



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

TERMS OF REFERENCE (TOR)

For the provision of services related to the development of innovation and industrial decarbonisation planning documents for Brazil

UNIDO PROJECT TITLE
Partnership for Net Zero Industry

UNIDO PROJECT ID: 240201
February 2025

The proposal should contain a detailed description of the services to be provided and the key experts/personnel to be assigned to carry out the tasks. The cost breakdown for each activity should be included in the proposal. All deviations from the Terms of Reference should be indicated in the proposal.

1. Background Information

In October of 2023, the Brazilian Government re-communicated to the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) its First Nationally Determined Contribution (NDC). Through this communication, Brazil confirms its absolute net GHG emission reduction target of 1.32 GtCO₂e by 2025, consistent with a reduction of 48.4% in comparison with 2005 and a reduction of 1.20 GtCO₂e by 2030, consistent with a reduction of 53.1% in comparison with 2005¹. The Government of Brazil further reiterates its long-term objective to achieve climate neutrality by 2050.

Upon request from the Ministry of Development, Industry, Trade and Services - MDIC, UNIDO through its Partnership for Net Zero Industry Programme will support the Brazilian Government in the development of initiatives and innovative instruments to support the decarbonisation of the industry.

Under the scope of the services of Pillar 3 of the UK-Brazil Industry Decarbonization Hub – ID-Hub Brazil, it was agreed to develop a specific initiative to contribute to the Research & Innovation. A, in line with a similar initiative being implemented in India with the support of the Government of UK, achieving significant results in accelerating breakthrough technologies within industrial decarbonization projects.

¹ <https://unfccc.int/sites/default/files/NDC/2023-11/Brazil%20First%20NDC%202023%20adjustment.pdf>

With the support of the ID-Hub, MDIC has engaged with Brazilian stakeholders on industrial decarbonization. Following several meetings, MDIC presented a proposal for the support of the *Industry Decarbonisation Incubator Collaboration*, adapted to Brazilian needs and regulatory context. This Terms of Reference (ToR) is the result of the agreement between the MDIC, the Donor and the key national counterparts.

The Industry Decarbonisation Incubator Collaboration aligns with the UK International Technology Strategy by establishing partnerships to address climate change, building resilience both domestically and internationally, sustaining strategic advantage through science and technology, shaping tech governance, bringing learnings back to the UK, and supporting capability-building in Brazil.

The Industry Decarbonisation Incubator Collaboration aims to create the right market-enabling conditions for innovation to flourish, mobilize public and private investment, foster technological innovation, and facilitate the development of a sustainable industrial innovation ecosystem in Brazil.

The outcomes from the *Industry Decarbonisation Incubator Collaboration* will contribute to the Pillar 3 of the Industry Decarbonization Hub of Brazil and deliverables will be validated by representatives from MDIC and the Donor.

2. Scope of Work

The consultancy is expected to provide the following services in collaboration with the UNIDO Project Manager (PM) and UNIDO Country Representative in Brazil, and in consultation with relevant counterparts, such as the Ministry of Development, Industry, Trade and Commerce (MDIC) and the Department of Energy Security and Net Zero (DESNZ) in the UK.

In the context of initiatives related to the mitigation plan, the project also aims to support the industry with its decarbonisation initiatives. The project will contribute to fostering innovation and bilateral cooperation, accelerating the deployment of clean technologies, and supporting industrial decarbonisation and capability-building for the innovation ecosystem in Brazil. These efforts align with the challenges faced by Brazilian energy-intensive industries in complying with the nationally determined contributions (NDC).

The proposed project must align with the UK's international technology strategy and support Brazil's ambitious industrial decarbonisation goals. It aims to:

- Facilitate technology transfer and deployment.
- Foster bilateral R&D collaborations.
- Enhance global leadership in industrial decarbonisation.
- Support capability-building for Brazil in partnership with the United Kingdom.

