

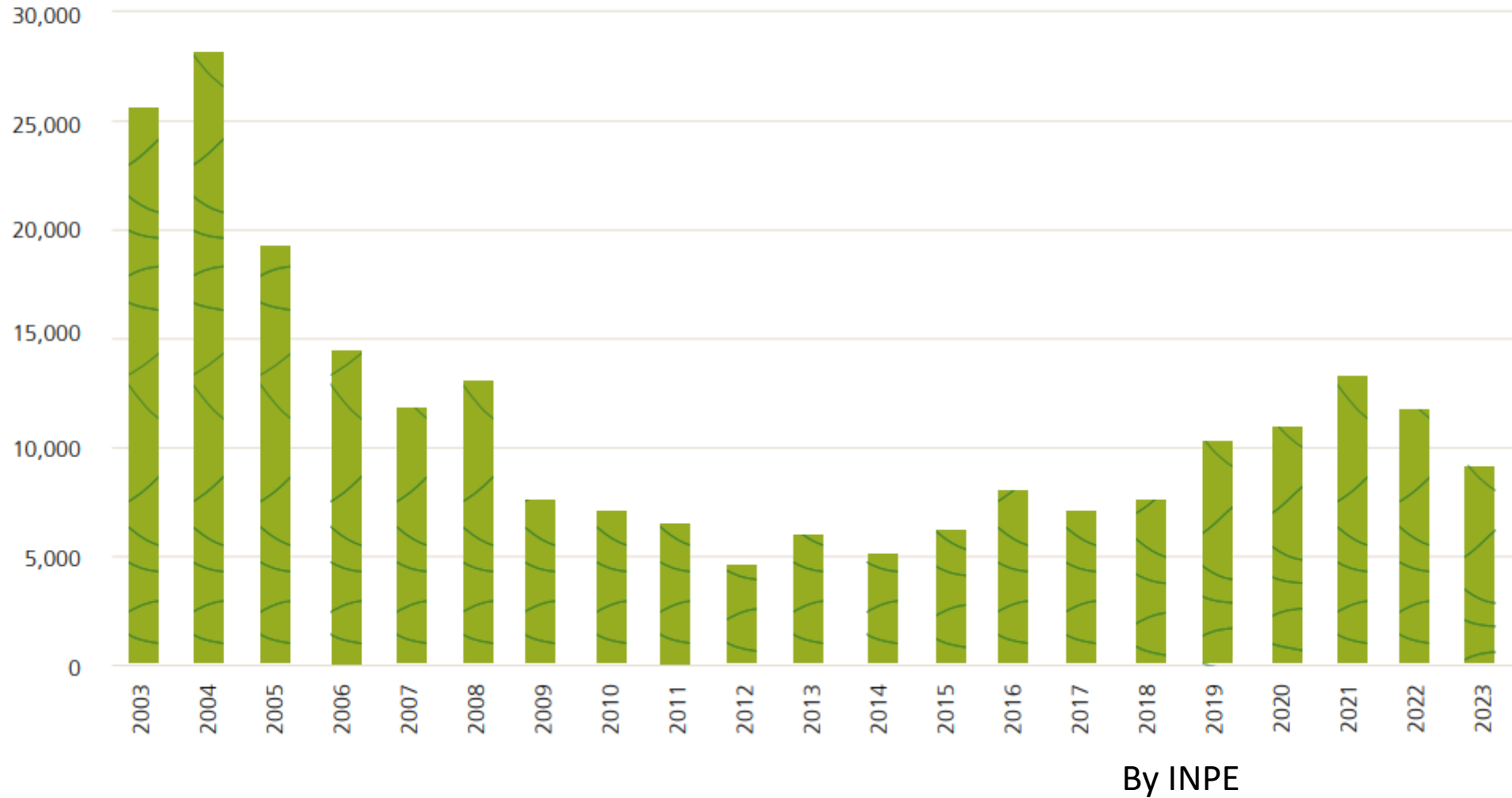
Amazon Fund

**AMAZON
FUND**

September 2024

Deforestation rates (INPE)

