

Cooperation with emerging economies:

Opportunities, challenges and lessons learned

Agnes M. A. da Costa

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Ministry of
Mines and Energy



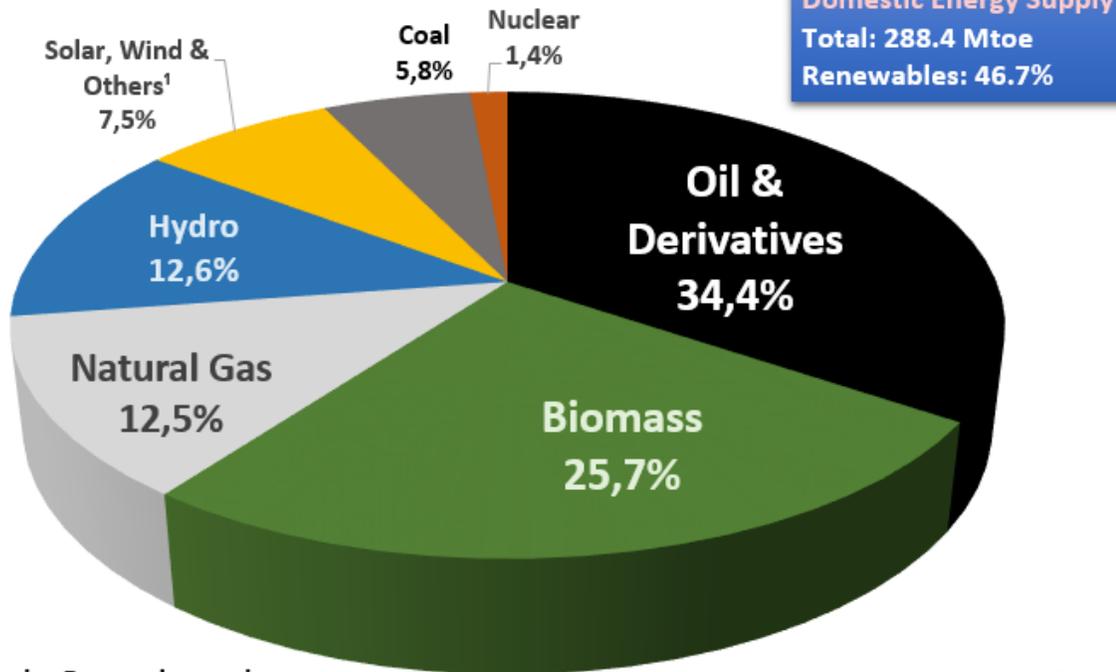
ABOUT BRAZIL

Ministry of
Mines and Energy



ENERGY MATRIX AND ELECTRICITY MATRIX

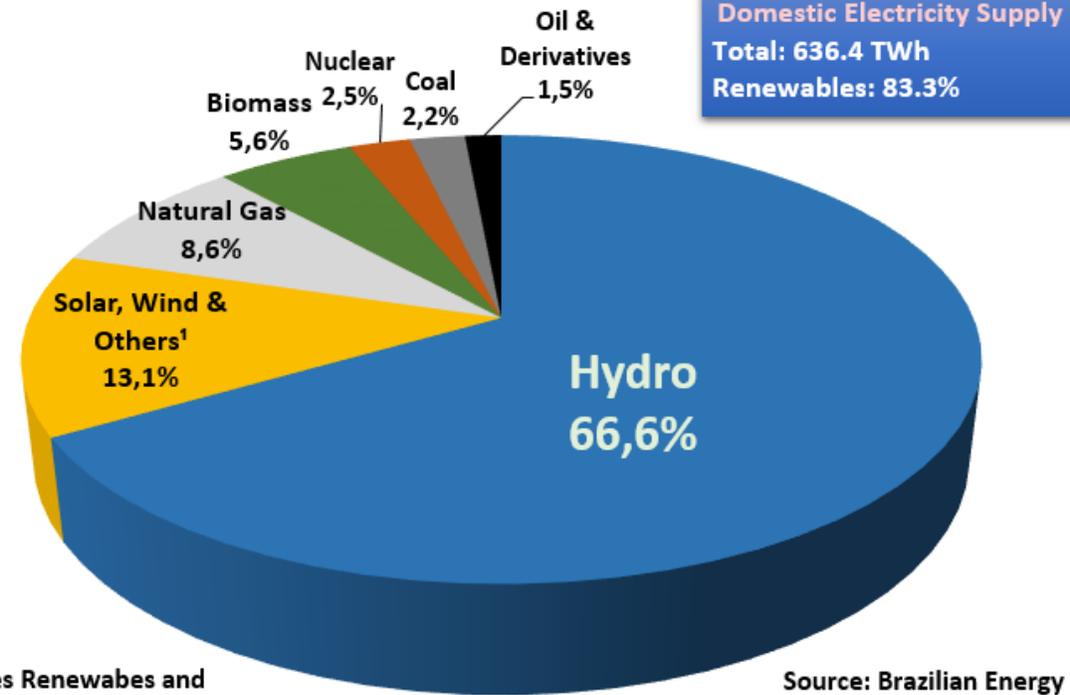
**Energy Matrix - Brazil
2018**



¹ Others includes Renewables and Non-Renewables.

