



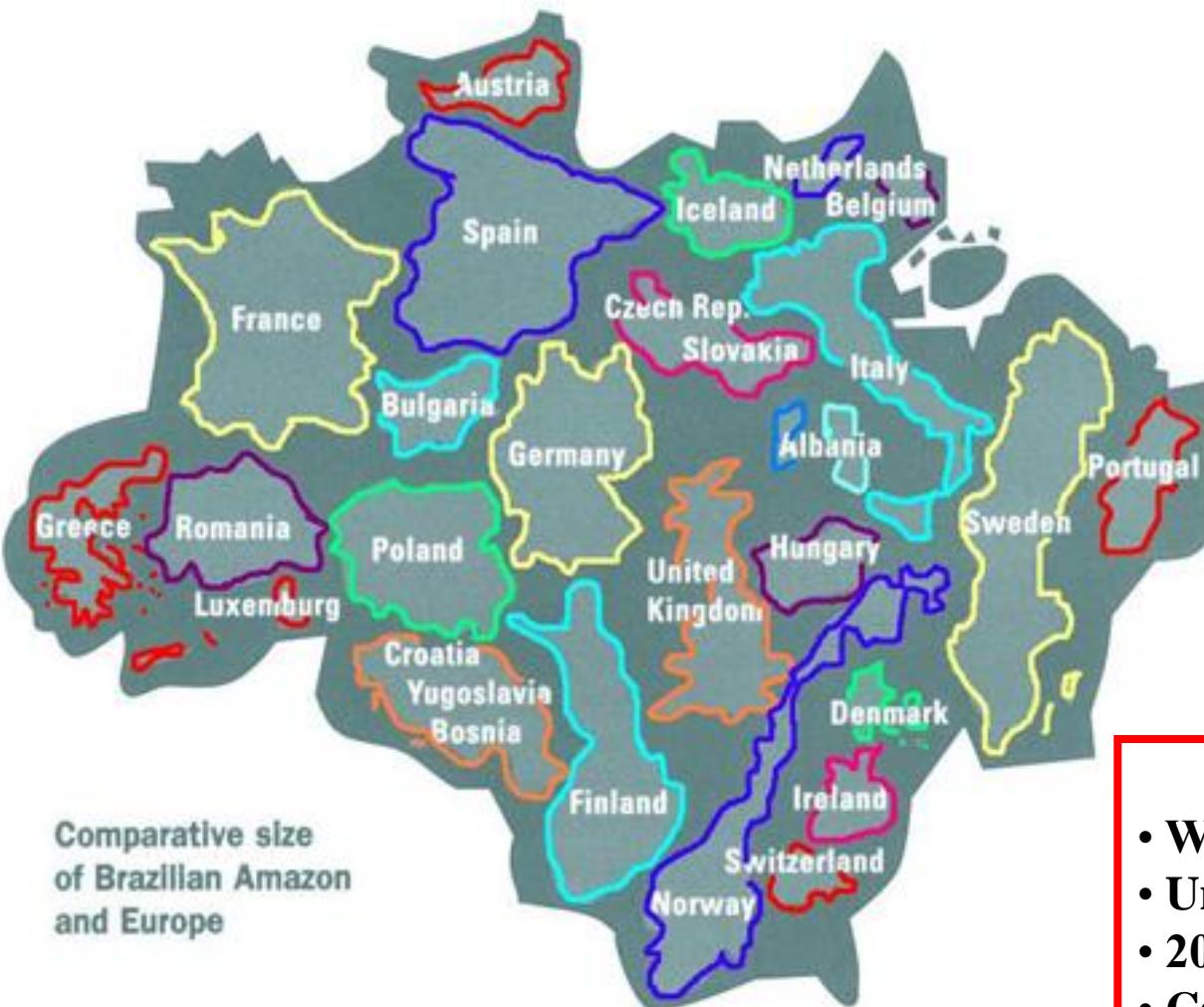
AMAZON FUND

Pre-GCF Board Meeting

Bali, Indonesia - February 17, 2014

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BNDES - Amazon Fund
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The Brazilian Amazon challenge