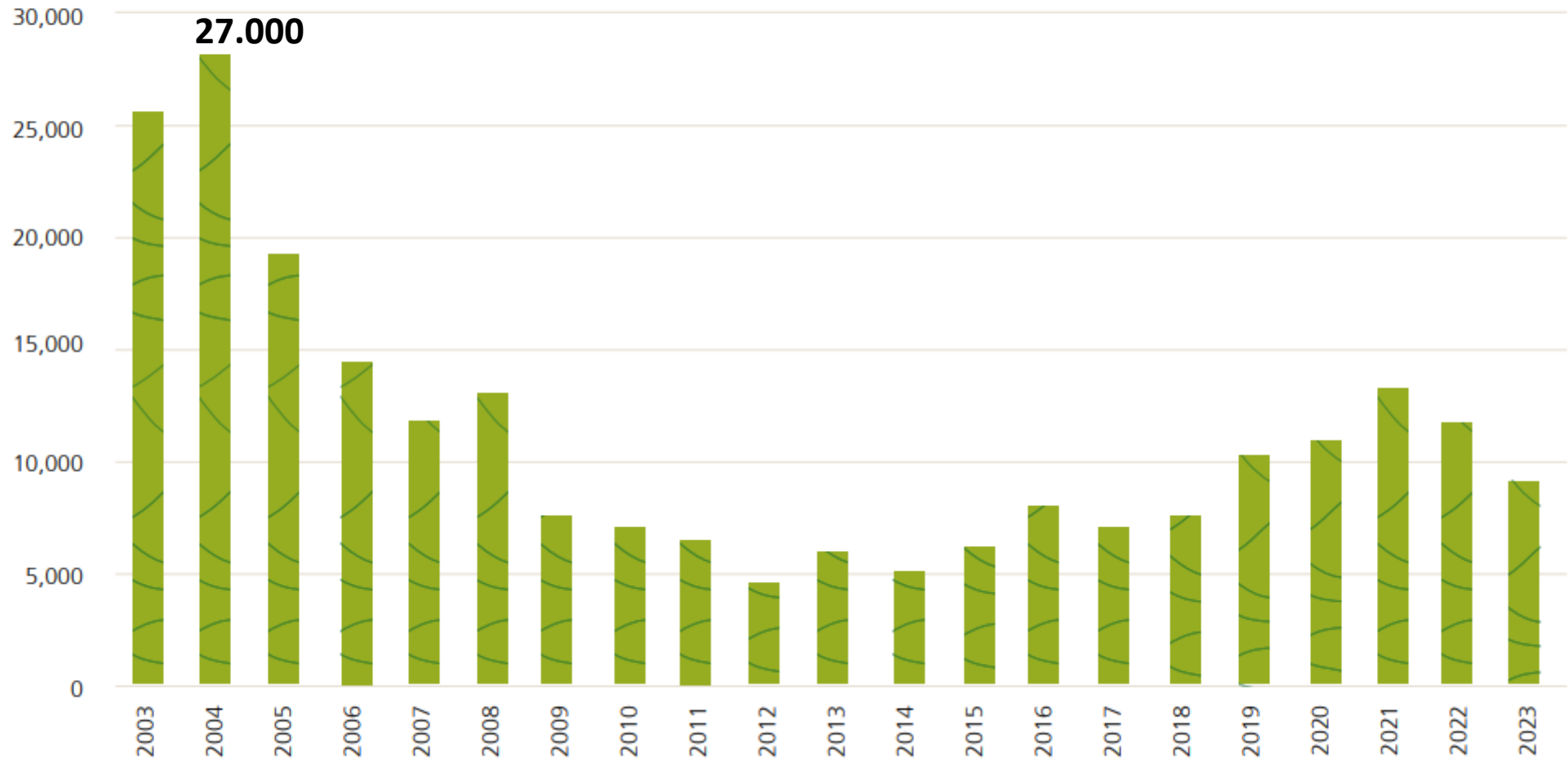
GRAPH 2 | ANNUAL DEFORESTATION IN THE LEGAL AMAZON BY CLEAR CUTTING (KM²) *



