



## Issues on the agenda

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### Important dates (forecast)

Power	
October 16	Transmission auction
November 6	Auction of existing HPPs
November 13	Energy reserve auction
Oil and Gas	
October 7	13 <sup>th</sup> round of exploration blocks

\*agencies

### GIF – Global Infrastructure Facility

GIF is an open global platform linked to the World Bank, which facilitates the preparation and structuring of concessions and public-private partnerships (PPPs) to allow the mobilization of private sector capital and institutional investors. The GIF coordinates and integrates the efforts of Multilateral Development Banks (MDBs), private sector investors and financiers, and governments interested in infrastructure investments in emerging and developing markets, fostering collaboration and cooperation in complex projects.

### MIGA – Multilateral Investment Guarantee Agency

MIGA is a World Bank member, and has the mission of promoting foreign direct investment to stimulate economic growth. As part of its operational strategy, the institution attracts institutional investors, promotes actions to improve the institutional environment and provides guarantees against non-commercial and political risks.

\* [www.newclimateeconomy.report](http://www.newclimateeconomy.report)

## Brazil develops infrastructure projects as global asset class

The Federal Government continues to take important steps to include infrastructure investments in a global asset class. Infrastructure projects targeted at achieving this goal for the period 2015-2018 were presented in May 2015. Between July and August 2015, new measures were adopted to improve aspects related to the attractiveness and profitability of the projects, regulatory risks and governance structure. These measures aim to mobilize private capital and increase the efficiency of public resources.

### Higher profitability in infrastructure projects

- The Internal Rate of Return (IRR) for the next concession of highways, ports and airports has been updated to align the risk-return ratio and make investments more profitable for investors and consistent with global competition. With the new parameters, long-term IRR for shareholders is estimated between 17% and 19% p.a. in nominal terms.
- The reduced private sector risk due to the increase in the expected return of projects is going to make investments in Brazil more attractive to global pension funds, investment funds, equity funds, insurance companies and the over US\$90 trillion\* expected to be invested in infrastructure worldwide over the next 15 years. The measure also aligns long-term returns on infrastructure investments in Brazil with the guidance offered by the main actors in the market.

### Changes in governance to make infrastructure investments more attractive and secure

- The Federal Government has requested institutional support from the World Bank (WB), the Global Infrastructure Facility (GIF) and the Inter-American Development Bank (IDB) in preparing and reviewing infrastructure projects, including in matters related to contracts, the regulatory environment and the financial structuring of projects.
- Between 24 September and 2 October 2015, a mission from the World Bank and the Multilateral Investment Guarantee Agency (MIGA), an agency linked to the WB will be visiting Brazil to discuss financial support to infrastructure projects, including aspects related to the remuneration of investors and payment of interest for the construction period of the projects. Measures to increase investment insurance will also be discussed as part of the mission.

### Additional measures to reduce regulatory risk

- In August 2015, the Ministry of Finance published Ordinance no. 640 setting up a Working Group (WG) to study, consolidate and propose measures aimed at improving regulatory standards and thus increase legal certainty for investors and enhance Brazil's business environment.
- Negotiations are under way with MIGA so that it can support guarantees for infrastructure projects.

### Transport

- On September 1<sup>st</sup>, the Federal Government published the Concession Plan for BR-476 highway, with estimated investments of R\$4.2 billion. The Concession Plan is one of the steps that precede the publication of the bid notice, scheduled for early November.
- New rules have been established for the next highway auctions, including the lifting of the minimum net equity requirement for companies to qualify for participation. Another change is that contracts will now establish specific procedures and deadlines to be followed for the review by the National Land Transportation Agency (ANTT) of requests to re-establish the economic-financial balance (cost

adjustment) of projects. Previously, there were no clearly defined deadlines for the Agency to state its opinion on these requests. The change brings greater predictability to investors in economic and financial recovery processes.

## Power

- The Federal Government launched the Electric Power Investment Program (PEEI) on 11 August 2015. A total of R\$186 billion are expected to be contracted between August 2015 and December 2015. Of this amount, R\$81 billion should be invested by 2018, with the remaining R\$105 billion slated for after 2018.
- New contracts for power generation are expected to total R\$116 billion in investments and add from 25,000 to 31,500 MW to the national generating capacity. As for the transmission sector, investments should total R\$70 billion and add 37,600 kilometers to the country's electricity transmission grid.
- In August this year an auction was held to contract 669.5 MW of power generation from wind, hydro and thermal sources, at an average price of R\$188.87/MWh. Estimated investment is R\$ 2.5 billion.
- Another auction has been held for the contracting of reserve power generation from photovoltaic solar energy. A total of 833.8 MW of power from solar sources were contracted at the time, at an average price of R\$301.79/MWh and estimated investments of R\$ 4.3 billion.

## REGULATORY ENVIRONMENT

## New parameters for the Internal Rate of Return - IRR

Table 1 - New Weighted Average Cost of Capital (WACC) parameters

Sector	Previous		Current	
	WACC	Technical Note	WACC	Technical Note
Highways	7.2%	318/2013	9.2%	002/2015
Airports	6.63%	675/2013	8.5%	005/2015
Ports	8.0%	853/2013	10.0%	003/2015

Source: SEAE/Brazilian Ministry of Finance

The Ministry of Finance has updated the benchmark parameters for calculating the WACC (Weighted Average Cost of Capital) for the next port, highway and airport auctions.

Based on these updates, the actual WACC stood at 10% p.a. for ports, 9.2% p.a. for highways and 8.5% p.a. for highways. It should be emphasized that these figures represent the real expected return, already adjusted for inflation and after taxes.

A higher WACC creates better conditions for increased investment and promote universal services. Thus, a long-term nominal IRR of between 17% and 19% p.a. is expected.

This transition has rebalanced the risk-return ratio in face of changes in both the macroeconomic scenario and financing conditions. Updates are important to maintain the profitability of investments at a level compatible with the risks assumed and consistent with the attraction of capital for new projects, ensuring investors the confidence they need to maintain and expand their business plans.

This opens up the possibility for tariffs to cover the costs of the operation while sustaining a reasonable rate of return on investment at a level compatible with the Brazilian reality.

The calculation methodology for the projects is being defined by the parameters of the Technical Note 64, published in May 2007 by the Treasury, the Secretariat for Economic Monitoring (SEAE) and the Finance Ministry, and already widely known by investors and control authorities.

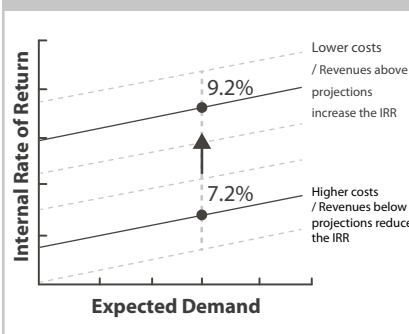
Calculated according to the sector of activity, the expected average return on capital and the different risks involved in the operations, the new benchmarks used to update the rates were the following:

- Risk-Free Rate: January/1995 - May/2015 average nominal yield for 10-year US Treasury Bonds.
- Market risk premium: Standard & Poor's 500 January/1995 - May/2015 average, above the risk-free rate.
- Brazil Risk Premium: January/1995 - May/2015 median of the EMBI+.
- US inflation rate: January/1995 - April/2015 Consumer Price Index (CPI) average.
- Average leverage of 60% of debt and 40% of equity.