The services required under this ToR include delivering activities to support the formulation of a comprehensive approach, identifying innovation needs, bridging innovation gaps, de-risking investments, and identifying avenues for further UK-Brazil collaboration to address the needs of the Brazilian innovation ecosystem. Specifically, the contractor is required to:

1. Map and Engage Key Stakeholders:

a. Stakeholder Mapping: Identify and map key industrial stakeholders in Brazil and beyond.

Stakeholders must include, but are not limited to, industrial associations, trade associations, professional membership bodies, civic sector organizations, government organizations, and technology and innovation institutions.

Additionally, it is important to highlight that the Brazilian Government prioritizes the following industries for industrial decarbonization policies:

1. Iron and steel
2. Cement
3. Pulp and paper
4. Aluminum
5. Chemical
6. Glass

b. Develop an engagement strategy that takes into account the complementary roles and capacities of all stakeholders collaborating in the GHG Emission Mitigation and Innovation Programme for the Brazilian industry.

2. Match Industry Needs with Innovations:

a. Conduct a thorough analysis of the main challenges, bottlenecks, and needs within energy-intensive industrial sectors to identify priority technologies and innovations.

b. Propose an analysis to identify interdependencies and interrelations between sectors, and potential synergies to maximize decarbonisation impact in national level.

c. Develop a strategy to engage industrial players, especially during the phases of running proof of concept (PoC), trials and/or pilot projects.

3. Pilot Projects, trials and/or Proof of Concept:

a. Propose and enable a strategy to execute pilot projects, trials and/or PoCs that demonstrate the feasibility and impact of proposed innovations in Brazilian industries.

b. Propose and support a strategy to de-risk investment via PoC for new technologies and match it with financial solutions available in Brazilian institutions to support industrial innovation.

4. Accelerate Technology Deployment:

a. Propose and support a strategy to shorten the technology innovation lifecycle and accelerate the deployment of industrial decarbonisation technologies in Brazil.

b. Propose and support a strategy to connect companies/projects that have successfully deployed pilots, trials and/or PoCs with capital markets.

c. Foster international collaboration, particularly focusing on countries that have developed successful industrial decarbonisation strategies.

e. Map Incubators in Brazil, the UK and key International Markets

5 – Knowledge management.

a. Elaborate a comprehensive monitoring and evaluation strategy for programme results.

b. Propose and implement a mitigation tracking tool to ensure the effectiveness of decarbonization investment impacts.

c. Compile documentation and dissemination of knowledge and lessons learned with key actors and the wider public.

All activities/deliverables should be finalized no later than thirty six (26) months after signing a contract

Deliverables

#	Activities	Deliverables	Timeline
1	A detailed work plan for the execution of the project, including a proposed table of contents for all activities, a list of stakeholders approved by MDIC, the data collection methodology, and the minutes of the kick-off meeting.	Inception report is validated	Within 4 weeks of the contract signature.
2	- Map and Engage Key Stakeholders: -Stakeholder Mapping. - Develop a partner engagement strategy.	-Report 01 on stakeholder mapping and engagement is validated	Within 4 months of the contract signature
3	-Match Industry Needs with Innovations: a. Analysis of the main challenges, bottlenecks, and needs within energy-intensive industrial sectors. b. Identify interdependencies and interrelations between sectors, and potential synergies. c. Develop a strategy to engage industrial players.	- Report 02 on all analysis related to main challenges in energy-intensive industrial sectors, their interdependencies and interrelations, and the results of the strategy to engage industrial players is validated	Within 6 months of the contract signature
4	- Innovation strategy: a. Propose and enable a strategy to implement innovation projects. b. Propose and enable a strategy to de-risk investment.	- Report 03 on innovation strategy is validated	Within 8 months of the contract signature