By INPE

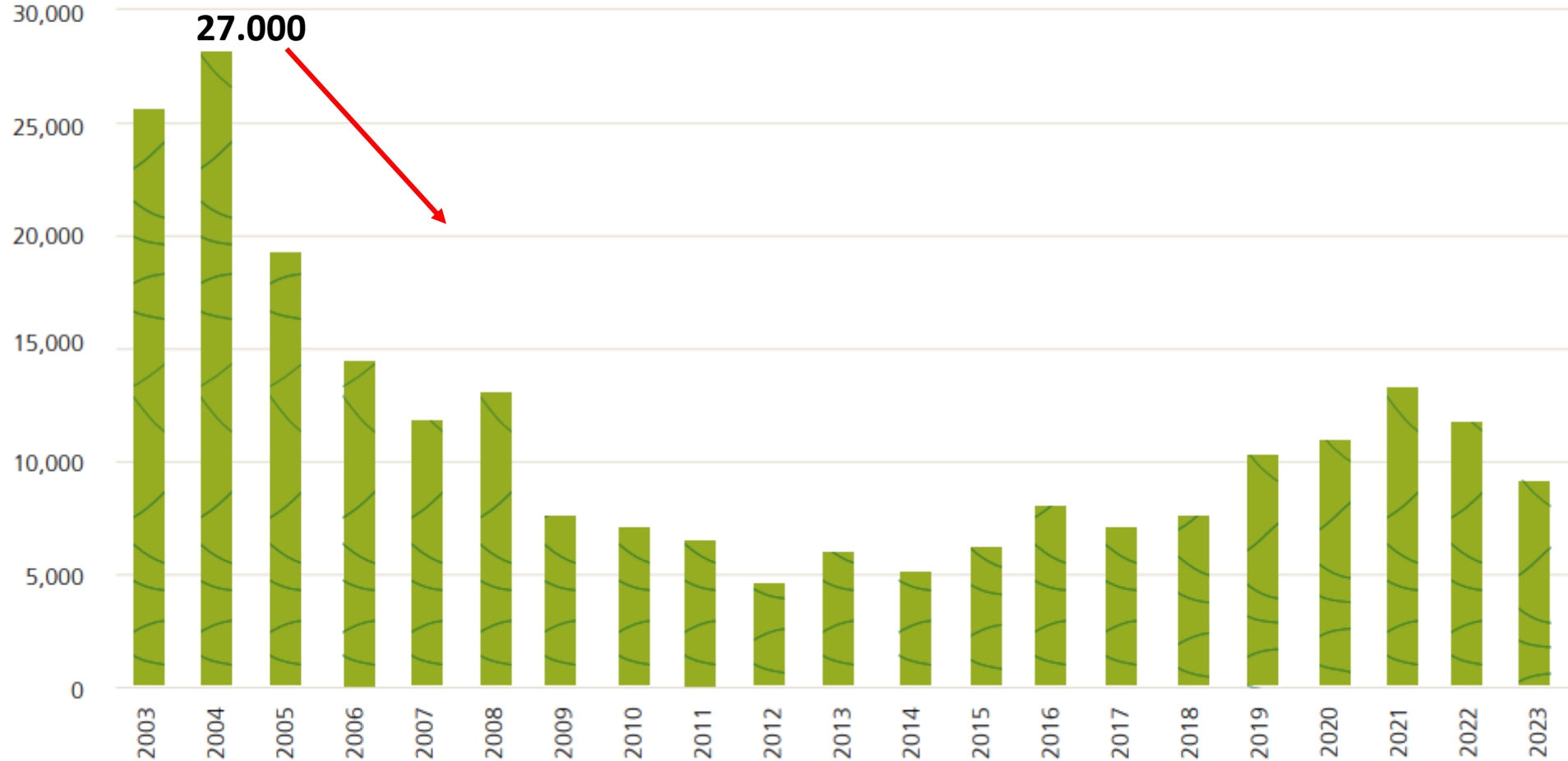
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PPCDAm Launch:



