



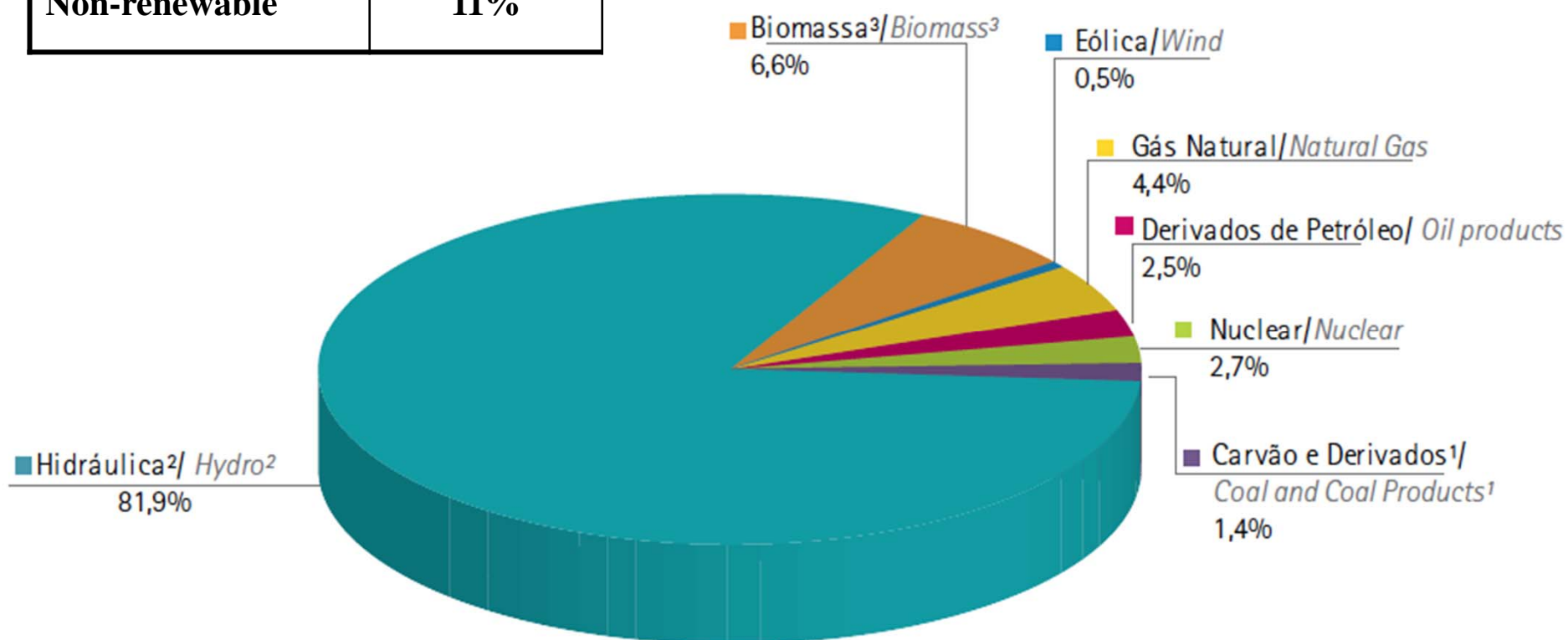
CPI – Venice

October, 2013

Brazilian Energy Supply

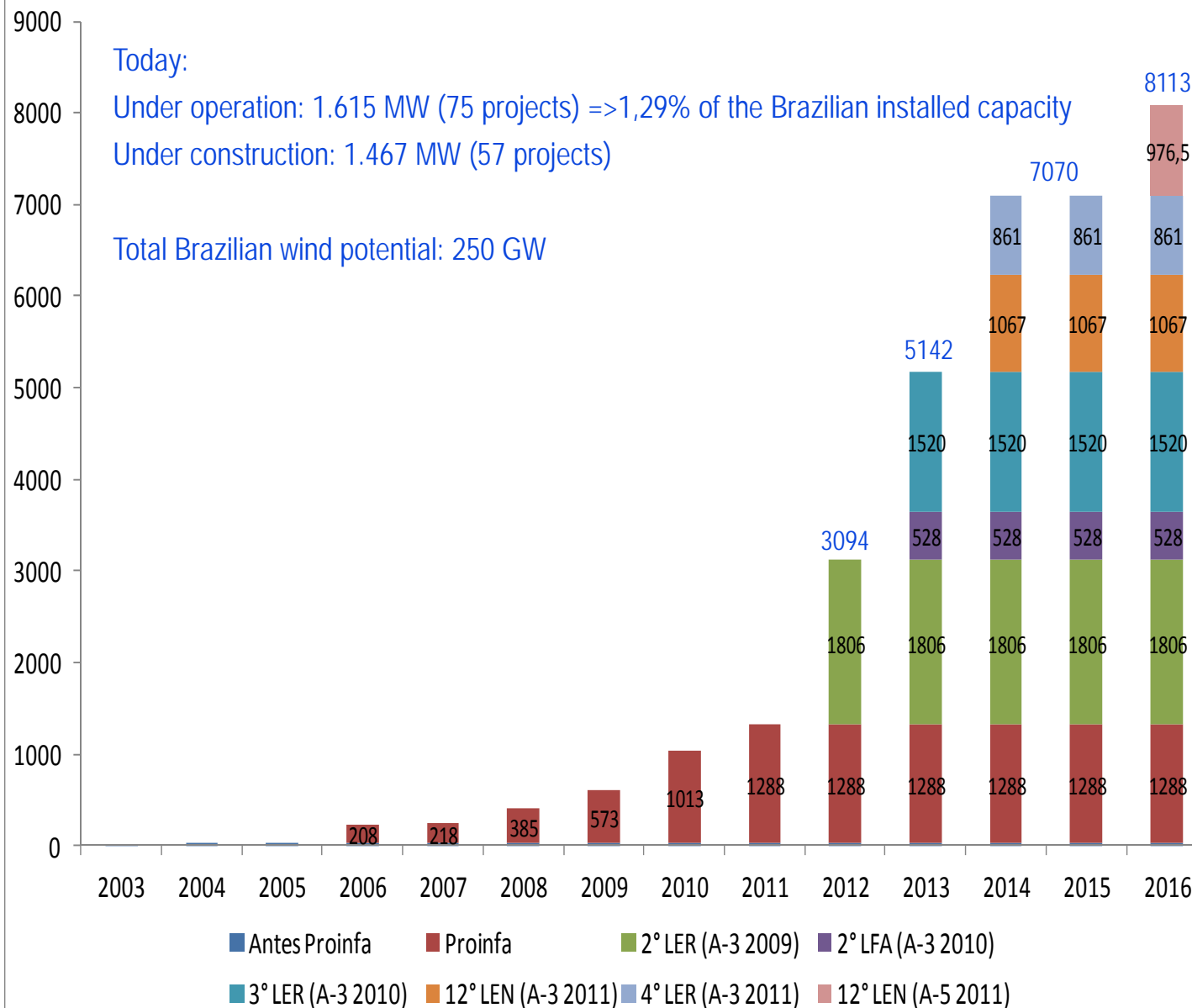


Sources	Brazil
Renewable	89%
Non-renewable	11%



Source : Mines and Energy Ministry - 2012

Wind Farms Auction Evolution in Brazil (MW)



Energy price	R\$/MWh
Proinfa 2005	308
Auction 2009	167
Auction 2010	140
Auction 2011	103
Auction 2012	95

