

BIP

Concessional mechanisms



Value proposition for mechanisms in the BIP

Structuring¹

STRUCTURING SUPPORT



- On-demand structuring support, **mobilizing networks and expertise** to refine the mechanism

- Engagement in mechanism's **refinement meetings**
- Connection with projects on BIP pipeline or other related networks** within BIP to validate the mechanisms' model

Fundraising for the mechanisms

BIP STAMP



- BIP Stamp** can strengthen credibility in fundraising negotiations, as recognition of **alignment with the national climate transition agenda**

- As part of the platform, the **mechanism can use BIP's logo in its institutional materials and website** to support its fundraising efforts

FUNDRAISING



- Support actions and connections led by BIP** with selected investors (sovereign organizations, foundations, climate funds, family offices, MDBs, companies, etc.)

- Inclusion** of the mechanism on BIP **website/materials**
- Support in preparing **presentation materials for the mechanism**
- Ad hoc meetings with investors** to present selected mechanisms
- Direct connection of interested investors** with mechanisms

Access to projects

ACCESS TO BIP PIPELINE



- Access to a **pre-selected projects pipeline** aligned with the government's climate transition agenda

- Direct connection to projects of interest**

Visibility of supported projects

INCLUSION OF PROJECTS IN BIP



- Potential for **inclusion of projects supported by the mechanisms in BIP's projects pipeline.**

- Project presentations to FIs** organized by the BIP
- Direct connection with interested FIs**





Value proposition



Operating model

Criteria for concessional mechanisms to join the Platform


Minimum parameters

Phase	
Mechanism robustness	
Investment requirements	
Nature of the mechanism	

- Mechanisms in the **structuring phase** (post-ideation) or **fundraising phase**, provided they remain within 24 months of establishment
- The mechanism must **fulfill all robustness criteria** outlined below:
 - Manager, proponent, or anchor investor with a proven track record aligned with the proposed mechanism, demonstrating **relevant technical contributions** to development and **indicative financial commitment** through declarations or equivalent instruments
 - **Significant potential for transformative impact** in at least one of BIP's priority sectors, supported by a plan to publish an annual public impact monitoring report covering social, environmental, and climate indicators for projects, either individually or in aggregate
 - **Absence of relevant processes** or controversies (regulatory, environmental, labor, reputational)
- Mechanisms in the fundraising phase must additionally have a **financial structure consistent with the proposed challenge**
- The mechanism must have at least **USD 10M in Target Committed Capital (NBS) or USD 20M (Industry and Energy)**
- The mechanism must function as a **financial instrument** (e.g., credit or guarantees) incorporating a component of **concessional compared to standard market conditions in its investments** (e.g., concessional in access, risk, rate, or term)
- The instrument must be **registered or demonstrate a commitment to register with the CVM**, specifying the instrument under which it intends to operate
- The mechanism must ensure **exposure diversification**, prohibiting instruments dedicated to a single project or company, except for cooperatives and supplier chains

Sectoral restrictions	
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- **Regulatory provision**
 - ① **Allocate at least 65% of investments**, by value or number of companies invested, financed, or benefited, to **subsectors within the BIP**¹
 - ② Investment restriction clause **for sectors prohibited under the Non-Supportable Activities List**^{1,2}

Geographic scope	
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- The mechanism must be **dedicated to companies and projects in Brazil**, with either **national or subnational** coverage
- Mechanisms with a **regional or global scope** are eligible if they establish a **compartment dedicated to Brazil**, which will exclusively qualify for BIP support

Other considerations

Desirable characteristics	
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- Mechanism with a provision for **incentivizing long-term operations**
- Mechanism with a provision for a **technical assistance component (TA)** for benefited projects
- **Sustainable financial mechanism**, or any other terms related to sustainable finance, as defined by ANBIMA, CVM, or other sustainability standards adopted by development institutions
- Mechanism **aligned with the Brazilian Sustainable Taxonomy**
- Mechanism in compliance with the **principles defined in the SFDR** for sustainable mechanisms

Note: (1) Must be included in the mechanism's regulations; internal regulations require submission for BIP evaluation (2) NBS solutions may require additional exclusion criteria

1 BIP is focused on three main sectors

Provision in the Mechanism's regulation is required for the allocation of at least 65% of the investments, either by value or number of companies invested, in BIP subsectors