It is worth mentioning that these new rates do not correspond to the effective rate of return of the projects, since final profitability depends on the intrinsic characteristics of the concession, related idiosyncratic risks and the capital structure adopted.

If the project is able to properly control the costs of the operation, actual returns may exceed the return provided for in the contract. Otherwise, the return can be lower than expected. The private sector is still subject to demand and business operation risks, but now has a major benchmark that ensures that risks can be borne by the party better able to manage and mitigate them. This ensures improved efficiency of services and optimized financial returns.

Figure 1 - WACC change in the highway sector



Source: MF/ Seae/ Sain

# Rate adjustments and reviews for transportation concessions

Pursuant to contractual provisions, among them the annual readjustment date, the Brazilian Land Transport Agency (ANTT) proceeded to review and readjust rates for federal rail and road concessions.

It is important to note that Article 17 of Law 13,103/2015 (the so-called “Truckers Law”) made it possible for cargo transport vehicles that circulate empty to not pay toll on suspended axes. This unilateral change by the public administration led to the need to promote the economic and financial balance for highway concession contracts.

In response to requests by concessionaires in order to rebalance contracts, ANTT is conducting extraordinary reviews, effective as of the annual adjustment date of each contract, based on revenue loss estimates for each concessionaire arising from the toll waiver. At the next rate adjustment events, the rebalancing calculation for each contract will be subsequently reviewed based on actual loss revenue data.



Table 2 - Highway concessions

Concessionaire	ANTT Resolution	Ordinary review	Extraordinary review	Methodology for adjustment	Granted adjustment
Concer	4,805/15	22nd	9th	IPCA (BCPI) index	24.37%
Nova Dutra	4,788/15	20th	11th		16.80%
Via 040	4,787/15	-	2nd		37.12%
Rota do Oeste	4,811/15	-	3rd		65.86%



Table 3 - Railway concessions

Concessionaire	ANTT Resolution	Methodology for adjustment	Increase granted
Vitória to Minas Railway - EFVM	4,789/15	IGP-DI index	6.21%
Carajás Railway - EFC	4,790/15		6.21%
North-South Railway (FNS)	4,828/15		3.78%

## ELECTRICITY INVESTMENT PROGRAM

The Federal Government launched the Electric Power Investment Program (PIEE) on 11 August this year, with plans to contract electricity initially between August 2015 and December 2018. The Program’s time horizon includes contracting projects leading to R\$186 billion in total investments in electricity generation and transmission, of which R\$81 billion are planned to take place by 2018 and R\$105 billion after 2018.

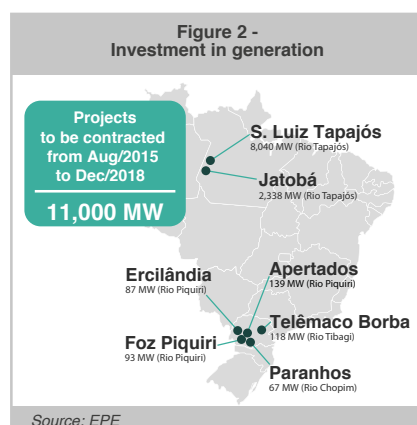
New contracts are expected to total R\$116 billion in investments and add from 25,000 to 31,500 MW to the national generating capacity. As for the transmission sector, investments should total R\$70 billion and add 37,600 kilometers to the country’s electricity transmission grid.

Table 4 – Investment in generation

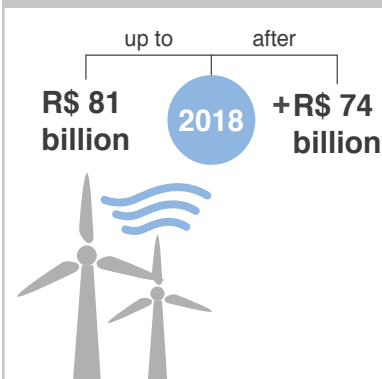
Plants	Power (MW)
Hydropower	11,000
Small Hydro	1,000 to 1,500
Wind	4,000 to 6,000
Solar	3,500 to 4,500
Thermal and biomass	2,500 to 3,500
Fossil thermal	3,000 to 5,000
<b>Total</b>	<b>25,000 to 31,500</b>

Table 5 - Investment in transmission

		Transmission Lines	Estimated investment* (R\$ billion)		
		in km	Up to 2018	After 2018	Total
Auctions with studies completed	Aug/15	5,000	8	-	8
	Oct/15	2,000	4	-	4
	Dec/15**	8,500	12	-	12
	2016	8,300	10	7	17
	<b>Total</b>	<b>23,800</b>	<b>34</b>	<b>7</b>	<b>41</b>

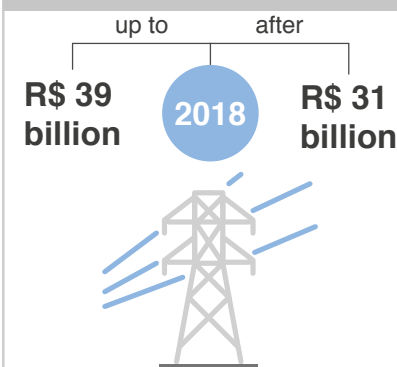


**Figure 3 - Investment in electricity generation**



Source: Seae/MF

**Figure 4 - Investment in electricity transmission**



Source: Seae/MF

**✳️ The draft auction notice is part of the documents that support the public hearing, and is available on the regulatory agency's website (<http://www.aneel.gov.br>).**

**Table 5 - Investment in transmission**

Auctions with studies in	2016-2018	Transmission Lines	Estimated investment* (R\$ billion)		
		2016-2018	2016	2017	2018
		13,800	5	24	29
<b>Total</b>		<b>37,600</b>	<b>39</b>	<b>31</b>	<b>70</b>

Source: EPE  
\*Includes investments in substations  
\*\* Part may be auctioned in 2016

## Financing conditions for generation

**Table 6 - Current BNDES conditions for generation**

<b>Share of ownership</b>	<ul style="list-style-type: none"> <li>HPP: up to 50%, noting DSCR <math>\geq</math> 1.2</li> <li>Wind, biomass, small hydro and PV: up to 70%, noting DSCR <math>\geq</math> 1.2</li> </ul>
<b>Deadline</b>	<ul style="list-style-type: none"> <li>Hydro (HPPs) with installed capacity of 1000 MW+: up to 20 years</li> <li>Hydro (HPPs) with installed capacity between 30 MW and 1000MW: up to 20 years</li> <li>Biomass, solar, small hydro and other alternative energy sources: up to 20 years</li> <li>Wind and steam generation from biomass: up to 16 years</li> </ul>
<b>Interest rate</b>	<ul style="list-style-type: none"> <li>TJLP + 1.2% risk spread</li> </ul>

DSCR - Debt service coverage ratio  
TJLP - Currently at 7.0% p.a.  
BNDES financing is conditional upon satisfying local content requirements

## Auction of existing HPPs

On 30 October this year, the Federal Government is scheduled to hold the Auction for Contracting Hydropower Plant Concessions, to be granted under the physical guarantee and power quota allocation regime, which have not been renewed in the terms of Law 12,783/2013. The National Electric Energy Agency (Aneel) has opened Public Hearing No. 54/2015 to discuss the matter.

