Greening Financial Decision Making – Financing the Green Transition

April 2016
I. Green Portfolio

II. Brazilian INDC

III. Challenges for the Future
Urban Mobility: R$ 900 millions in 2011 and R$ 8,9 billions* in 2015
Low Carbon Agriculture: BNDES and Banco do Brasil approved R$ 4 billions in the last two years

Brazilian INDC – 37% below 2005 levels in 2025

Renewable Energy

- Share of 66% from hydro in power generation, and 23% from other renewables (wind, solar and biomass);

Restoring and ICLFS

- Restoring and reforesting of 12 millions hectares
- Restoring de 15 millions hectares of degraded pasturelands
- Enhacing 5 millions hectares of integrated cropland-livestock-forestry systems

Zero Illegal Deforestation

- Biofuels

- Share of 18% from ethanol and other biofuels in the energy matrix

In the transportation sector, further promote efficiency measures, and improve infrastructure for transport and public transportation in urban areas.
### INDC Related Disbursements

**Green Economy Classification**

<table>
<thead>
<tr>
<th>Classification</th>
<th>Disbursements</th>
<th>Disbursements Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change Adaptação and Disaster Risk Management</td>
<td>621</td>
<td>568</td>
</tr>
<tr>
<td>Forestry</td>
<td>625</td>
<td>722</td>
</tr>
<tr>
<td>Hydropower (above 30 MW)</td>
<td>5.201</td>
<td>7.132</td>
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<tr>
<td>Agriculture Improvements</td>
<td>278</td>
<td>250</td>
</tr>
<tr>
<td>Cargo Logistics</td>
<td>1.627</td>
<td>2.564</td>
</tr>
<tr>
<td>Public Transportations</td>
<td>927</td>
<td>1.477</td>
</tr>
</tbody>
</table>

**Graph**

- **MMR$**
- **10,000**
- **9,000**
- **8,000**
- **7,000**
- **6,000**
- **5,000**
- **4,000**
- **3,000**
- **2,000**
- **1,000**
- **0**

- Climate Change Adaptação and Disaster Risk Management
- Renewable Energy and Energy Efficiency
- Forestry
- Hydropower (above 30 MW)
- Agriculture Improvements
- Cargo Logistics
- Public Transportations

**INDC portfolio represents R$ 104 billions**
2009-2015 = R$ 1,23 billion in finance and 81 projects

Portfolio of R$ 300 millions leveraging R$ 760 millions in investments. And more R$ 200 millions for projects of solar energy generation

Funding from Countries, Foundations, International Funds, Private Sector and River Basin Committees for Ecological Restoration
### Fundraising for Environmental Projects (2009-2015)

| JBIC I (USD 300 mi) | • Support of a wind farms with installed capacity of **30 MW each** and located in RN.  
| | • **Biomass Projects** (SP): Increase cogeneration capacity to **100 MW** and increase crushing capacity to **5.5 million tons per year**.  
| | • **Biomass Projects** (GO) - Installation of new equipment in order to increase the crushing capacity to **6 million tons per year** and raise the cogeneration capacity to **130 MW**.  
| JBIC II (USD 300 mi) | • **RS** - Implementation of ten wind farms with total installed capacity of **258 MW**, and the associated transmission line (wind power projects).  
| | • **BA** - Implementation of fifteen wind farms with total installed capacity of **386.1 MW**, and the associated transmission line (wind power projects).  
| KfW (USD 136 mi) | • Wind farm deployment with an installed capacity of **48 MW in PB, 18 MW in PI, 28 MW in RJ and 26 MW in CE** (wind power projects).  
| KfW (USD 335 mi) | • **RS** - Implementation of twelve wind farms - in RS, CE and RN - with installed capacity of **327 MW**.  
| KfW (USD 68 mi) | • Support to four small hydro plants.  
| NIB (USD 60 mi) | • Support to four Wind farms.  
| AFD (EUR 165 mi) | • Wind farm, energy efficiency and innovative projects.  
| JBIC III (USD 150 mi) | • Loan agreement signed in 2015 aiming at supporting renewable energy projects.  

**NB:** **BNDES**
Challenge / Opportunity to insert climate change in our strategy

Ideas for Strategy

- Incentives for sustainable development according the benefits
- Target of allocation resources for climate projects
- Accountability of climate action
- Carbon footprint of supported projects
- Improve the leverage of private capital investment
Thank you