- 5.1 million Km²
- 23 million people (12% of Brazil's)
- 350,000 indigenous people
- 70% urban population
- 46% below poverty line (2nd poorest region)
- 17% deforested

Global Benefits

- World's largest rainforest
- Unique biodiversity
- 20% globe's fresh water
- Carbon stocks

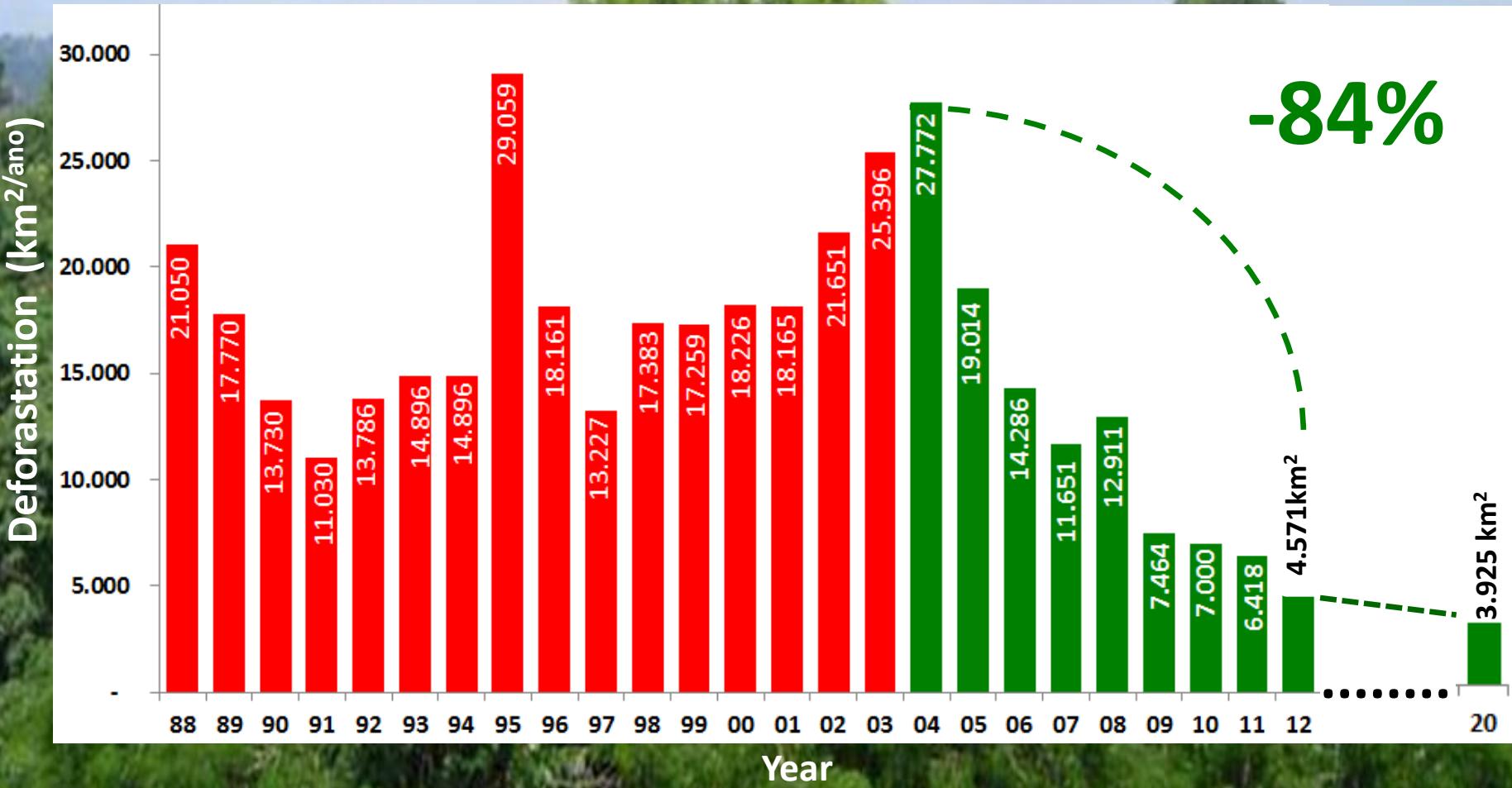
Satellite-based Monitoring of the Brazilian Amazon