## A-3 Auction

In August this year an auction was held for contracting new electricity generation projects from hydro, wind and thermal sources - the latter from natural gas, including combined cycle or biomass - under the Regulated Market Regime (ACR), with supply beginning on 1 January 2018 (the so-called A-3 Auction).

A total 669.5 MW of power were contracted in the auction, including wind, small hydro and thermal (biomass or natural gas) sources, at an average price of R\$188.87/MWh and investments estimated at R\$2.5 billion.

## Reserve Energy Auction

The 1<sup>st</sup> Reserve Energy Auction of 2015 was held last August. Thirty photovoltaic solar power generation projects (833.8 MW) were contracted, adding up to 1,043 megawatts-peak (MWp) in generation capacity. The average price of the auction was R\$301.79/MWh, reflecting a 13.5% discount over the initial price.

A total 669.5 MW of power were contracted in the auction, including wind, small hydro and thermal (biomass or natural gas) sources, at an average price of R\$188.87/MWh and investments estimated at R\$2.5 billion.

## Power transmission auction

Four of the 11 lots available were sold in the power transmission auction held in August this year, with estimated investments of R\$1.5 billion (19% of the total offered). In terms of length of transmission lines, the lots sold correspond to 914 miles or 20% of the offered extension.

Reasons for low participation in the auction include the delay in obtaining the licenses necessary for executing the works. The government is studying measures to improve the licensing model, which should be implemented for the coming auctions. One

relevant measure is the adoption of a fast-track system for licensing covering land permits, environmental licenses and licenses related to the preservation of historical heritage. In this case the focus is not on the relaxation of precautions to be observed, but rather on reducing the bureaucracy for the bidding process. In addition, the government is considering measures to attract foreign capital and studying the WACC to be applied at the auction.

## Celg-D Auction

The privatization process for CELG Distribuição S.A. - Celg-D - is ongoing. Celg-D is an electricity distributor in the state of Goiás, currently controlled by Eletronorte and owner of shareholding interest in the Companhia Celg de Participações - Celg-Par. The expectation is that the auction of shareholding control of Celg-D will be held in December this year. BNDES is the manager of the sale.

## Bidding for exploratory blocks for oil and natural gas

The 13th Bidding Round for oil and natural gas exploration and production blocks is scheduled to be held on 7 October 2015. The round includes 266 exploration blocks distributed between onshore and offshore areas. The award criteria for the bids remain the same already established in previous rounds. They are: a) minimum exploration program (40%); b) local content (20%); and c) signing bonus (40%). The minimum signing bonus amount stipulated in the bid is approximately R\$979 million.

## LOGISTICS INFRASTRUCTURE INVESTMENTS

Table 7 - Investment projects in the implementation stage

Sector	# of projects	Contracted amount (R\$ billion)
Ports	41	11.14
Highways	7	34.29
Airports	2	9.1
<b>Total</b>	<b>50</b>	<b>54.53</b>

Source: SEAE/Brazilian Ministry of Finance

Despite its position as the world's seventh largest economy in terms of GDP, data from the 2014-2015 Global Competitiveness Report places Brazil among the countries with less developed transport infrastructure (Brazil ranked 57th among 144 countries), which reduces the competitiveness of agribusiness, the industrial sector and services, and negatively impacts the potential output of the country.

To tackle this problem, the government is changing the regulatory environment to attract private sector participation and implement major infrastructure projects.

Infrastructure projects with private sector participation accounted for 1.1% of GDP in 2011. The Federal Government expects to increase that number to 1.8% of GDP in 2016.

The figures presented in Table 7 show federal concessions already carried out between January 2011 and March 2015, as well as authorizations granted for port, highway and airport projects.

The first stage of the Logistics Investment Program (PIL 1) was announced on 15 August 2012, with highway and railway concessions. In December of that year, the program was expanded to include ports and airports. The second stage of the Logistics Investment Program (PIL 2) was announced on 9 June 2015. The focus is on modernizing transport infrastructure as part of the country's growth recovery strategy. Considering the full set of PIL projects, investments for the new grants are summarized in the following table.

Table 8 - Investments - Projects

	# of projects	Value (R\$ billion)
New railway concessions	5	70.4
New railway investments - already granted	-	16
Ports (terminals)	50	11.9
Ports (private use terminals)	65 permit applications	9.3
Ports (early permit renewal)	22 applications under review	8.7
New railway concessions	15	49.0
New railway investments - already granted	11	15.3
International airports	4	8.4
Regional airports	7	0.1
<b>Total</b>		<b>189.1</b>

Source: SEAE/Brazilian Ministry of Finance

# New concessions



Table 9 - Leases of terminals in organized ports (forecast)

Port leases							
Block	Municipality	Terminal name	Capex forecast (R\$ million)	Cargo type expected	Future handling capacity (million tons)	Term (years)	Forecast for Auction
1 - Phase 1	Barcarena/PA	VDC29	501.1	Grain	5.1	25	2/2015
	Belém/PA	OUT1	218.2	Grain	3.4		
		OUT2	218.2		3.4		
		OUT3	218.2		3.4		
		STM01	356.0		Grain		
	Santos/SP	STS07 - Macuco	143.6	General cargo - cellulose	1.8		
		STS36 - Paquetá	199.6	General cargo - cellulose	1.8		
STS04 - Ponta da Praia		296.9	Grain	6.5			
<b>Subtotal Block 1 - Phase 1</b>			<b>2,151.8</b>	-	<b>30.5</b>	-	
1 - Phase 2	Barcarena/PA	VCD04	357.6	Alumina, coke/coal	4.4	25	2/2015
		VDC12	408.7	Diesel, biodiesel, gasoline, anhydrous ethanol, hydrated ethanol, kerosene, fuel oil, lye	3.7		
		VDC28	127.9	Diesel, biodiesel, gasoline, anhydrous ethanol, hydrated ethanol, kerosene, fuel oil, lye	0.9		
	Belém/PA	BEL01	145.7	Containers and general cargo	1.4		
		BEL02	117.7	Fuels	1.0		
		BEL03	117.7	Fuels	1.0		
		BEL04	105.4	Diesel, gasoline and kerosene	0.9		
		BEL05	12.6	Gaseous products	0.1		
		BEL06	11.0	Gaseous products	0.1		
		BEL07	117.7	Fuels	1.0		
		BEL08	159.5	Diesel, gasoline and kerosene	0.9		
		BEL09	63.8	Diesel, gasoline kerosene and LPG	0.5		
		BEL10	117.7	Fuels	1.0		
		BEL11	12.6	Gaseous products	0.1		
	Santarém/PA	MIR01	20.6	LPG	0.1		
		STM02	136.5	Fertilizers	1,6		
		STM04	11.0	Diesel, gasoline, kerosene and ethanol	0,1		
STM05		2.0	Diesel, gasoline, kerosene and ethanol	0,3			
STS10 - Saboó		203.7	Containers, vehicles and general cargo	1.6			
Santos/SP	STS11 - Outeirinhos	136.4	Fertilizers	0.1			
	STS13 - Ilha Barnabé	187.9	Petroleum products, chemical, lye, others	0.3			
	STS15 - Conceiçãozinha	34.2	Containers	3.2			
	STS20 - Outeirinhos	150.0	Salt/Fertilizers	3.3			
	STS25 - Alamoá	156.8	Petroleum products, chemical, ethanol and vegetable oils	0.7			
<b>Subtotal Block 1 - Phase 2</b>			<b>2,914.5</b>		<b>28.9</b>	-	

