

الشراكة من أجل استعداد السوق

Chile update on MRP Implementation Phase

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Gobierno
de Chile

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Steps to make the Grant Operational

World Bank

Internal arrangements for funding approval and transfer of funds

1. Drafting of Grant Agreement
2. Project Concept Note
3. Processing of GA with Chilean counterparts

National Level

- Internal arrangements for funding approval and administration
- Drafting of relevant documentation as part of the Grant Agreement.

1. Approval of Grant by Ministry of Finance
2. Selection of administrative agency/Approval by **MoF**
3. Preparation of Operational Manual
4. Preparation of Procurement Plan
5. Drafting of ToRs in advance

Timeline for funding approval and operation



2013

PA5 approved Implementation funding for Chile: **US\$3MM**

Chile's International Cooperation Agency (**AGCI**) accepted the request of acting as Administrative Agency

AGCI requested the "no-objection" from **MoF**

AGCI received the "no-objection" from **MoF**

Operational Manual: **WB** hired a consultant

April

June

July

August

September

March

May

- **MoF** authorized the access and use of the Grant by the Ministry of Energy.
- World Bank Mission
- Decision on Administrative Agency: AGCI

Procurement Plan Drafting

- WB** follow-up mission
- Bundling of Activities/Budget
 - Work together with other ministries

Meetings with Ministries of Finance & Environment to advance work on ToRs for economic modeling and MRV & Registry have been held



Reminder: Summary of Total PMR Funding Request for Implementation Phase for the first two years (PA5 presentation Washington, DC)

			Sources of Funding (US\$ Thousand)		
Building Block	Activity	Total cost of activities	PMR Funding Request	National Government	Other
3	Component 1 Regulatory, Economic and Institutional Analyses needed to design a GHG ETS for the energy sector in Chile	1,810	1,200	50	560
3	Component 2 Design and implementation of MRV and Registry systems	1,560	1,100	50	410
5	Involvement with stakeholders	510	400	50	60
5	Budget for the administration of the PMR project	500	300	150	50
TOTAL		4,380	3,000	300	1,080

Update of Activities

PMR Activities – March 2013 (PA5)

Component 1: Regulatory, Economic and Institutional Analyses for a GHG ETS in the energy sector

Component 2: Design and implementation of MRV framework and a Registry

Involvement with Stakeholders

Administration of the PMR project

ACTIVITIES GROUPED ACCORDING TO THE STUDIES OR PROJECTS TO BE DEVELOPED

Computable General Equilibrium model (SDGE)

Tasks for micro-economic analytical work (structural analysis)

Establishing required vs. existing legal & institutional MRV capacities for an ETS

ETS & MRV institutional and financial arrangements + Development of protocols & standards

Enhancements of existing emissions database (RETC) + monitoring procedures + calculation and reporting of emissions

Improvement of monitoring procedures, calculation and reporting of emissions and record layout

Design of an Emissions Trading System

Communication, Consultation and Engagement Strategy

Administration of PMR: Hiring of technical, administrative & policy-making teams

Next Steps

- Operational Manual finalized/approved (expected by Nov. 2013)
- Procurement Plan (expected by Nov. 2013)
- Cooperation Agreement between AGCI and Ministry of Energy (expected on Nov-Dic 2013)

- Grant Agreement signature process:
 - Submission from WB to local counterpart
 - National Controller revision/approval (could take 4 months)

- Continue working on the Terms of Reference, based on the bundling exercise

Thank you



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