INPE is leading the world in the use of satellite imagery to monitor tropical deforestation

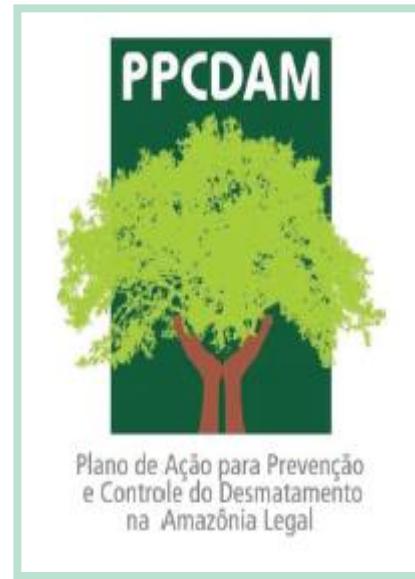
PRODES, DETER, DEGRAD, DETEX





Deforestation in 2012: 4.571 km²
Reduction since 2004: - 84%

National Policy Strategy - PPCDAM

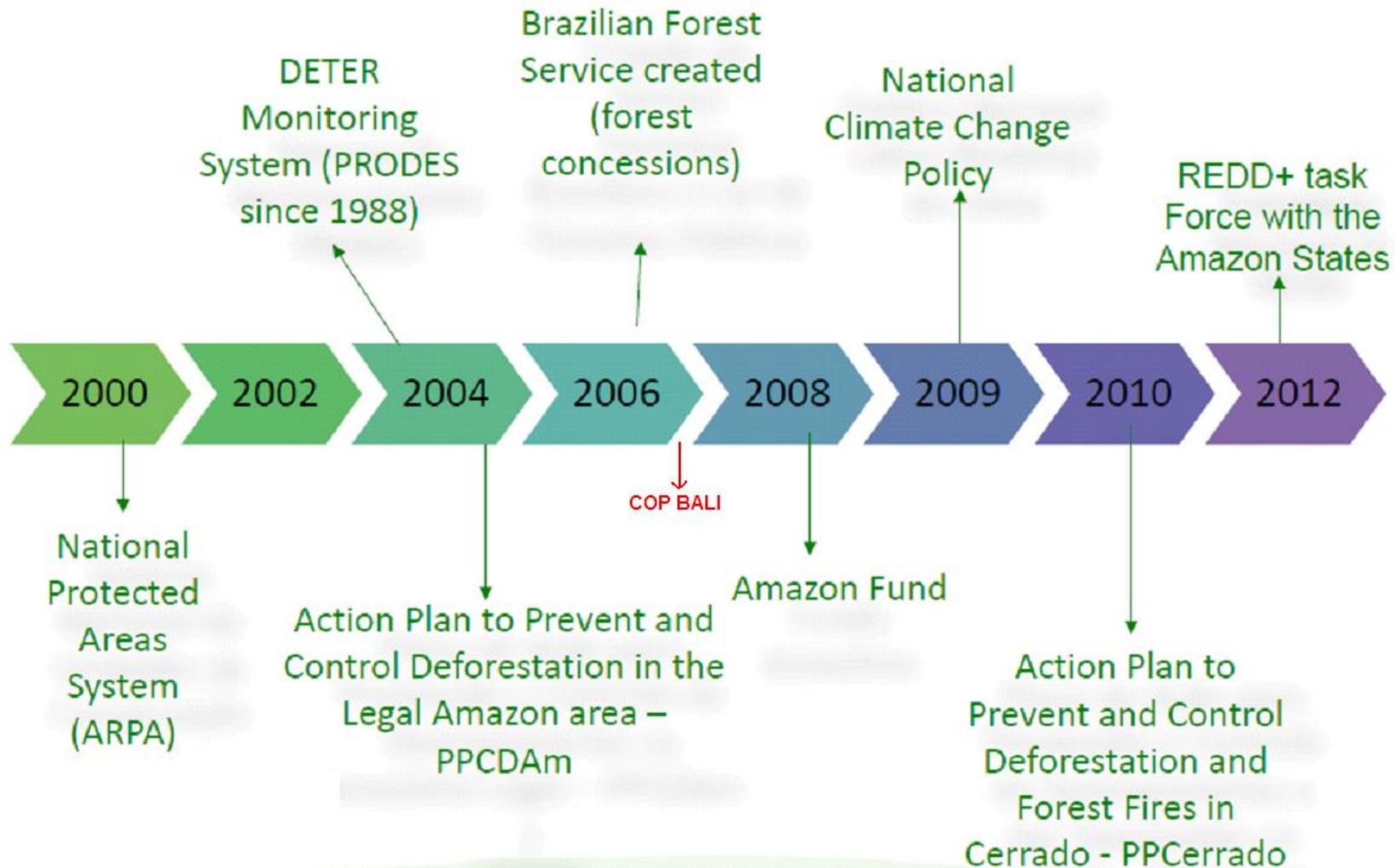


Agrarian and territorial
planning

Monitoring and
Control

Sustainable
Production Activities