Table 9 - Leases of terminals in organized ports (forecast)

Port leases							
Block	Municipality	Terminal name	Capex forecast (R\$ million)	Cargo type expected	Future handling capacity (million tons)	Term (years)	Forecast for Auction
2	Aratu/BA	ATU12	326.4	Bulk minerals	2.8	25	1/2016
	Itaqui/MA	IQI31	333.0	Bulk minerals	4.3		
		IQI18	208.2	General cargo	2.0		
	Manaus/AM	MAO01	890.9	Containers	7.9		
	Paranaguá/PR	PAR01	120.3	General cargo - cellulose	1.3		
		PAR03	186.7	Bulk minerals	3.8		
		PAR07	279.4	Grain	6.3		
	Paranaguá/PR	PAR08	203.4	Grain	6.6		
		PAR09	115.5	Grains and sugar	3.0		
		PAR12	54.8	Vehicles	0.4		
	Rio de Janeiro/RJ	RDJXX	62.7	Grains - wheat	1.0		
	Santana/AP	MCP01	47.4	General cargo - forest products	0.9		
	Santos/SP	STSXX	950.0	Grain	14.0		
		STSYX	44.6	Liquid bulk	0.6		
	São Francisco do Sul/SC	SFSXX	200.0	General cargo	3.0		
	São Sebastião/SP	SSB01	1,077.0	Vehicles, trailers, containers and general cargo	9.1		
	Suape/PE	SUA05	981.1	Containers	10.9		
SUA07		678.5	Bulk minerals	12.7			
SUA10		363.3	Bulk minerals except iron	3.4			
SUAXX		45.0	Vehicles	0.2			
SUAYY		40.0	Grains - wheat	0.5			
<b>Subtotal Block 2</b>			<b>7,208.2</b>	-	<b>94.7</b>	-	-
<b>Grand Total</b>			<b>12,274.5</b>	-	<b>154.1</b>	-	-

Source: Federal Government



## Airports

Table 10 - Forecast for international airport concessions

International Airport	Passenger movement in 2014	Capex (R\$ billion)	PMI* - Date of approval of interested companies	PMI* - # of authorized companies	Deadline for submission of PMI studies (estimate)	Estimated date for auction (quarter)	Main investments
Florianópolis/SC (Hercílio Luz)	3,629,074	1.1	07/24/15	11	90 days after approval of the interested companies (10/22/2015)	1/2016	New passenger terminal and apron
Fortaleza/CE (Pinto Martins)	6,501,822	1.8	07/24/15	10		1/2016	Expansion of apron and passenger terminal
Porto Alegre/RS (Salgado Filho)	8,447,380	2.5	07/24/15	10		1/2016	Expansion of runway, apron and passenger terminal
Salvador/BA (Deputado Luís Eduardo Magalhães)	9,152,159	3	07/24/15	10		1/2016	Passenger terminal expansion and construction of 2nd runway

Source: Federal Government

Figure 5 - Map of airports

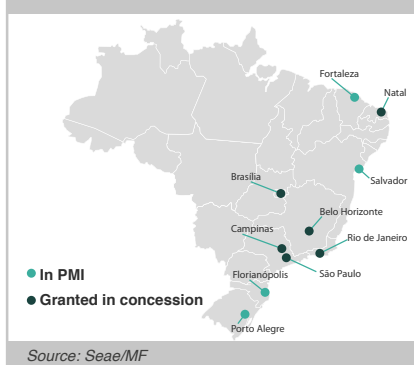


Table 11 - Forecast for regional delegated airport concessions

Airport	Capex (R\$ million)	Typical air service	Concession term (years)	Concession model
Araras/SP	7.7	General aviation	20	Common
Bragança Paulista/SP	10.8	General aviation	30	In blocks
Caldas Novas/GO	0.65	Commercial Aviation	20	Common
Campinas/SP (Amarais)	14.6	General aviation	30	In blocks
Itanhaém/SP	9.2	General aviation	30	In blocks
Jundiaí/SP	22.6	General aviation	30	In blocks
Ubatuba/SP	12.7	General aviation	30	In blocks

Source: Federal Government



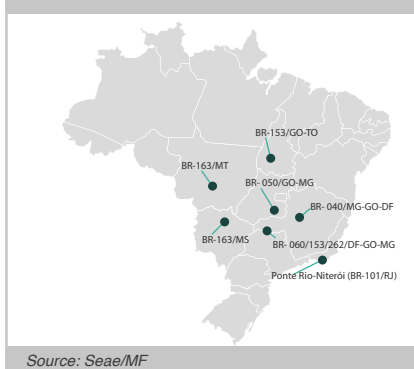
Table 12 - Forecast for highway concessions

Highway	Total length (km)	Capex (R\$ billion)	PMI* - Date of approval of interested companies	PMI* - # of authorized companies	Deadline for submission of PMI* studies	Period for public hearings	Estimated date of publication of the auction notice
BR-476/153/ 282/480/PR/SC <sup>1</sup>	399	4.3	05/19/2014	7	Delivered 01/15/15	07/14/15 to 07/30/15	Q4/2015
BR-163/230/MT/PA <sup>2</sup>	976	6.6	05/19/2014	7	Delivered 05/14/15	-	Q4/2015
BR-060/364/GO/MT <sup>3</sup>	704	4.1	05/19/2014	9	Delivered 05/14/15	-	Q4/2015
BR-364/365/GO/MG <sup>4</sup>	437	2.8	05/19/2014	6	Delivered 06/08/15	09/16/15 to 10/02/15	Q4/2015
BR-101/BA	199	1.6	07/28/2015	28	180 days after approval of interested companies (Expected date for all but BR-262/381: 01/24/16; Expected date for BR-262/381: 02/28/16)	-	-
BR-101/SC	220	1.1	07/28/2015	34		-	-
BR-101/116/ 290/386/RS	581	3.2	07/28/2015	29		-	-
BR-101/232/PE	564	4.2	07/28/2015	23		-	-
BR-101/493/465 RJ/SP	357	3.1	07/28/2015	26		-	-
BR-280/SC	307	2.1	07/28/2015	29		-	-
BR-262/MS	327	2.5	07/28/2015	29		-	-
BR-262/ 381/MG	305	1.9	09/01/2015	26		-	-
BR-267/MS	249	2.0	07/28/2015	27		-	-
BR-282/470/SC	455	3.2	07/28/2015	28		-	-
BR-364/MT/RO	806	6.3	07/28/2015	20		-	-