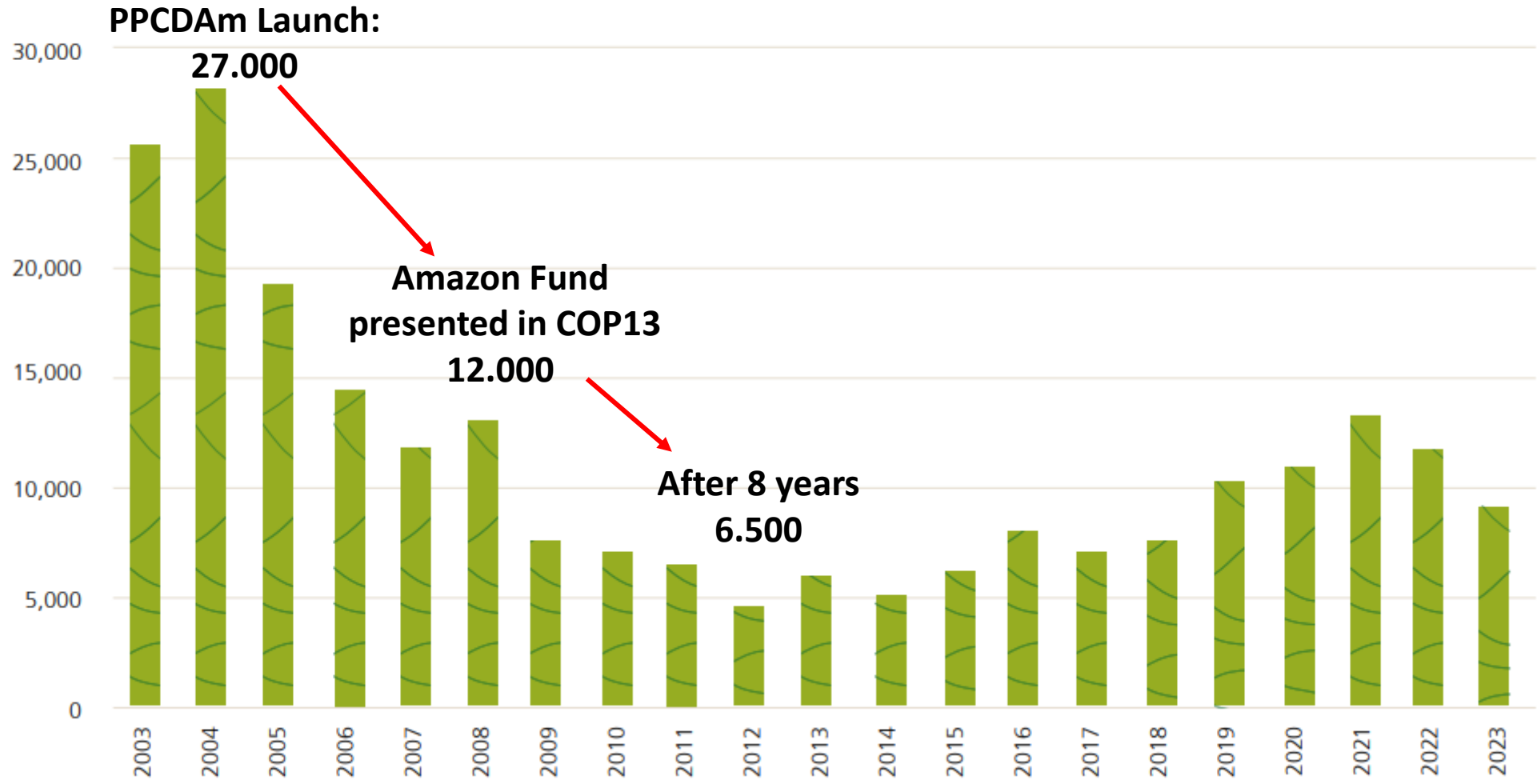
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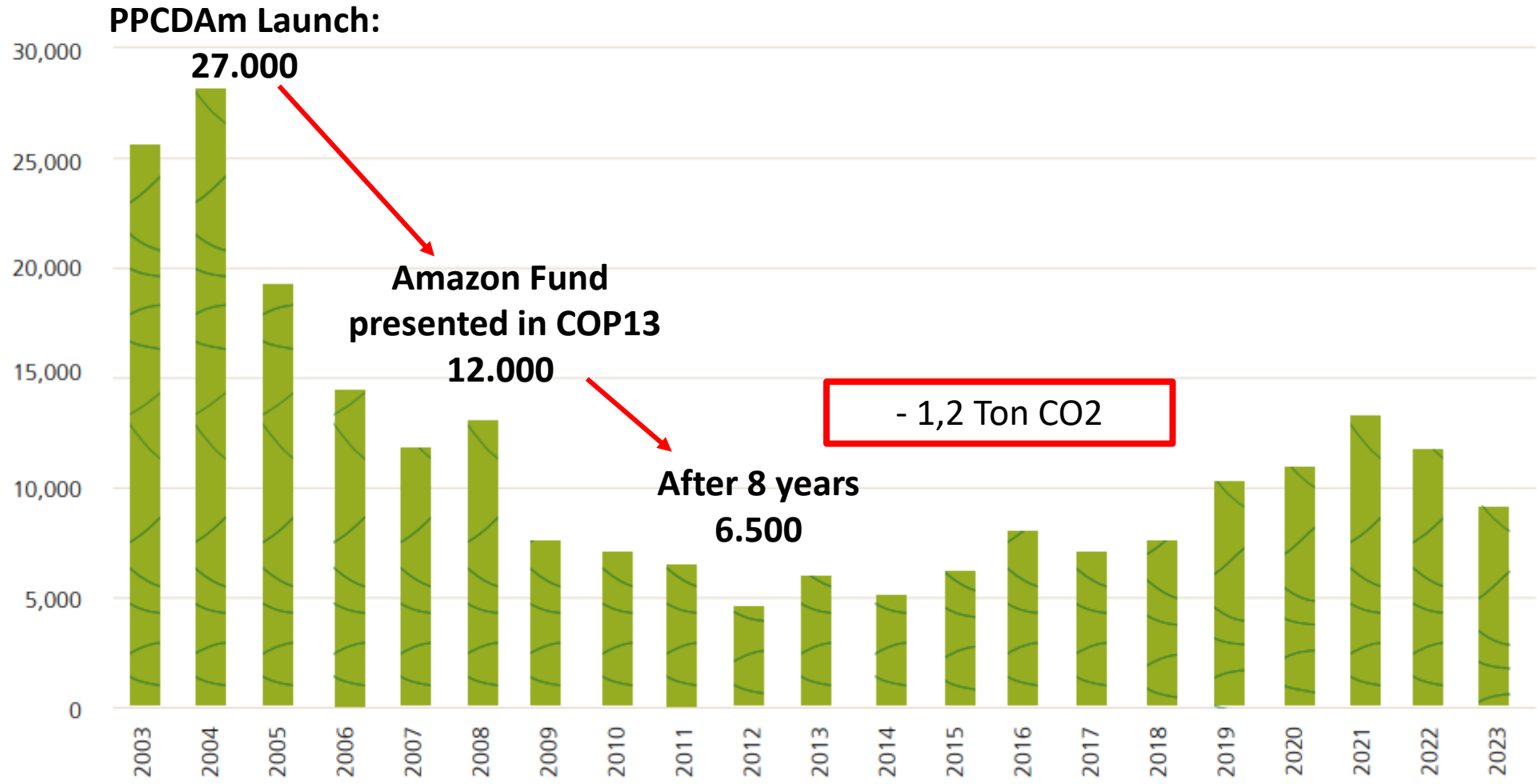
Brazil's National Institute for Space Research (INPE)

