond the information outlined in the "Full proposal template - Energy and Decarb v2"?**

A. Applicants are advised to read the [Terms of Reference](#) and the [UK PACT's GEDSI Guidance](#).

**Q. What specific documents are required during the due diligence phase?**

**Q. Could you elaborate on the detailed safeguard requirements?**

A. Relevant and detailed information on due diligence and safeguarding within UK PACT project are presented on the [Applicant's Handbook](#) (sections 3.4 and 7; and annex IV).

## **4. Finance requirements**

**Q. In the Budget and Workplan file, in tab 1 Eligible costs guidance, line 15/16 Cost category Salaries (excluding labour charges by day rate) is states the following – 'The UK PACT Country Funds do not support this category'. Please can you provide further clarification on what this means? If we want to hire a researcher to engage in work on the project, can they be employed on a fixed term contract to engage in the work and complete a spreadsheet to show the number of days they engaged in**

**the project? Please can you give some examples of what cannot be funded under salaries?**

A. UK PACT does not fund fixed monthly salary costs. Personal costs must be based on a daily rate, with the amount charged to the project calculated monthly using a timesheet. For internal staff or fixed term staff this daily rate might include salary remuneration and any benefits including superannuation (pension) and taxes. Details on this and other eligible direct costs can be found under section 3.7.4 of [Applicant's Handbook](#).

**Q. Are overheads (such as estate/indirect costs) permitted in the project budget?**

A. Overheads are eligible costs and should be detailed in the appropriate sheet of the Budget and Workplan template. Please refer to the cost eligibility guidance to ensure that ineligible costs (such as profit) are not included.

**Q. Is there a percentage limit (in terms of the overall budget) on “administration costs/overheads” kind of costs?**

A. Applicants have two options for identifying an overhead rate:

(i) Choose an overhead rate of up to 15% of direct project costs. You can indicate the % of overheads required in the 'Overheads' tab in the Country Funds Budget and Workplan template. No additional information will be required to verify this rate. Please note that UK PACT is an ODA programme funded by UK taxpayers and, as such, ensuring all our projects represent value for money is critical. Organisations should only apply for the overheads % they need;

(ii) Where organisations are not able to accept an overhead rate of 15% or less because their indirect costs are higher, the 'alternative overhead' tab in the UK PACT Country Funds budget template and workplan must be completed. This will then be verified by the UK PACT team based on the audited accounts you will be required to submit as part of the due diligence process.

Further information regarding Overhead costs you can find under section 3.7.5 of the [Applicant's Handbook](#).

**Q. We would like to ask whether co-funding would make the proposal stronger?**

**Q. Does the project require any amount of co-investments?**

A. It is not required, but it is a possibility for projects to operate with co-funding from other donors. Please fill section 1.4 of [Project Proposal](#) if necessary. Implementers must demonstrate how the funding from UK PACT is additional and necessary, and not duplicative. The funding portion received from UK PACT must be for distinct activities with distinct, measurable outputs and outcomes. Implementers must also be able to separately track and report on spending against UK PACT funding. However, it should be noted that co-funding is not factored into the selection criterion.

**Q. How would commercial arrangements work for such a consortium? For example, would payments be made to a consortium lead and then we would need to pay the others?**

A. Yes, for successful projects, UK PACT will disburse all project payments directly to the lead organisation; consortium partners will receive UK PACT funding via the lead organisation. Applicants will be expected to outline how they plan to manage any consortium partners as part of the full proposal.

**Q. For Brazilian partners that are universities, how will the funding resources be transferred from the UK to Brazil?**

A. Consortium partners will receive UK PACT funding via the lead organisation and disbursements will be made in GBP (£). Applicants should ensure they are able to receive payments in GBP.

**Q. Can a Brazilian foundation associated with a university act as the receiver and manager of the funding in Brazil?**

A. The lead organisation will form the main point of contact for the project and will hold the grant agreement with UK PACT. Private universities are generally eligible to receive funding, but it is the responsibility of the applicant to detail the consortium structure and each organisation's role in the [Project Proposal](#). Organisations which operate under a separate legal entity, while being subject to government oversight (such as universities, research institutes, think tanks) are eligible to apply as lead or part of a consortia. Applicants will be expected to outline how they expect to disburse payments to any consortium partners as part of the [Project Proposal](#).

**Q. In Brazil, can both individuals with a CPF (Cadastro de Pessoas Física) and legal entities with a CNPJ (Cadastro Nacional de Pessoa Jurídica) receive payment for their work within the project?**

A. For successful projects, UK PACT will disburse all project payments directly to the lead organisation, that must be a legal registered organisation, not an individual. If the project has an individual consultant, the lead is responsible for managing payments among contractors and consortium partners.

**Q. Are there any minimum/maximum requirements on how to spread the disbursement of the grant throughout the project?**

**Q. Are there any specific guidelines for distributing grant funds throughout the project timeline?**

A. Projects must have a budget of up to £500,000 per year, up to a maximum of £1,000,000 over 24 months. Information on how to allocate staff and budget, can be found in Section 3.7 *Preparing a UK PACT Country Fund budget* of the [Applicant's Handbook](#).