Source: Ministry of Transport

The companies that developed the studies chosen were:  
<sup>1</sup> - J. Malucelli Construtora de Obras S.A. e Concesolo Engenharia LTDA,  
<sup>2,3</sup> - Ecorodovias Infraestrutura e Logística S.A.,  
<sup>4</sup> - EGP - Empresa Global de Projetos LTDA

Figure 6 - Map of highways



Source: Seae/MF

## Concession Plan approved for BR-476 and public hearing opened for BR-364/365

The Ministry of Transport published the concession plan for the stretch of highways BR-476/153/282/480/PR/SC, which are to be awarded under concession as part of the Logistics Investment Program (PIL), with planned investments of R\$4.2 billion.

The 399-km stretch to be granted to the private sector consists of the BR-476/PR highway stretch between Lapa and União da Vitória/PR; the stretch of BR-153 between União da Vitória/PR and the junction with BR-282; the stretch of BR-282 between the junction with BR-153 and the junction with BR-480; and the stretch of BR-480 between the junction with BR-282 and Chapecó/SC.

Figure 7 - BR-476/153/282/480/PR-SC



Source: Seae/MF

Figure 8 - BR-364/365/GO-MG



Source: Seae/MF

Figure 9 - Map of railways



Source: Seae/MF

In addition to the concession plan, the ANTT has also submitted studies related to the highway stretch for review and approval by the Brazilian Federal Court of Audit (TCU), together with the draft bid notice and concession agreement.

To broaden the appeal of the auction, new rules have been established over previous highway auctions. New rules include the lifting of the minimum net equity requirement for companies (while maintaining the other economic-financial requirements) and the establishment specific rites and deadlines to be followed for reviewing requests to re-establish the economic-financial balance (cost adjustment) of projects.

The ANTT has also presented in a public hearing the drafts of the bid notice and concession agreement under the highway exploration program, as well as feasibility studies related to the concession of a 437-km stretch of highways BR-364/365/GO/MG, between the junction with BR-060 in Jataí/Go and the junction with LMG-479 in Uberlândia/MG. The stretch has an estimated Capex of R\$2.85 billion.

Additionally, it is important to note that the participation of foreign companies in these projects is being encouraged. The concession consists of a 30-year grant for exploration of the infrastructure and provision of recovery, conservation, maintenance, operation, improvements and capacity expansion services in the stretch.

Tolling will only be allowed to start after completion of the initial works on the highway system and the completion of 10% of duplication works.



## Railways

Table 13 - Forecast for railway concessions

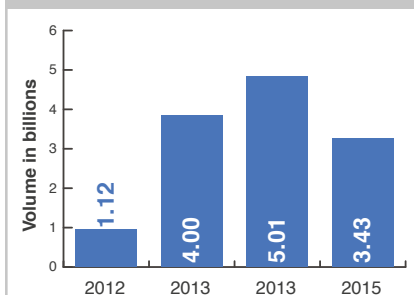
Railway	Total estimated length (km)	Estimated Capex (R\$ billion)	Deadline for submission of PMI* studies	Estimated date for bidding
<b>North-South Railway</b> (Anápolis/GO - Palmas/GO and Açailândia/MA - Barcarena/PA)	1,430	6.3	10/30/15	2016
<b>North-South Railway</b> (Anápolis/GO - Estrela D'Oeste/SP - Três Lagoas/MS)	895	4.9	09/30/15	2016
Lucas do Rio Verde/MT - Miritituba/PA	1,140	9.9	10/30/15	2016
Rio de Janeiro/RJ - Vila Velha/ES	572	7.8	-	2016
<b>Bioceânico</b>	3,500	40	-	-

\* PMI (Expression of Interest Procedures)

Source: Ministry of Transport

## INFRASTRUCTURE DEBENTURES

Figure 10 - Distribution amount of incentivized infrastructure debentures Art. 2, Law 12,432/2011 2012 - August/2015



Source: Anbima and ministerial ordinances

The main challenge for the G20 countries is to meet the high demand for stable funding for infrastructure. To address this scenario, Brazil has adopted a number of mechanisms through Law 12,431/2011 to facilitate and encourage the issuance of these instruments.

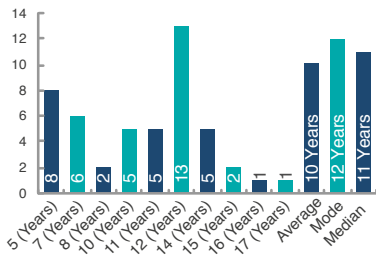
Indeed, since 2012 the volume and value of incentivized infrastructure debentures has gradually increased. With great participation of local institutional investors as well as individuals, issuing volume exceeded R\$13.6 billion from January 2012 until August 2015, covering a total of 80 projects related to energy, highway, railway and sanitation infrastructure. Total capex was of R\$75 billion, with average leverage of 18%.

One highlight is the issuance of R\$1.35 billion in incentivized infrastructure debentures by Vale in 2015. Considering the high demand for the debentures, the volume issued exceeded the value initially forecast by the company (R\$1 billion).

The securities were issued in two series. The rate of the first series ended up at IPCA (Broad Consumer Price Index) plus 6.62% per annum. As for the second series, the rate of the operation closed at IPCA plus 6.63% per annum. Thus, the rate of the operation was 0.5% above the amount paid by National Treasury bonds. Durations were of 4.37 and 5.74 years, respectively.

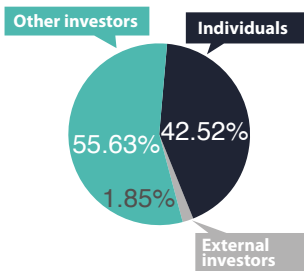
The funds raised by the mining company will be used to build and expand the Carajás Railway.