Brazil efforts to reduce deforestation



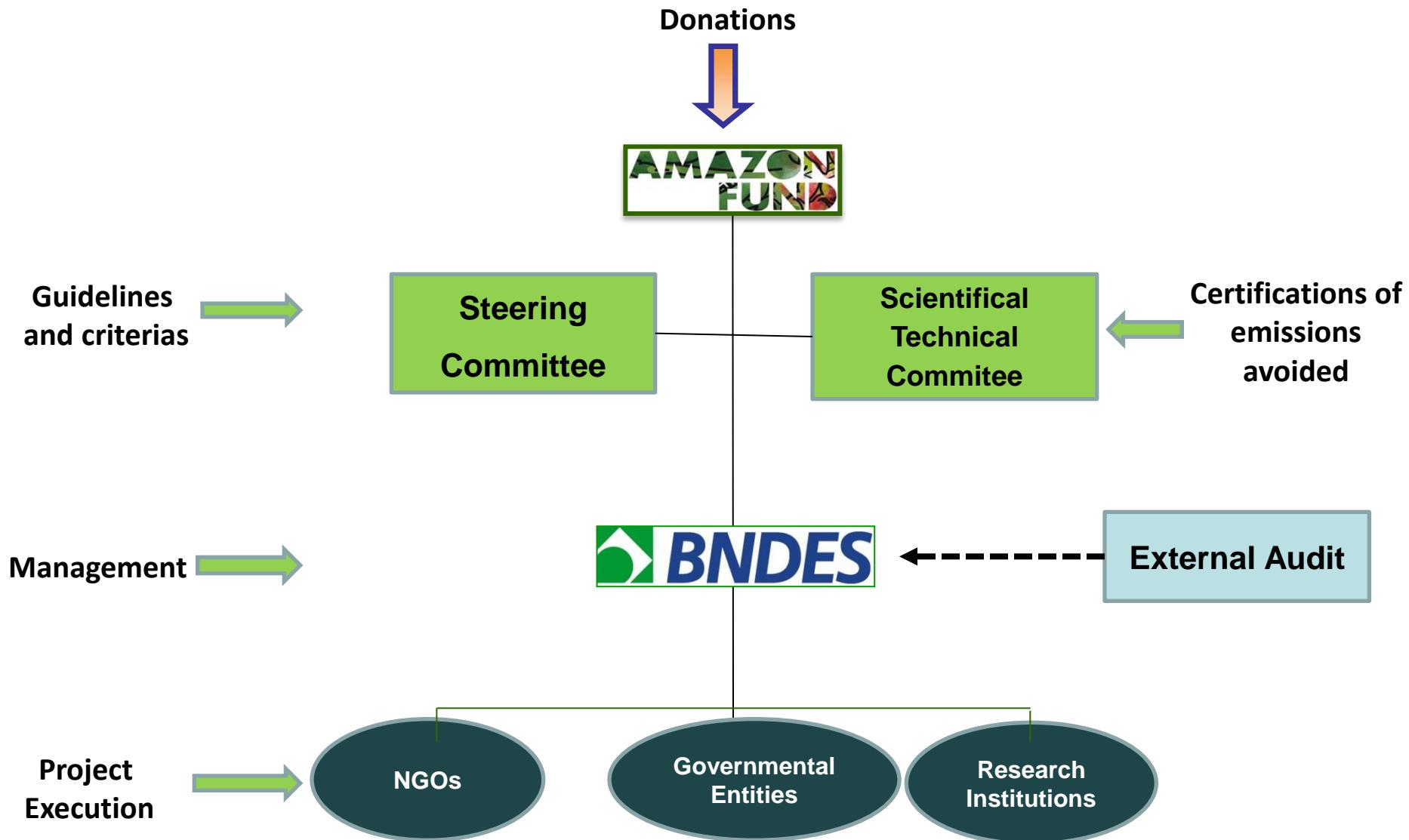


Legal Framework - 2008

Objective: *to raise donations to invest in* efforts to fight deforestation and promote conservation and sustainable use of the ***Amazon Biome***

Up to 20% of the resources may support deforestation monitoring systems in other Brazilian biomes and in tropical forests in other countries

Amazon Fund's Governance