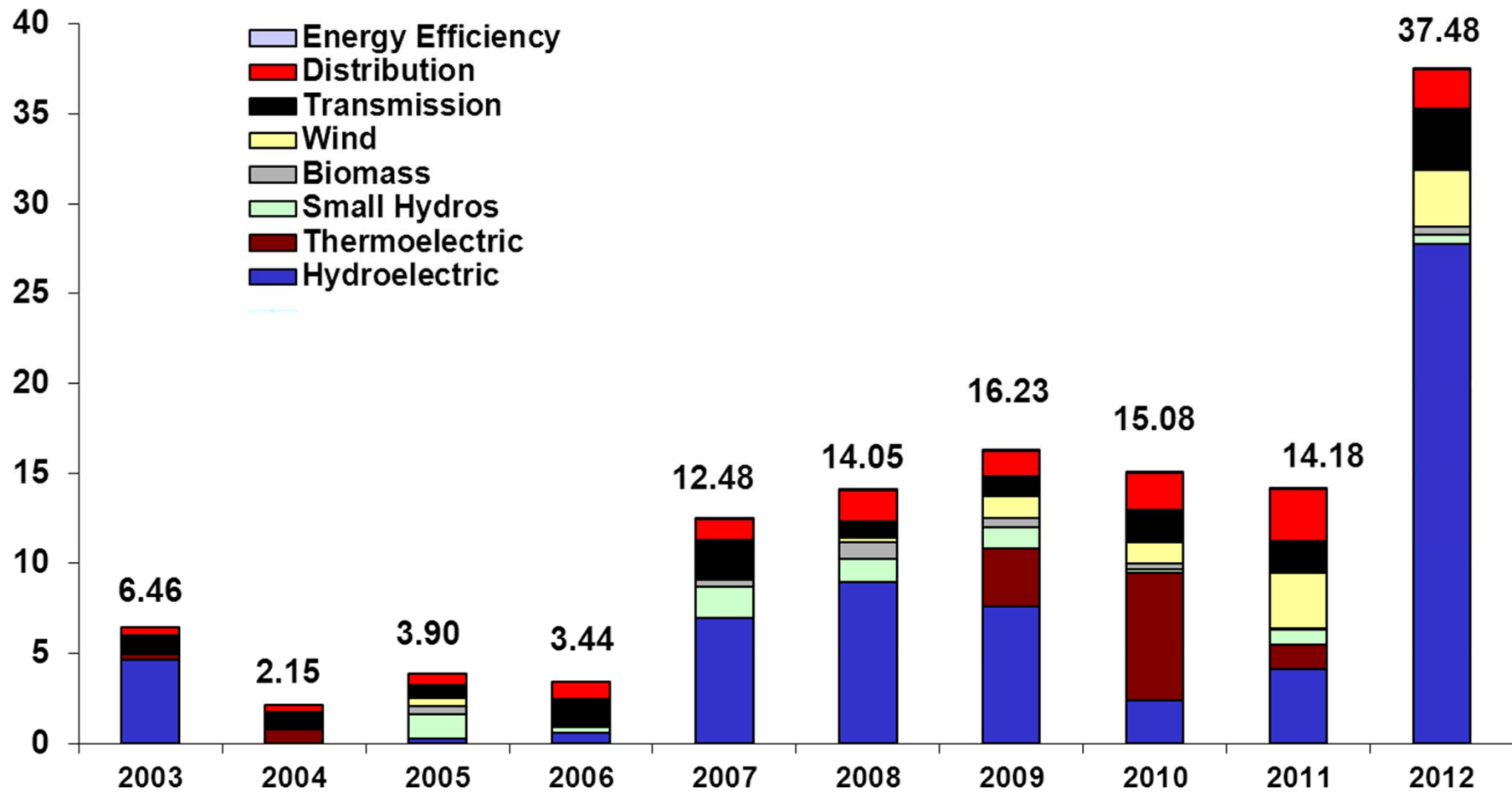
Approved Projects - 2003 to 2012



in R\$ thousand

Segment	Installed capacity	Projects	BNDES Credit	Investment
1. Generation	47,038.87 MW	353	92,859,074	149,779,362
Hydro (>30 MW)	32,955.42 MW	47	59,719,838	94,434,622
Thermal	6,056.24 MW	16	12,736,763	24,236,769
Hydro (< 30 MW)	2,252.99 MW	116	7,423,760	11,309,835
Biomass & Cogeneration	1,958.90 MW	44	3,421,617	4,610,389
Wind	3,815.32 MW	130	9,557,096	15,187,747
2. Transmission	26,922 km	86	14,857,936	29,845,004
3. Distribution		77	13,951,838	24,028,407
4. Energy Efficiency		19	101,018	133,231
TOTAL		535	121,769,866	203,786,004

Approved Projects (in R\$ billions)



Basic Assumptions

- Project finance
- Beneficiary must be a SPC
- Sufficient cash flow to repay the loan:
 - Debt Cover Ratio (DCR) greater or equal to 1.20
- All future revenues are pledged to the lenders
- Shareholders' capital must be compatible with the project risk
- Equity Support Agreement or parent company guarantee until financial completion

The Brazilian Climate Fund



FUNDO CLIMA



Steering Committee:

**Environmental
Ministry
Grants**

**BNDES
Concessional Loans**

**Current Budget:
BRL 560 million**



Objective of the Fund: ensure funds to support projects or studies aimed at promoting climate change mitigation and adaptation to its effects.