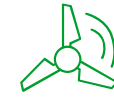
SECTORS



Nature-based Solutions & Bioeconomy¹

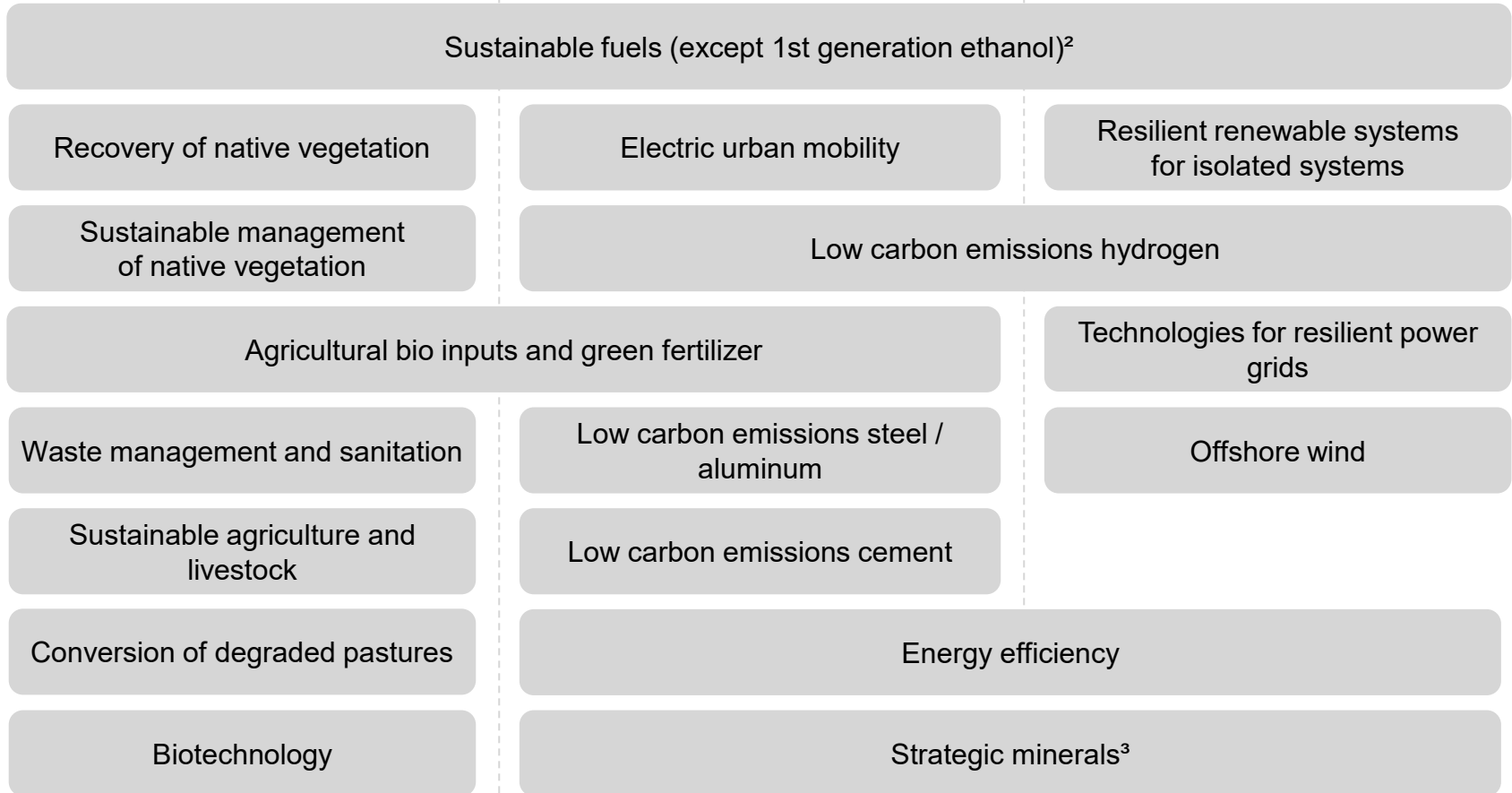


Industry & Mobility



Energy

SUBSECTORS



Note: (1) For NBS, additional criteria may be considered; (2) Exception for first-generation ethanol; (3) They are: Cobalt, Copper, Tin, Graphite, Lithium, Manganese, PGMs, Molybdenum, Niobium, Nickel, Silicon, Tantalum, Rare Earths, Titanium, Tungsten, Uranium, Vanadium, Zinc, Phosphate, Potassium or other minerals for promoting soil fertility, including remineralizers

2 Exclusionary criteria for mechanisms to enter the platform

Provision in the mechanisms' regulation is required for an investment restriction clause for sectors vetoed by the List of Non-Supportable Activities BIP

LIST OF UNSUPPORTED ACTIVITIES

Agriculture and livestock	Agricultural businesses not registered in the Rural Environmental Registry (CAR)	Other pollutants²
	Extraction, transport, marketing or generation of energy from mineral coal	Gambling and betting
	Extraction, transportation, marketing or generation of energy from petroleum and its derivatives	Adult per-hour stay hotels
Mining and energy	Extraction, transportation, commercialization or generation of energy from natural gas with no foreseen transition ¹	Saunas and hot springs
	Mining enterprises that incorporate a rudimentary or artisanal mining process	Clubs
	Mining enterprises, including in the research phase, located on indigenous lands of traditional occupation (art. 231 of the Federal Constitution)	Other
		Commercialization of weapons and ammunition
		Tobacco industry
		Alcoholic beverages (except wine and beer)
		Pornography/prostitution
		Media

Note: (1) Investment in natural gas will be allowed in the hypotheses of transition provided in the Brazilian Sustainable Taxonomy; (2) Includes hazardous substances subject to international prohibition

BIP