GRAPH 2 | ANNUAL DEFORESTATION IN THE LEGAL AMAZON BY CLEAR CUTTING (KM²) *



Brazil's National Institute for Space Research (INPE)

GRAPH 2 | ANNUAL DEFORESTATION IN THE LEGAL AMAZON BY CLEAR CUTTING (KM²) *



Brazil's National Institute for Space Research (INPE)

History

2004

2007

2008

2023

PPCDAM

Creation of the action plan for the prevention and control of deforestation on the Amazon region



COP13 UNFCCC

The Amazon Fund final concept presented by the Brazilian government to possible donors

Result based payments (REDD+)



Decree 6.527/2008

The Amazon Fund creation
Non-reimbursable support to prevention, command and control actions to fight deforestation and for sustainable use of biodiversity

Fund-raising mechanisms

Fund governance (manager and committees)

Operation management (financial and project support)

Reports and independent audit

15 years

Benchmark on climate financing
Main global initiative on REDD+



Governance and transparency

AMAZON
FUND

15
YEARS



Amazon Fund Steering Committee

10 Federal Government

- Ministry of Environment and Climate Change
- Ministry of Development, Industry, Trade and Services
 - Ministry of Foreign Affairs
 - Ministry of Agriculture
 - Ministry of Agricultural Development and Family Agriculture
- Ministry of Science, Technology and Innovation
- Office of the President's Chief of Staff
- Ministry of Indigenous People
- Ministry of Justice and Public Security
 - BNDES

9 Amazon States

- Acre
- Amapá
- Amazonas
- Maranhão
- Mato Grosso
 - Pará
- Rondônia
- Roraima
- Tocantins

6 Civil Society

- National Confederation of Industry (CNI)
 - Coordination of the Indigenous Organization of the Brazilian Amazon (COIAB)
- National Confederation of Agricultural Workers (CONTAG)
- Brazilian Forum of NGOs and Social Movements for the Environment and Development (FBOMS)
 - National Forum for Forest-based Activities (FNABF)
- Brazilian Society for the Progress of Science (SBPC)

The Climate Fund

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- **Enormous Potential:** Powerful instrument to reduce emissions (forest recovery, energy transition, innovation and urban development).
- **BNDES: Fund's financial agent** for reimbursable resources.
- Underutilized: Investments must be intensified in order to induce **climate transition**.

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Brazil raises \$2 billion in ESG sovereign bonds debut

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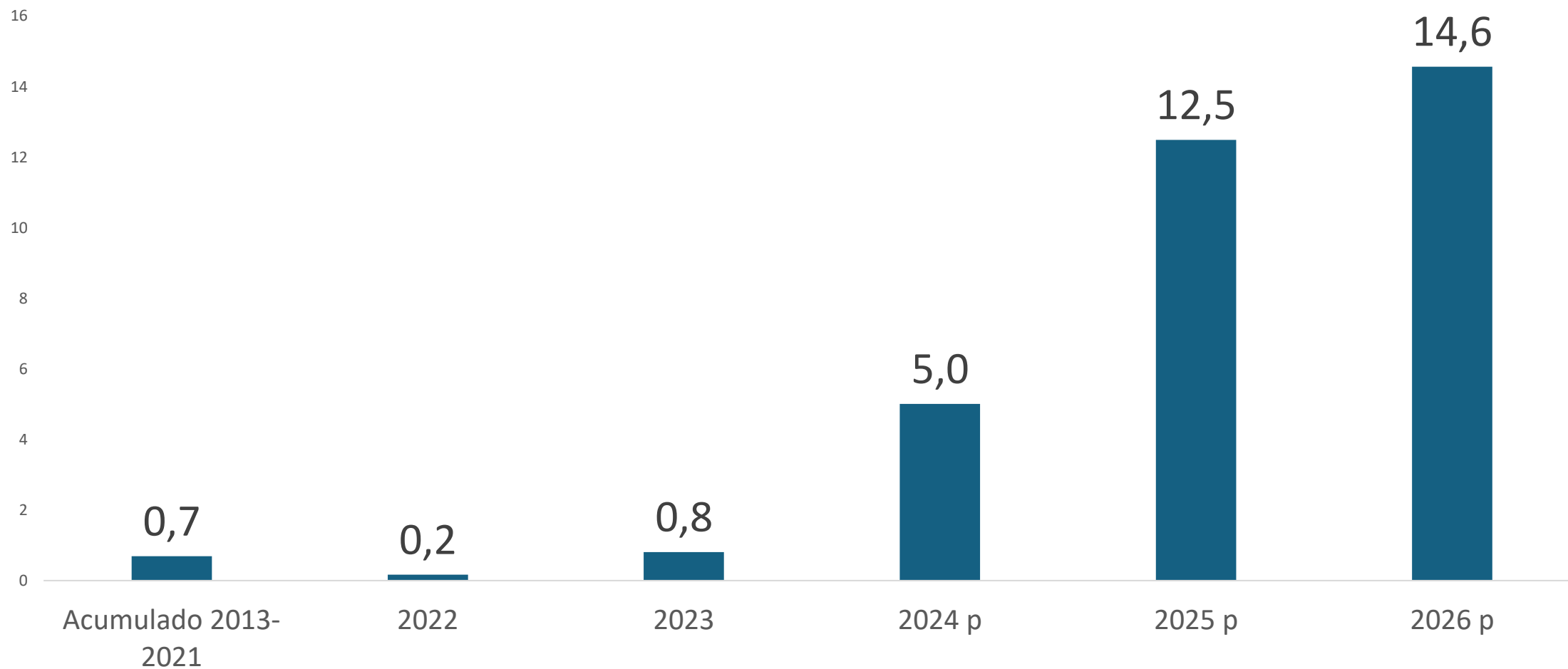