Source: Brazilian Energy Balance 2019

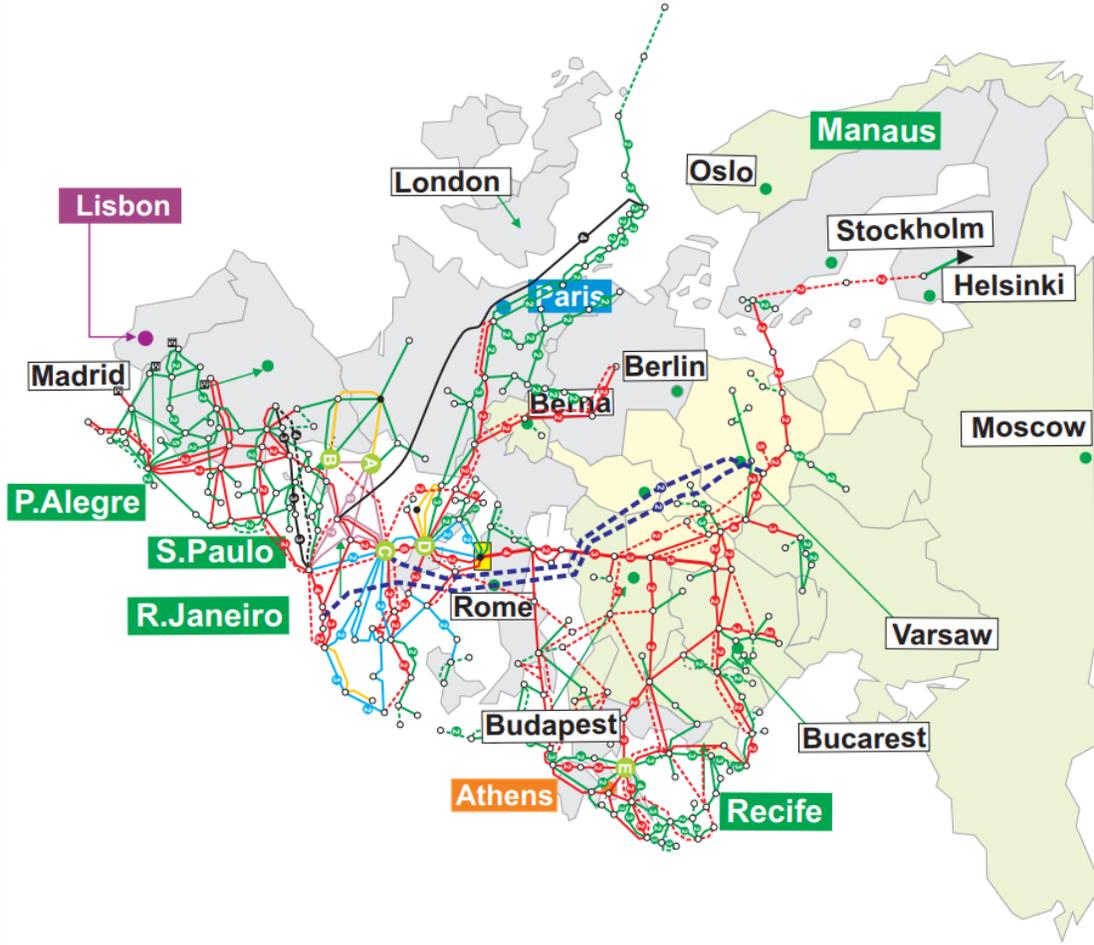
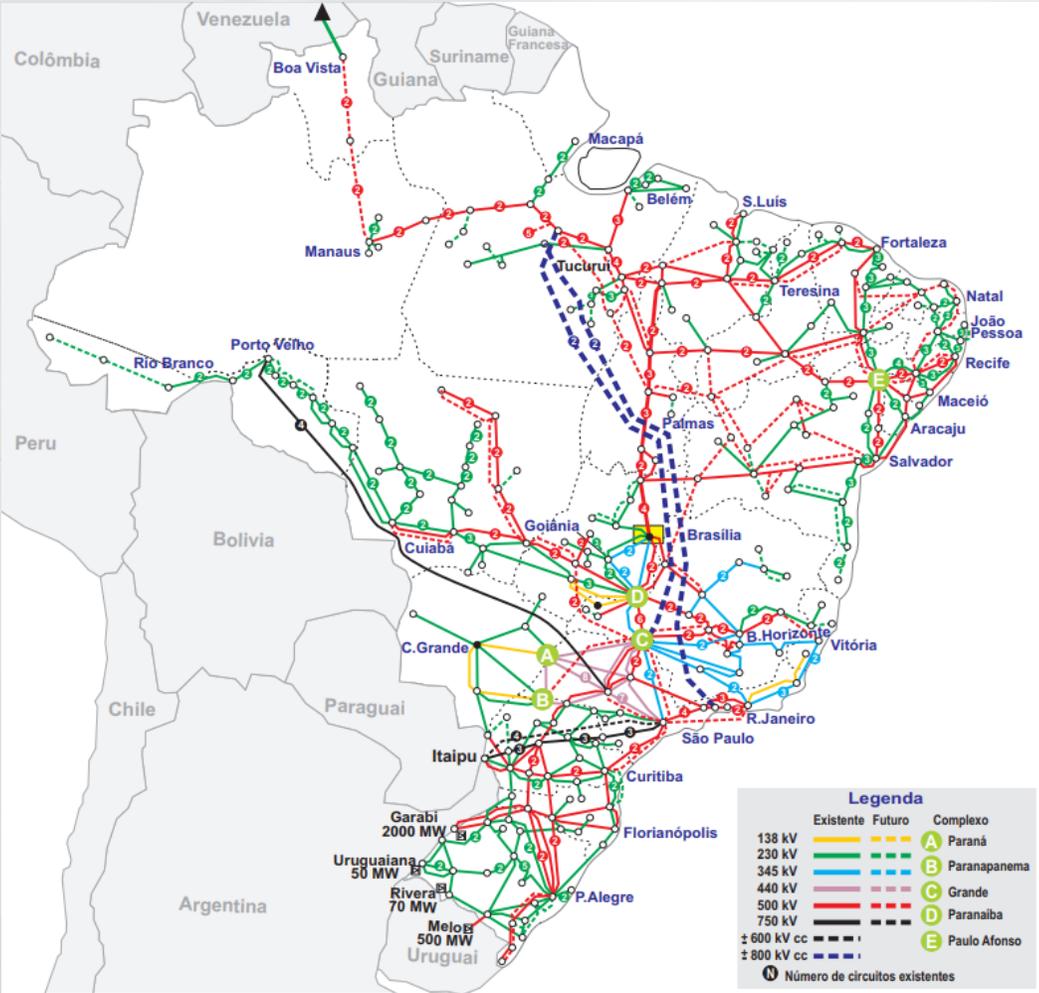
**Electricity Matrix - Brazil
2018**



¹ Others includes Renewables and Non-Renewables.

Source: Brazilian Energy Balance 2019

TRANSMISSION GRID AND EXPANSION CHALLENGE



GOVERNANCE

MME's Competences

Planning and execution of the mines and energy sectors policies

Fostering sustainability and economic, social and environmental development

Incentive to the development and use of new technologies

Search for the structural and conjunctural balance of the system and of supply and demand of energy resources

1/3 of
Brazilian GDP



WORKING GROUP ON THE MODERNIZATION OF THE ELECTRICITY SUPPLY INDUSTRY

Thematic Groups:

1st Wave

- Price Formation
- Supply Criteria
- Sustainability of Distribution
- Sustainability of Transmission
- Procurement Processes
- Simplification of Processes
- Adoption of New Technologies

2nd Wave

- Energy and Capacity Markets
- Energy Reallocation Mechanism (MRE)