**Figure 11 – Maturity of debentures - series issued (in years) Art. 2, Law No. 12,431/2011 - 2012 - August/2015**



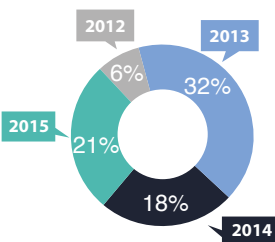
Source: Debenture issuance deeds  
Prepared by: SEAE/MF

**Figure 12 - Summary of debenture distribution - Art. 2, Law 12,431/2011 - 2012 - August/2015**



Source: Anbima and coordinating banks  
Prepared by: SEAE/MF

**Figure 13 - Average rate - Ordinances that issued debentures**



Source: Anbima and ministerial ordinances  
Prepared by: SEAE/MF

**Table 14 - Number of infrastructure debentures issued - Article 2, Law 12,431/11**

Incentivized debentures	Number of debentures				
	2012	2013	2014	2015	Total number issued
ICVM 400	2	5	5	3	15
ICVM 476	3	4	14	8	29
<b>Total</b>	<b>5</b>	<b>9</b>	<b>19</b>	<b>11</b>	<b>44</b>

Source: Anbima and ministerial ordinances. Prepared by: Seae/Brazilian Ministry of Finance

**Table 15 - Authorizing Ordinances Infrastructure Debentures - Article 2, Law 12,431/11 - Capex**

Scenario under ordinances	(Amount - R\$ million)				
	2012	2013	2014	2015	Total (R\$ million)
Capex - Linked to debentures issued	18.699	12.592	27.211	16.480	74.982
Capex - Pending issue	31.387	35.085	44.291	46.153	156.916
<b>Total</b>	<b>33.399</b>	<b>37.098</b>	<b>46.305</b>	<b>48.168</b>	<b>231.898</b>

Source: Anbima and ministerial ordinances. Prepared by: SEAE/Brazilian Ministry of Finance

**Table 16 - Number of Ordinances**

Scenario under ordinances	Number				
	2012	2013	2014	2015	Total (number)
Number (ordinances) - linked to debentures issued	5	9	40	26	80
Number (ordinances) - pending issue of debentures	9	43	77	83	212
<b>Total</b>	<b>14</b>	<b>52</b>	<b>117</b>	<b>109</b>	<b>292</b>

Source: Anbima and ministerial ordinances. Prepared by: SEAE/Brazilian Ministry of Finance

## REGULATORY AGENDA

### Highways



In the highways sector, since July 2015 ANTT has held public hearings 06/2015 and 07/2015 and public consultation 04/2015.

ANTT public hearing 08/2015, in turn, submits to review the draft bid notice, concession agreement, road exploration program and feasibility studies related to the concession of BR-364/365/GO/MG, which covers the stretch between the junction with BR-060 in Jataí/Go and the junction with LMG-479 in Uberlândia/MG. This hearing was opened by ANTT on 16 September, and will receive contributions from society until 2 October at 6 PM. Meanwhile, public hearings will be held in the cities of Jataí/GO (24 September), Uberlândia/MG (25 September) and Brasília/DF (29 September). The contributions received will be reviewed and answered by ANTT and may be used to improve the documents guiding the concession.

ANTT public hearing 06/2015 aimed to publicize and gather suggestions and contributions for the draft bid notice, draft agreement, exploration program and feasibility study to be adopted for the concession of the following road stretches: BR-476/PR, in the stretch between Lapa/PR and União da Vitória/PR and the border between the states of Paraná and Santa Catarina; the stretch of BR-282 between the junction with BR-153 and the junction with BR-480; and the stretch of BR-480 between the junction with BR-282 and Chapecó/SC. The contributions received from society have been reviewed and answered, and some of them were accepted by the ANTT (the report of the public hearing is available on the agency's website). As a result of the public hearing, the released documents were adjusted (especially the bid notice) in order to facilitate the attraction and participation of foreign investors in the bidding for concession of this road stretch.

## Highways



ANTT public hearing 07/2015 aimed to publicize and gather suggestions for the draft resolution that updates/reviews the methodology for calculating the Weighed Average Cost of Capital - WACC mentioned in Article 5 of Resolution 4,075 from 3 April 2013. The update/review of this methodology, expected to take place every five years, has been brought forward because of the need to adjust the compensation to current economic conditions. This fee is used to pay federal highway concessionaires for new investments made or about to be made and which were not foreseen in the Road Exploration Program - PER. The public hearing report has not yet been published.

ANTT public consultation 04/2015 aimed to publicize and obtain support for the proposed review of Article 10 of ANTT Resolution 3,651/2011, with the final goal of better clarifying the starting date of each five-year interval of the IRR applicable to Marginal Cash Flow calculations for new investments.

## Ports



In the water transport sector, the National Waterway Transportation Agency - ANTAQ - has held public hearing 02/2015 and opened public hearing 03/2015 to receive contributions from society.

ANTAQ public hearing 02/2015 sought to obtain contributions, inputs and suggestions to improve the draft normative act approved by ANTAQ Resolution 4,262.

ANTAQ public hearing 03/2015, which is expected to close on 2 October 2015, aims to obtain contributions, inputs and suggestions to improve the draft normative act approved by ANTAQ Resolution 4,271.

## Airports



Regarding the airline industry, the National Civil Aviation Agency - ANAC - conducted public hearings in July aimed at certifying aeronautical design elements and proposing amendments to the Brazilian Civil Aviation Regulation (RBAC) No. 111, which has provisions on the National Civil Aviation Quality Control Program for Security against Unlawful Interference Acts.

It has also opened public hearings (expected to close on 3 October) to present the draft edition of Brazilian Civil Aviation Special Regulation (RBAC-E) No. 94, which deals with general requirements for unmanned aerial vehicles and model airplanes, and to propose amendments to Brazilian Civil Aviation Regulation (RBAC) No. 67, which addresses the requirements for issuing aeronautical medical certificates, for the accreditation of doctors and clinics and for partnerships with public entities.