200 reais note are seen after Brazil's Central Bank issues the new note in Brasília, Brazil September 2, 2020. REUTERS/Adriano Machado/File Photo [Acquire Licensing Rights](#)

The New Climate Fund – Main Uses

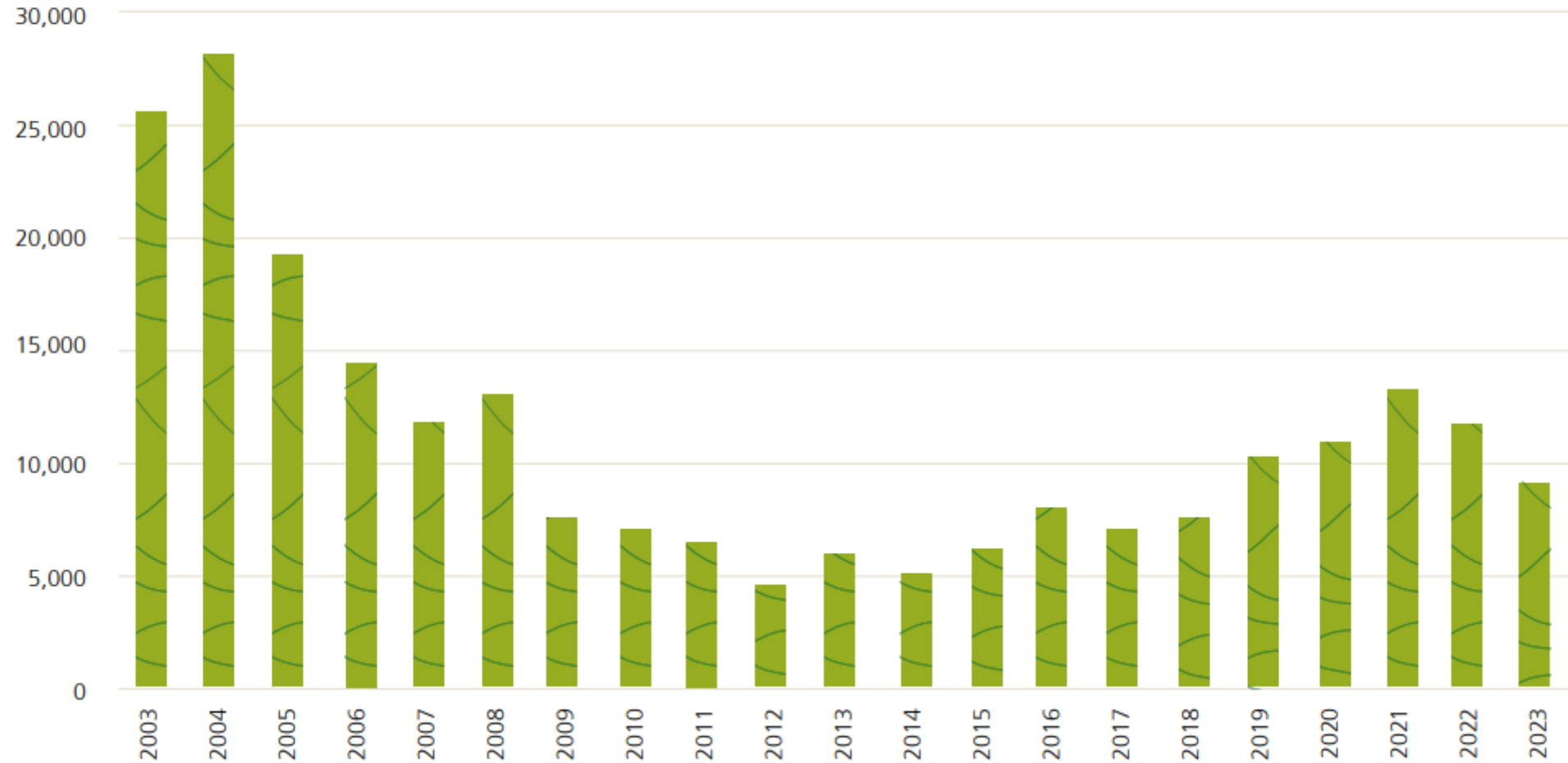


New Climate Fund: potential disbursement of R\$32 billion by 2026



Amazon Fund – 15 Years of a successful initiative

- Largest and most successful REDD+ initiative in the world (in terms of values and results)
- Main concrete action for international cooperation on the agenda to combat deforestation in the Amazon
- Most audited fund in Brazil