Why BNDES as a manager?

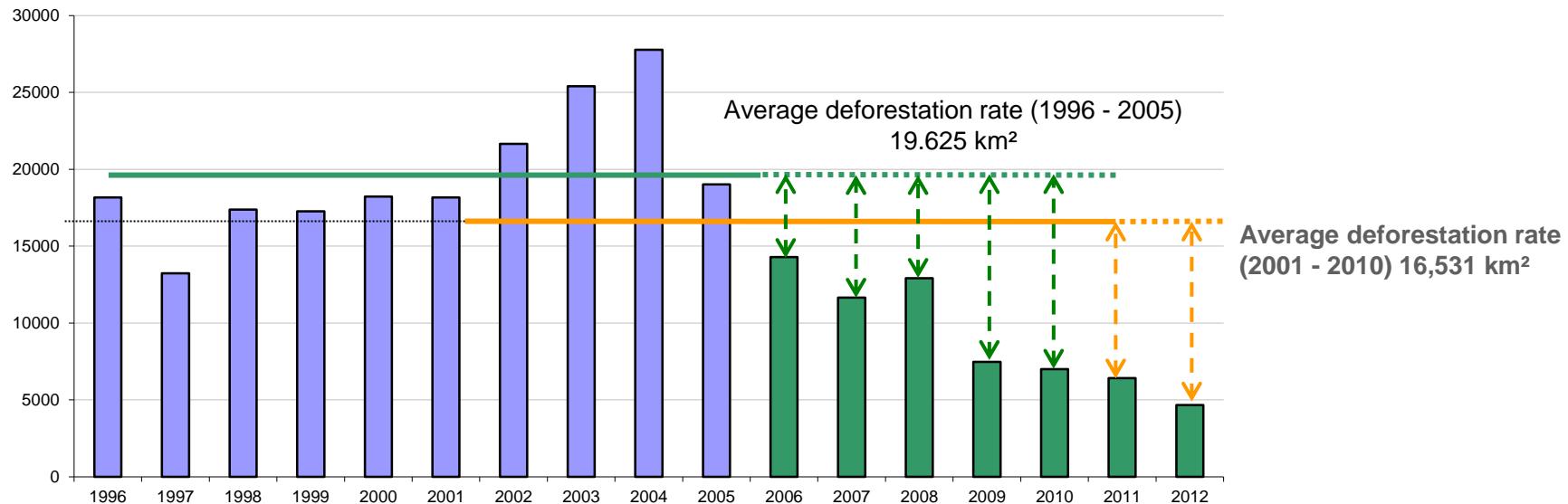
- **National development bank**
- **Long experience** (1952) in implementing structural projects
- **Strong** fiduciary and safeguards instruments
- **Key instrument** for the federal government's economic policies
- Main provider of **long-term financing** in Brazil
- **Activities and capability** in environmental and social projects