Table 17 - Public hearings held since July/2015

Agency	No.	Topic	Opening date	Closing date
ANEEL	AP 32/2015	Obtain inputs aimed at improving the instruments for renegotiating the risk of displacement of hydroelectric generation units participating in the Energy Reallocation Mechanism - MRE.	09/23/15	10/07/15
ANEEL	AP 37/2015	Review of procedures for access to the distribution system through direct connection to distributor-owned facilities.	06/05/15	09/04/15
ANEEL	AP 50/2015	Fourth periodic review of tariffs for DME Distribuição S.A. - DMED, effective from October 28, 2015, and definition of boundaries for indicators Average Interruption Duration per Consumer Unit - DEC - and Equivalent Outage Frequency per Consumer Unit - FEC - for the 2016-2019 period.	08/05/15	09/04/15
ANTAQ	AP 2/2015	Obtain contributions, inputs and suggestions for improvement of the draft normative act approved by ANTAQ Resolution 4,262, which deals with granting licenses to perform transport in cabotage and long haul navigation or to operate in maritime support and port support navigation to legal entities that have as their purpose water transport, are incorporated under Brazilian Law and have headquarters and administration in the country.	08/10/15	09/18/15
ANTAQ	AP 3/2015	Obtain contributions, inputs and suggestions for the improvement of the draft normative act approved by ANTAQ Resolution 4271, which governs the rights and obligations of users and companies operating in maritime support, port support, cabotage and long haul navigation and establishes administrative violations.	08/10/15	10/02/15
ANEEL	AP 52/2015	Proposal for regulation of Law 12,334/2010, which governs the National Dam Safety Policy, within the Brazilian electricity sector.	08/13/15	09/14/15
ANEEL	AP 54/2015	Improvement of the draft bid notice and annexes for Aneel Auction 12/2015 - officially named Auction for Concessions of Hydroelectric Power Plants under the physical guarantee and power allocation quota system, pursuant to Law 12,783/2013, with the wording given by Provisional Measure 688/2015.	08/19/15	09/18/15
ANP	CP 16/2015	Draft resolution establishing the requirements for the granting of licenses to conduct export trading activity and their regulation.	08/19/15	09/17/15
ANEEL	AP 56/2015	Normative Resolution aimed at regulating the procedures required for the enforcement of Provisional Measure 679/2015.	08/26/15	09/04/15
ANEEL	AP 55/2015	Improvement of the draft bid notice and annexes for Auction 09/2015, called 2nd LER (Reserve Energy Auction) 2015, intended for the procurement of power from new generation projects from solar photovoltaic and wind sources, with supply starting on 1st November 2018.	08/26/15	26/SEP/15
ANEEL	AP 57/2015	Define the calculation of specific tariffs for the members of the Brazilian Association of Large Industrial Energy Consumers and Free Consumers - Abrace - resulting from the suspended payment of the controversial part of the Energy Development Account (CDE) tariff contained in Technical Note 220/2015 issued by the SGT/ANEELI.	08/27/15	09/16/15
ANEEL	AP 58/2015	Obtain inputs for: (i) changing the marketing rules to allow for electrical constraints between Equivalent Energy Reserves - REEs - to be retained for pricing adjustment, in the same manner as electrical constraints arising from delays in transmission/distribution lines that represent energy flow limitations; and (ii) granting authorization to use by the ONS and CCEE of version 20.2 of the Newave Model and version 22.8 of the Decomp Model.	09/02/15	09/15/15
ANTT	AP 8/2015	Submits to review the draft bid notice, concession agreement, road exploration program and feasibility studies related to the concession of BR-364/365/GO/MG, which covers the stretch between the junction with BR-060 in Jataí/Go and the junction with LMG-479, at the contour west of Uberlândia/MG.	09/16/2015	10/02/2015
ANAC	AP 13/2015	Present the draft edition of Brazilian Civil Aviation Special Regulation (RBAC-E) No. 94, entitled "General requirements for unmanned aerial vehicles and model airplanes", and the draft amendment to Brazilian Civil Aviation Regulation (RBAC) No. 67, entitled "Requirements for issuing aeronautical medical certificates, for the accreditation of doctors and clinics and for partnerships with public entities".	09/03/15	10/03/15

Source: Federal Government

# NEWS FROM THE TRANSPORT SECTOR

On 14 August 2015, the Ministry of Transport issued guidelines for the companies authorized to prepare technical studies for the stretches being reviewed under the Expression of Interest Procedures (PMI). The goal is to answer questions about the preparation of the studies. The authorized companies will have 180 days to develop the studies from the date of publication of the ordinances authorizing the companies to conduct them.

On 1st September 2015, the Ministry also published its approval of the concession plan for highway BR-476/153/282/480/PR/SC in the Official Gazette of the Federal Government [Diário Oficial da União - DOU]. The concession plan is designed to support the new concession, present information on the stretch to be awarded and explain the current situation and expected improvements. The day before, the ANTT submitted documents relating to the stretch (studies and draft bid notice and agreement) to the Federal Court of Accounts of Brazil (TCU).

## PMI MONITORING

New notices for Expression of Interest Procedures (PMIs) have been launched since July 2015. The sectors covered are airport, port and highway infrastructure, coordinated (respectively) by the Civil Aviation Secretariat (SAC), the Secretariat of Ports (SEP) and the Ministry of Transport (MT).

For the highways sector, public notices have been launched for the development of studies on 11 federal highway stretches. They are: BR-101/BA; BR-101/SC; BR-262/MS; BR-267/MS; BR-280/SC; BR-364/MT/RO; BR-101/232/PE; BR-381/262/MG/ES; BR-470/282/SC; BR-101/465/493/RJ/SP; and BR-101/116/290/386/RS. On 29 July, the relevant companies (Table 18) were authorized to develop studies for all highways above except BR-381/262/MG/ES (for which authorization was issued on 1st September). These companies will now have 180 calendar days to deliver the concluded studies to the Ministry of Transport.

In the airports sector, public notices have been launched for the development of studies for the airports of Florianópolis/SC, Fortaleza/CE, Porto Alegre/RS and Salvador/BA. The companies (Table 19) were authorized to develop the studies on 24 July 2015, and will have 90 days from that date to deliver the projects to the SAC.

For the ports sector, public notices have been launched for the development of studies for lease port facilities. The companies (Table 20) were authorized to develop the studies on 27 August 2015, and will have 60 days from that date to develop the projects.

Table 18 - PMIs for highways


Authorized	101 BA	101 SC	262 MS	267 MS	280 SC	364 MT/RO	101/232 PE	381/262 ES/MG	470/282 SC	101/465/493 RJ/SP	101/116/290/386 RS	Total
Arteris S.A												1
Bourscheid Engenharia e Meio Ambiente S.A.												1
BRVias S.A												2
CASTILHO Engenharia e Empreendimentos S.A												2
CCR S.A												4
CONCREMAT Engenharia e Consultoria S/A												6
Concresolo Engenharia Ltda												5
Consórcio do Sul: STE Serviços Técnicos e Engenharia S.A., Magna Engenharia Ltda. e ENECON S.A												4
Consórcio ECOPLAN-SKILL: Ecoplan Engenharia Ltda. e Skill Engenharia Ltda												11
Consórcio ENGEC-SERTEC: ENGEC - Engenheiros Consultores Ltda. e SERTEC Sulatlântica - Representações e Serviços Ltda												5
Consórcio KL/STRATA/ZGB: KL Serviços de Engenharia S.A., STRATA Engenharia Ltda. e ZGB Consultoria e Gestão Empresarial Ltda.												6
Consórcio SETEPLA/SENER: Setepla Tecnometal Engenharia S.A. e Sener Ingeniería y Sistemas S.A.												11
Consórcio UFC/METROPOLITANA: UFC Engenharia Ltda. e Construtora Metropolitana S.A												3
Consórcio V.E.G.: Verax Consultoria e Projetos Ltda., Empresa Brasileira de Engenharia e Infraestrutura Ltda. e Geo Brasilis Consultoria, Planejamento, Meio Ambiente e Geoprocessamento Ltda												11
CONSTRUCAP-CCPS Engenharia e Comércio S/A												11
Construtora Saches Tripoloni Ltda												1
Enejota Cavalieri Engenharia Ltda												6
Ernst & Young Assessoria Empresarial Ltda												6
Estruturadora Brasileira de Projetos S.A - EBP												1