GRAPH 2 | ANNUAL DEFORESTATION IN THE LEGAL AMAZON BY CLEAR CUTTING (KM²) *

Resumption of the Amazon Fund

New contracts suspended from 2019 to 2022

Jan 1st
2023

Presidential Decree reinstates the governance structure of the Amazon Fund



BNDES recreates its structure dedicated to the Amazon Fund (reduced and shared with other agendas in previous years)

Feb 15
2023

1st Amazon Fund Steering Committee at BNDES headquarters: approved immediate resumption of the analysis of projects paralyzed and limited focus for new projects, waiting for PPCDAm update

Jul 25
2023

New Guideline and Criteria for the use of resources: updated by COFA and aligned with the updated PPCDAm. BNDES is authorized to receive new projects related to all axes of PPCDAm.

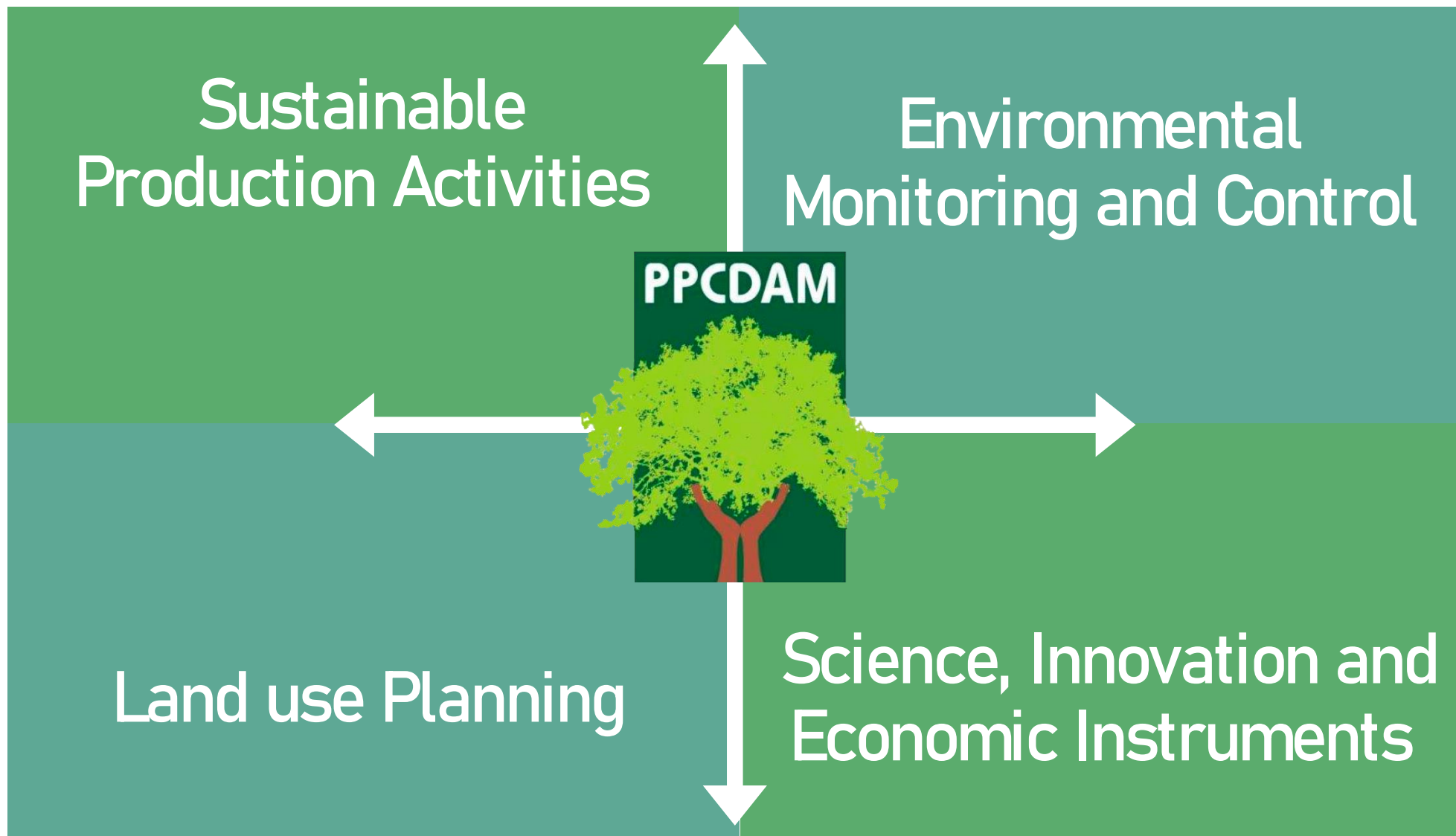
Nov 10
2023

Update of the guidelines for support to military firefighters and combat to forest fires, and for support to surveillance and inspection projects
Firefighters: maximum amount raised from BRL 35 Million to BRL 45 Million
Surveillance: maximum amount raised from BRL 20 Million to BRL 30 Million