**Q. Once a project is selected, is the full budget requested going to be awarded or is it possible that only a partial budget is granted?**

A. The project will be evaluated based on the [Terms of Reference](#). If the proposal presents a budget of up to £500,000 per project per year, up to a maximum of £1,000,000 over 24 months, built on eligible costs, as presented in the [Applicant's Handbook](#), the entire value required will be awarded. The UK PACT team reserves the right to require changes on budget and scope, according to portfolio-based approach, if necessary.

**Q. Is there a cap to the budget percentage to be spent on branding/marketing/promotion?**

**Q. Is there a limit on the budget that can be outsourced to third party companies? For example, subcontracting to consulting, engineering, drafting, simulation, information, etc. companies.**

A. No, but value for money and the relevance for the proposal within each intervention area will be evaluated.

**Q. Contractors selected by direct contract award can be listed in the application? For example, a consulting company has been selected to develop an important portion of the project.**

**Q. Is it possible to pay for technical services with the resources of the call for proposals?**

A. The budget must be composed of eligible costs, as detailed in the [Applicant's Handbook](#), section 3.7. If an organisation is named in the proposal then they are a consortium member and consequently, are not allowed to make profit. If the applicant deems it necessary to purchase services to deliver their project, then it is possible to include this in the budget without naming a specific supplier, and for them to complete an appropriate procurement post award.

## **5. Project implementation**

**Q. How does UK PACT define and measure the impact of projects specifically in the Brazilian context?**

A. As a selection criterion presented on the [Terms of Reference](#), under project selection phase, the project impact is defined as:

*"The applicant clearly articulates how the project will specifically help the counterpart achieve and accelerate their goal of accelerating the energy transition and industrial decarbonisation. The applicant provides a clear impact pathway [Project ToC Application Form] showing how their outputs will lead to the outcomes required for transformational change and identifies opportunities for replication / scaling up of activities."*

Successful projects will be guided and trained under the UK PACT MEL (Monitoring, Evaluation and Learning) Framework after selection period.

**Q. How does UK PACT ensure the sustainability and long-term impact of projects in Brazil after the funding period ends?**

A. Applicants should detail that type of information regarding their project, under section 3. POTENTIAL FOR TRANSFORMATIONAL CHANGE, on the [Project Proposal](#).

**Q. How are Brazilian projects expected to align with UK PACT's sustainability standards and objectives?**

A. UK PACT is a demand-led Programme. This Call for Proposals respond directly to demand identified by partner governments and provides grants for capacity-building projects in priority areas, which are delivered by implementing partners. The Terms of Reference was written based on these principles, so successful projects are the ones aligned with UK PACT standards and objectives.

**Q. If the project is accepted, the funds will be delivered, and we will need to track and report on spending. However, this will not be a debt correct?**

A. For selected projects, funds will be transferred on a reimbursement basis (unless sufficient need for advance payments is demonstrated through the due diligence process), based on the presented budget. Progress and financial reporting are expected to be delivered quarterly.

**Q. Should the proposal be prepared and submitted reflecting its full two-year duration? Or should we submit it as a one-year grant with the intention of requesting an extension at the end of the first year?**

**Q. For projects exceeding 12 months, what evaluation format will be employed?**

A. Proposals can present workplans up to 24 months in duration. Applicants should determine the project length, based on the chosen Intervention Area and their own assessment of the time required for their proposed activities and outputs. All proposals must clearly indicate the outputs to be achieved in the first year. Projects over 12 months will be subject to a performance evaluation at month 12 to confirm its continuation. The evaluation is based on the MEL framework of UK PACT Programme.

**Q. What is the expected timeline for the transfer of funds post-project approval, and does project commencement align with this transfer?**

A. After project selection and announcement (planned to occur on the week of 25 September 2024), the grant signing process starts. This includes co-creation, due diligence and final signature, and it usually takes between 6-8 weeks, dependent on how quickly information is shared between applicants and the UK PACT team. You can find more information about this in section 5. *Grant signing process* of the [Applicant's Handbook](#).

The project start date will be agreed with counterparts and the UK PACT team. Fund transfers occur quarterly, after the submission of progress reporting and evidence of completed/achieved outputs from the Implementing Partner and revision and approval from the UK PACT team.

**Q. What is the required format for quarterly project presentations?**

A. Every quarter, projects must present tracking project progress against the UK PACT MEL framework. Successful projects will be trained and orientated on details of this process. Orientation on how to allocate staff and budget regarding MEL costs, you can find in Section 3.7 *Preparing a UK PACT Country Fund budget* of the [Applicant's Handbook](#).

**Q. What methodologies will be employed to monitor and assess the projects' impact on GEDSI?**

A. Successful projects will be trained and guided on details of this process. Information on how to provide sufficient detail on mainstreaming GEDSI components within a proposal are presented in the [Terms of Reference](#) and the [UK PACT's GEDSI Guidance](#).