US\$ 88.1 billion of disbursements in 2013

Fundraising Mechanism

Quantity Performance Payments' Approach

Deforested area in the Amazon Biome (km²)



Formula

Step 1

$$\text{RED} = (\text{ADR} - \text{DR}) \times \text{EF}$$

Where:

RED - Reduced Emissions of Deforestation in tons of Carbon (tC)

ADR - Average of Deforestation Rate (ha)

DR - Annual Deforestation Rate to the period considered (ha)

EF - Emission Factor in tons of Carbon per hectare of forest - tC/ha

Step 2

$$\text{PF} = \text{RED} \times \text{CF}_{\text{C-CO}_2} \times \text{US\$ 5,00}$$

where:

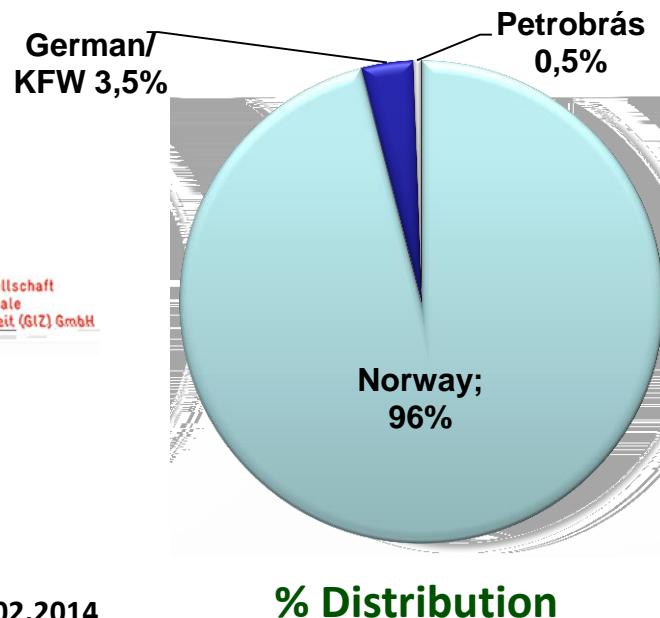
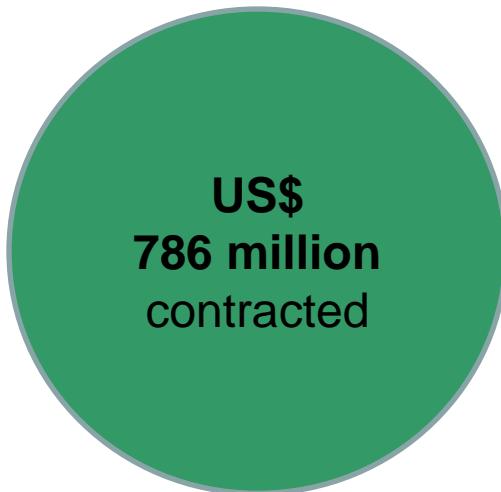
PF - Potential Annual Fund-raising

RED - Reduced Emissions of Deforestation in tons of Carbon (tC)

CF_{C-CO₂} - Conversion Factor from C to CO₂ = 11/3 CO₂/C

Fundraising

Donations



giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

Position on 04.02.2014

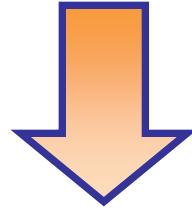


**AMAZON
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Strategic resources for sustainable development in the Amazon