Table 18 - PMIs for highways

 Authorized	101 BA	101 SC	262 MS	267 MS	280 SC	364 MT/RO	101/232 PE	381/262 ES/MG	470/282 SC	101/465/493 RJ/SP	101/116/290/386 RS	Total
Iguatemi Consultoria e Serviços de Engenharia Ltda												7
Infrapar Projetos e Participações Ltda. and EMTUCO Serviços e Participações S/A												3
Infrapar Projetos e Participações Ltda												2
Investimentos e Participações em Infraestrutura S.A. -INVEPAR												7
IQS Engenharia Ltda. and Engimind Brasil - Consultores e Representação Ltda												11
Estruturadora Brasileira de Projetos S.A - EBP												1
Iguatemi Consultoria e Serviços de Engenharia Ltda												4
Infrapar Projetos e Participações Ltda. e EMTUCO Serviços e Participações S/A												3
Infrapar Projetos e Participações Ltda												7
Investimentos e Participações em Infraestrutura S.A. -INVEPAR												1
IQS Engenharia Ltda. e Engimind Brasil - Consultores e Representação Ltda												5
IQS Engenharia Ltda												5
Isolux Corsán Participações de Infraestrutura Ltda. and Cinco Engenharia Ltda												11
J. Malucelli Construtora de Obras S/A												3
José Cartellone Construcciones Civiles S.A. (JCCC)												3
Logit Engenharia Consultiva Ltda., JGP Consultoria e Participações Ltda. and AFIRMA - Engenharia e Projetos Ltda												6
Logit Engenharia Consultiva Ltda												5
MCA Auditoria e Gerenciamento Ltda												11
OHL Concessões Brasil Ltda.												11
Pavesys Engenharia de Pavimentos												11
Pentágono Serviços de Engenharia Civil e Consultoria Ltda												11
Planos Engenharia S/S Ltda												11
Proficenter Infraestrutura em Negócios Ltda												8
PROSUL - Projetos, Supervisão e Planejamento Ltda. and APPE - Assessoria Para Projetos Especiais Ltda												6
PROSUL - Projetos, Supervisão e Planejamento Ltda., APPE - Assessoria Para Projetos Especiais Ltda and Transplan - Planejamento e Projetos S.A.												1
QS Engenharia LTDA.												1
SAITEC Brasil - Serviços de Consultoria e Auditoria Ltda												11
Somague Engenharia S.A. do Brasil e Sacyr Concesiones S.L.												11
Toniolo, Busnello S.A												1
Topocart Topografia, Engenharia e Aerolevanteamento S/S Ltda.; GW Construções e Incorporações Ltda.; JM Terraplanagem e Construções Ltda.; Empreendimentos Técnicos de Engenharia e Comércio Ltda. (ETEC); CONTERC Construções, Terraplanagem e Consultoria Ltda.; Construtora ARTEC S/A; BASEVI Construções S/A; and DINAMIZA Consultoria e Engenharia Ltda												10
Triunfo Participações e Investimentos S/A												5
UNA Consultoria Econômica Ltda												1
Via Engenharia S.A												2
<b>Total</b>	<b>28</b>	<b>36</b>	<b>29</b>	<b>27</b>	<b>29</b>	<b>20</b>	<b>23</b>		<b>28</b>	<b>26</b>	<b>27</b>	<b>-</b>


Prepared by: SEAE/Brazilian Ministry of Finance

Table 19 - PMIs for airports

 Interested Companies	Florianópolis	Fortaleza	Porto Alegre	Salvador	Total
Concremat Engenharia e Tecnologia S.A. and Aeroservice Consultoria e Engenharia de Projetos Ltda.					4
Aéro Brasil Consortium: Verax Consultoria e Projetos LTDA, Empresa Brasileira de Engenharia de Infraestrutura LTDA, Fernandes Arquitetos Associados S/A and Geo Brasilis Consultoria.					4
Construcap - CCPS Engenharia e Comércio S.A.					4
Ernst & Young Assessoria Empresarial LTDA					4
Helpport Construções do Brasil S.A. and Corporación América S/A					4
Movsés & Pires Sociedade de Advogados, BF CAPITAL, JGP CONSULTORIA, LOGIT, M&P E PROFICENTERI					4
P2 Gestão de Recursos LTDA					4
PROSUL - Projetos, supervisão e planejamentos LTDA					1
Radar PPP LTDA, Pricewaterhousecoopers Serviços Profissionais Ltda., Pricewaterhousecoopers Corporate Finance & Recovery Ltda e Idom Consultoria Ltda.					4
Setepla Tcnomental S.A, Sener Ingeniería y Sistemans S.A. e Atp Engenharia Ltda					4
TPI - Triunfo Participações e Investimentos S.A.					4
<b>Total</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>-</b>

Prepared by: SEAE/Brazilian Ministry of Finance

Table 20 - PMIs for ports

 Authorized	Bid Notice 01 São Francisco do Sul/SC	Bid Notice 02 Santos/SP - Conceiçãozinha	Bid Notice 03 - Santos/SP - Ilha Barnabé	Bid Notice 04 - Suape/PE	Bid Notice 05 - Suape/PE	Bid Notice 06 - Rio de Janeiro/RJ	Total
V.E.G. Consortium: Verax Consultoria e Projetos Ltda., Empresa Brasileira de Engenharia de Infraestrutura Ltda and Geo Brasilis Consultoria, Planejamento, Meio Ambiente e Geoprocessamento Ltda							4
DTA Engenharia Ltda							2
Eagle Serviços Diferenciados Ltda							5
Freight Consultoria e Projetos Ltda							1
Linktech International Gestão de Tecnologia e Inovação Ltda							6
Merco Shipping Marítima Ltda							1
Planave S.A							1
Raízen Combustíveis S.A							1
Rpeotta Engenharia e Consultoria Ltda							6
Tegma Gestão e Logística S/A e NYK Line do Brasil Ltda							1
<b>Total</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>3</b>	<b>-</b>

Prepared by: SEAE/Brazilian Ministry of Finance

## Glossary

<b>ANAC</b>	National Civil Aviation Agency
<b>ANBIMA</b>	Brazilian Association of Financial and Capital Markets Entities
<b>ANEEL</b>	National Electric Energy Agency
<b>ANTAQ</b>	National Waterway Transportation Agency
<b>ANTT</b>	National Land Transportation Agency
<b>BNDES</b>	National Bank for Economic and Social Development
<b>WB</b>	World Bank
<b>CVM</b>	Brazilian Securities and Exchange Commission
<b>GIF</b>	Global Infrastructure Facility
<b>MF</b>	Ministry of Finance
<b>MIGA</b>	Multilateral Investment Guarantee Agency
<b>MT</b>	Ministry of Transport
<b>SAC</b>	Secretariat of Civil Aviation
<b>PMI</b>	Process for Manifestation of Interest
<b>SEAE</b>	Secretariat for Economic Monitoring
<b>SEP</b>	Secretariat of Ports
<b>TCU</b>	Federal Court of Accounts of Brazil
<b>WACC</b>	Weighted Average Cost of Capital

\*This newsletter aims to inform potential investors of opportunities and conditions for infrastructure investments in Brazil.

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