Examples of Supported Sectors:



Renewable Energy



Sustainable Production Activities: native wood production, fruit and fiber



The Brazilian Climate Fund



- In order to fulfill the guidelines established by the Steering Committee in its Resource Allocation Plan, the Climate Fund Program supports projects in nine sectors:



Renewable Energy



Efficient Machinery and Equipment



Energy Efficiency in Key Industries

Carbon Management and Services



Waste Management



Efficient Charcoal Production



Sustainable Cities and Climate Change



Efficient Transport System

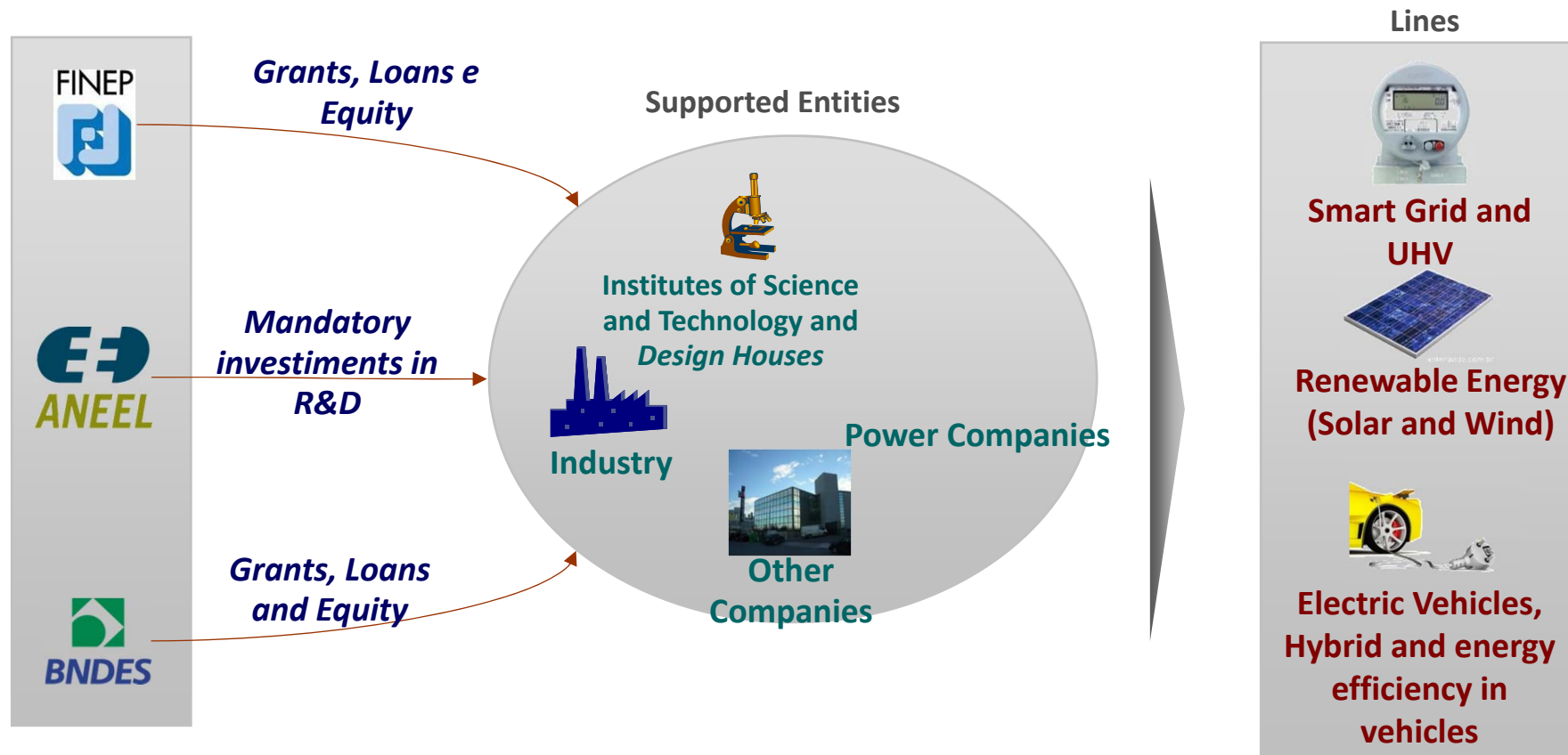


Combating Desertification



Native Forestry

Support Plan for Technological Innovation in the Electric Sector- Inova Energia



Articulation Among...



Government



Ministry of Energy

- The joint effort will provide a more extensive coordination to government efforts:
 - fostering innovation
 - and a better integration of support instruments for R&D and innovation available to the energy sector.



BNDES

*Brazilian
development bank*

Thank you!