July 2009

- ✓ first projects were submitted



December 2013

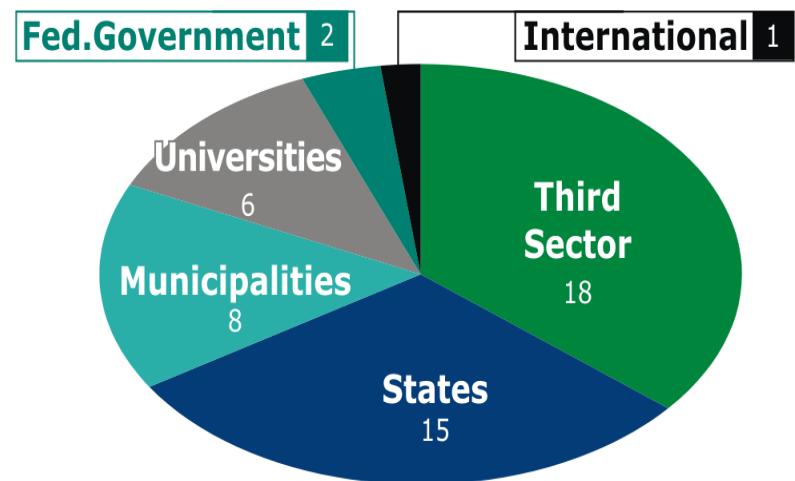
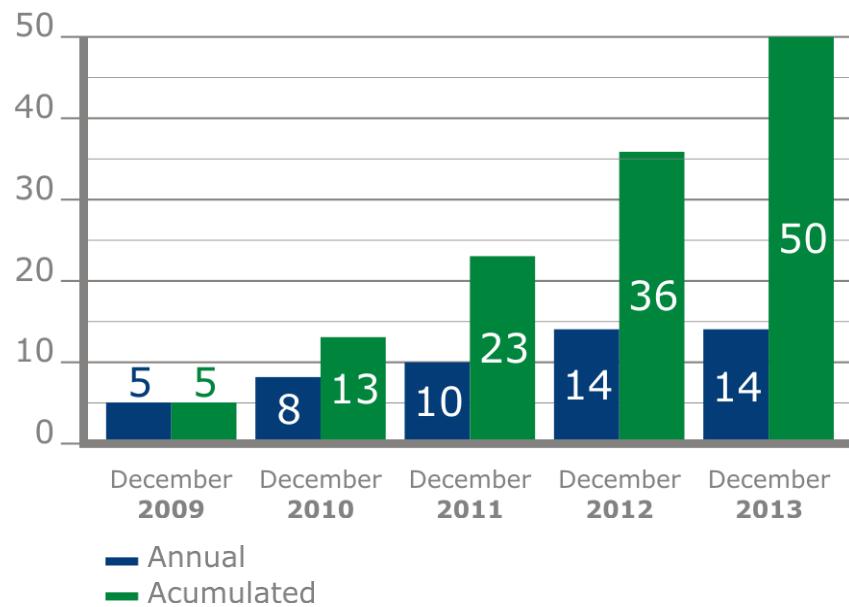
- ✓ 50 projects supported, totaling US\$ 329 million
- ✓ 47 projects under consultation or analysis (US\$ 340 million)