5	<p>- Innovation identification:</p> <p>a. Identify relevant innovation to address the Brazil's industrial needs.</p> <p>b. Select a cohort of minimum 20 innovators, being at least 40% Brazilian innovators, to explore opportunities de deploy innovation projects in Brazil.</p>	<p>- Report 04 on innovators identification is validated</p>	<p>Within 10 months of the contract signature</p>
6	<p>- Incubation:</p> <p>a. Work with the selected innovators to induct them to Brazil's business environment, legal structure, intellectual property and tax.</p> <p>b. Down select the cohort to provide bespoke incubation support to at least half of the innovators selected in the previous stage.</p>	<p>- Report 05 on incubation activities is validated</p>	<p>Within 18 months of the contract signature</p>
7	<p>- Implement and support the development of proof of concept, trials and/or pilot projects:</p> <p>a. Support the implementation of proof of concept, trials and/or pilot projects to demonstrate 2 innovations selected in previous stages.</p> <p>b. Engage with the Brazilian Government, innovation funding institutions, industrial trade bodies and industrial players to secure funding to run additional 3 innovations.</p> <p>c. Work with the selected innovators to induct them to Brazil's business environment, legal structure, intellectual property and tax system.</p>	<p>- Report 06 on PoC, trials and/or pilot projects is validated</p>	<p>Within 24 months of the contract signature</p>
8	<p>Knowledge management:</p> <p>a. Monitoring and evaluation of programme results.</p> <p>b. A tracking tool of decarbonization investment impacts.</p>	<p>Final report comprehensive of all knowledge management products is validated</p>	<p>Within 26 months of the contract signature</p>

c. Documentation and dissemination of knowledge and lessons learned.		
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All requested documents should be provided to UNIDO in 1 electronic copy, consisting of the following electronic files:

- PDF file;
- Original work files (WORD, POWER POINT, EXCEL, etc.).

The electronic copy can be provided via e-mail, if the nature and size of the files make it possible. Otherwise, the electronic copy should be provided through a cloud storage application as per UNIDO's suggestion. Requested documents/reports should be provided in English and Portuguese.

3. TIMELINE

The total duration for the whole assignment is estimated at up to 26 months. The supplier is requested to submit a provisional schedule as part of their proposal. The provisional schedule ought to include, but not be limited to, a work plan, a workshop regarding interim outcome, a draft report, a final workshop and a final report.

4. REPORTING

Deliverables	Timeline	Payment Schedule
Inception Report	Within 4 weeks of the contract signature.	15% of the total
-Report 01	Within 4 months of the contract signature	10% of the total
- Report 02	Within 8 months of the contract signature	10% of the total
- Report 03	Within 10 months of the contract signature	10% of the total
- Report 04	Within 12 months of the contract signature	10% of the total
- Report 05	Within 18 months of the contract signature	25% of the total
- Report 06	Within 24 months of the contract signature	10% of the total
Final Report	Within 26 months of the contract signature	10% of the total

5. LANGUAGE

Fluency in written and spoken English and Portuguese languages is required for this assignment. All deliverables have to be submitted in both **English and Portuguese** languages. The reporting language should be English.

6. QUALIFICATION REQUIREMENTS AND EVALUATION CRITERIA

Please refer to the appendix 2 of the bidding documents “Qualification requirements and evaluation criteria” for the complete list of requirements and technical and financial evaluation criteria.

Proposed outline for the proposal

1. TECHNICAL PROPOSAL

SECTION	NOTES
1. Service provider 1.1. Service Provider Rationale 1.2. Service Provider Organisation 1.3. Service Provider Experience	<i>A description of the service provider organisation and its experience should be covered in this section. No details about previous projects should be presented in this section but rather a general overview.</i>
2. Concept & Methodology 2.1. Critical analysis of the objective and the TOR 2.2. Technical approach and methodology	<i>The Service Provider shall present a critical review of the entailed technical services including comments and suggestions on the TOR as part of their proposals. A general description of the technical approach and methodology for performing the required services shall be presented. A more detailed description on the methodology and approach of performing each activity shall also be presented.</i>
3. Work Plan & Time Schedule 3.1. Organisation, Association & Logistics 3.2. Time Schedule	<i>The Service Provider shall present the work plan for performing the entailed Services.</i>
4. Proposed Personnel 4.1. Project Organisation Chart 4.2. Proposed personnel	
5. Annex 5.1. CVs 5.2. Previous Relevant Projects 5.3. Other	