3rd Wave

- Market Opening
- Cost and Risk Allocation
- Subsidies Rationalization
- Governance
- Auction Design

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OTHER WORKSHOPS*

National Workshops on Supply Criteria, on Price Formation and on the Procurement of capacity

International Workshop with international experts about:

1. The future of Distribution
2. Procurement of capacity
3. Price Formation

* foreseen

NEW GAS MARKET - POLICY

Brazilian Government Program to build an **open, dynamic** and **competitive** natural gas market

Axis

Development of competition

Integration of the gas to power and to industrial markets

Conciliate local* and federal regulations (27 States)*

Reduce tax barriers

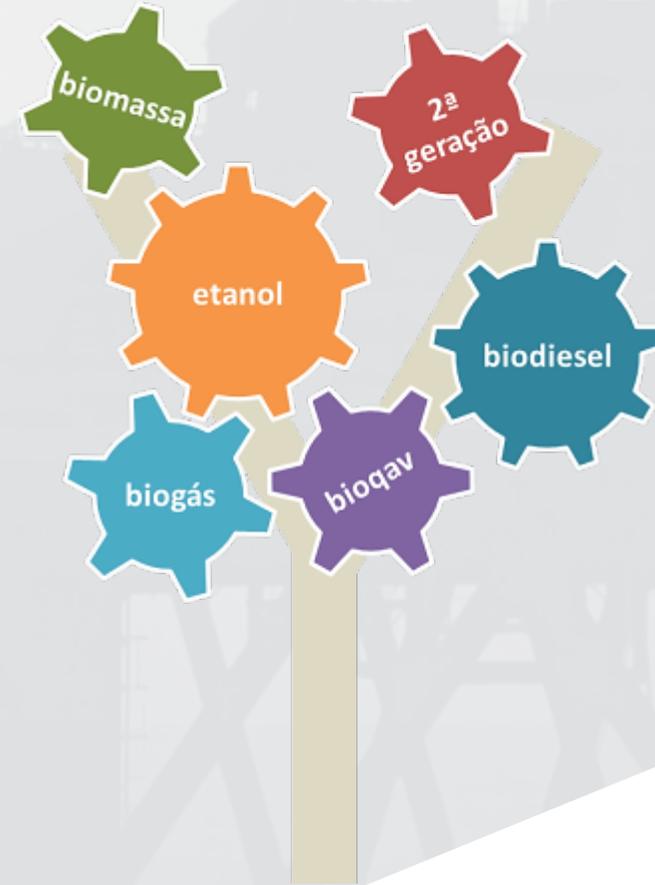
Expected Results

- Monetization of the natural gas from pre-salt, Sergipe-Alagoas and other basins
- Attract midstream investments
- Make feasible natural gas fired thermal power plants, reducing energy prices
- Foster industrial activity

RENOVABIO

Brazilian Government Program to expand the production of biofuels in Brazil

- No subsidies
- Biofuel Decarbonisation Credit (CBIO)



Renovabio

ENERGY EFFICIENCY – MAIN PROGRAMS AND NORMS



Brazilian Label Program
1984: applied to manufacturers and suppliers



Energy Efficiency Program
2000: applied to Distribution Companies



PROCEL
1985: Electricity Conservation National Program



Law 10.295
2001: Energy Efficiency Law



CONPET
1991: National Program for the rational Use of Oil and Gas



PNEf
Energy efficiency national Plan
2011: Directives

BRAZIL & IEA

Brazil and the IEA – within TCPs

Hydropower TCP – MME, Cepel

Effect of climate change on reservoirs + resilience

Bioenergy TCP – MME, Itaipu

CIBio – energy from biogas

Greenhouse Gas R&D (GHG TCP) - Petrobras

CCUS in O&G

Gas and Oil Technology TCP (GOT TCP) – FINEP

New technologies for O&G

Concentrated Solar Power (PACES TCP) – MME, Cepel

Brazil and the IEA – within CETP

Big Push for R&D

Development of database about R&D investments

Renewables Integration, Power System Flexibility, Energy Transitions Dialogues

New system requirements

Biofuture Platform

Dissemination of technical info, visibility

Energy Efficiency for Emerging Economies – E4

EE indicators



Agnes M. da Costa
Head of the Regulation Advisory Office at the Ministry of Mines and Energy - Brazil
agnes.costa@mme.gov.br

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