Amazon Fund's supported projects

Evolution 2009-2013

Supported Projects | **50**

Supported Projects (US\$) | **329 millions**

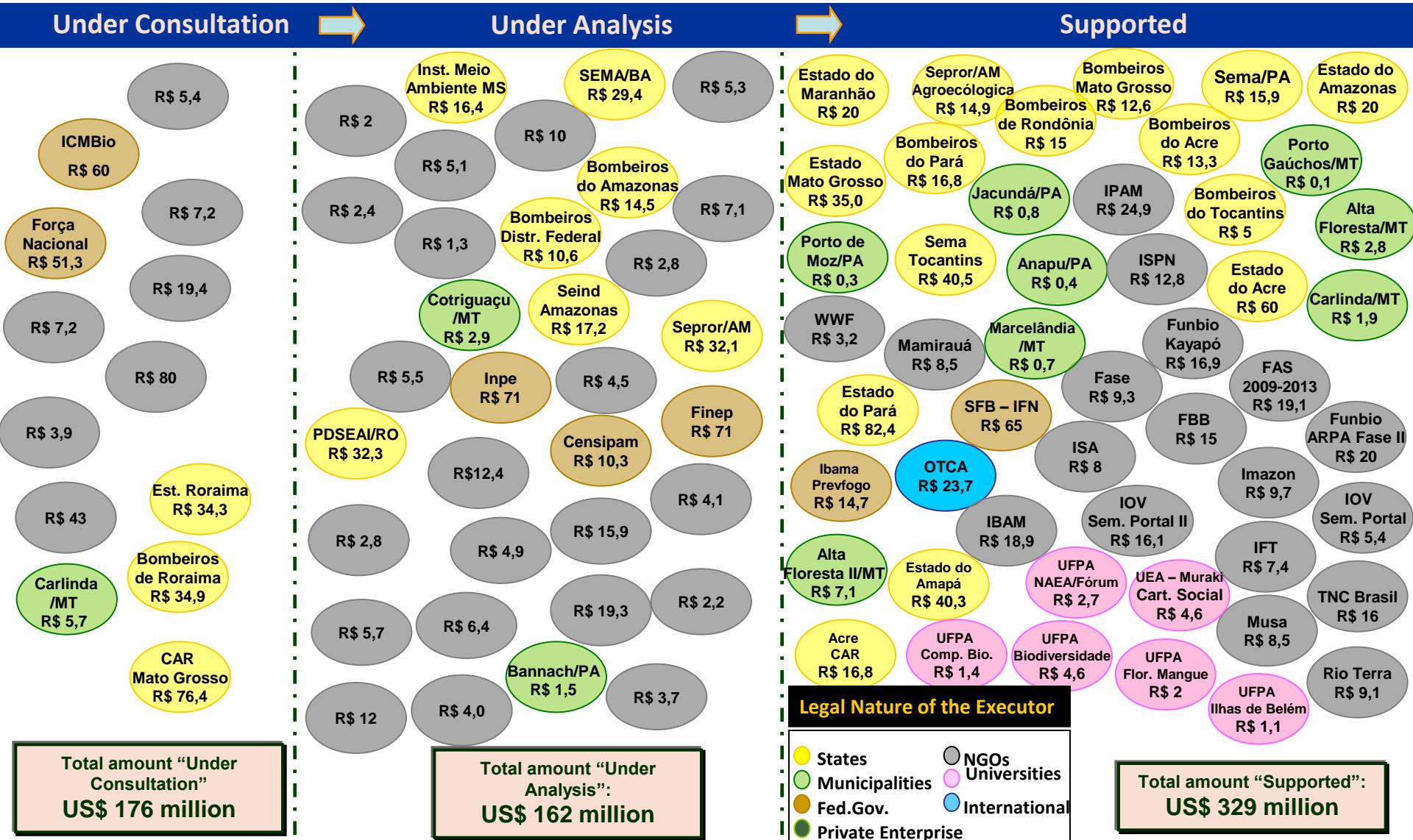


A new sustainable development model



Portfolio – December - 2013

92 projects in the portfolio (US\$ 667 millions)



Communication and Transparency



- 41** News bulletins
- 65** Portfolio reports
- 4** Annual Reports (Portuguese and English)
- 2** Short films produced
- 250** messages / year: fundoamazonia-faleconosco@bndes.gov.br

www.fundoamazonia.gov.br

COFA's discussions available on the Amazon Fund's website

http://www.fundoamazonia.gov.br/FundoAmazonia/fam/site_pt/Esquerdo/Fundo/cofa.html

THANK YOU!
TERIMA KASIH!
TAKK! DANKE!
OBRIGADA!

**AMAZON
FUND**

Brazil protects it. The world supports it. Everybody wins.