COFA approved four new public calls with Amazon Fund resources: Restaura Amazônia (BRL 450 mm), Amazônia na Escola (BRL 336 MM), Saneam Amazônia (BRL 150 MM) e Quilombolas (BRL TBD)

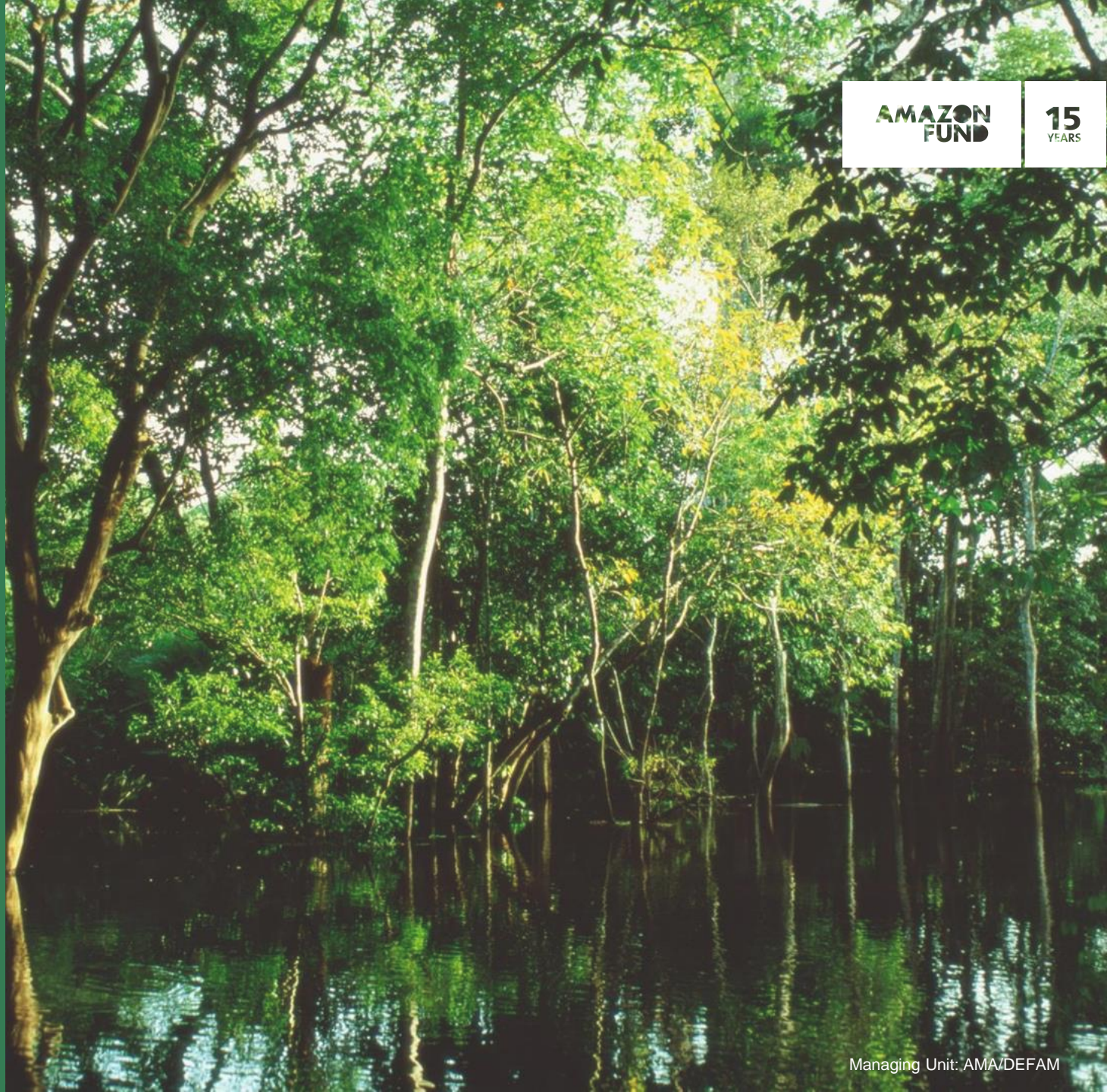
Amazon Fund Logical Framework



New Donations

US\$ 251 Million contracted

US\$ 540 Million pledged



Increased Credibility – 2023/2024

New Contracts - US\$ 251 Million

Disbursed: US\$ 147 Million



United Kingdom US\$ 104 Million*



Norway US\$ 50 Million



United States US\$ 50 Million



Germany US\$ 38 Million



Switzerland US\$ 6 Million



Japan US\$ 3 Million

Pledges of New Donations

US\$ 540 Million



United States US\$ 450 Million



United Kingdom US\$ 46 Million



Denmark US\$ 22 Million



European Union US\$ 22 Million

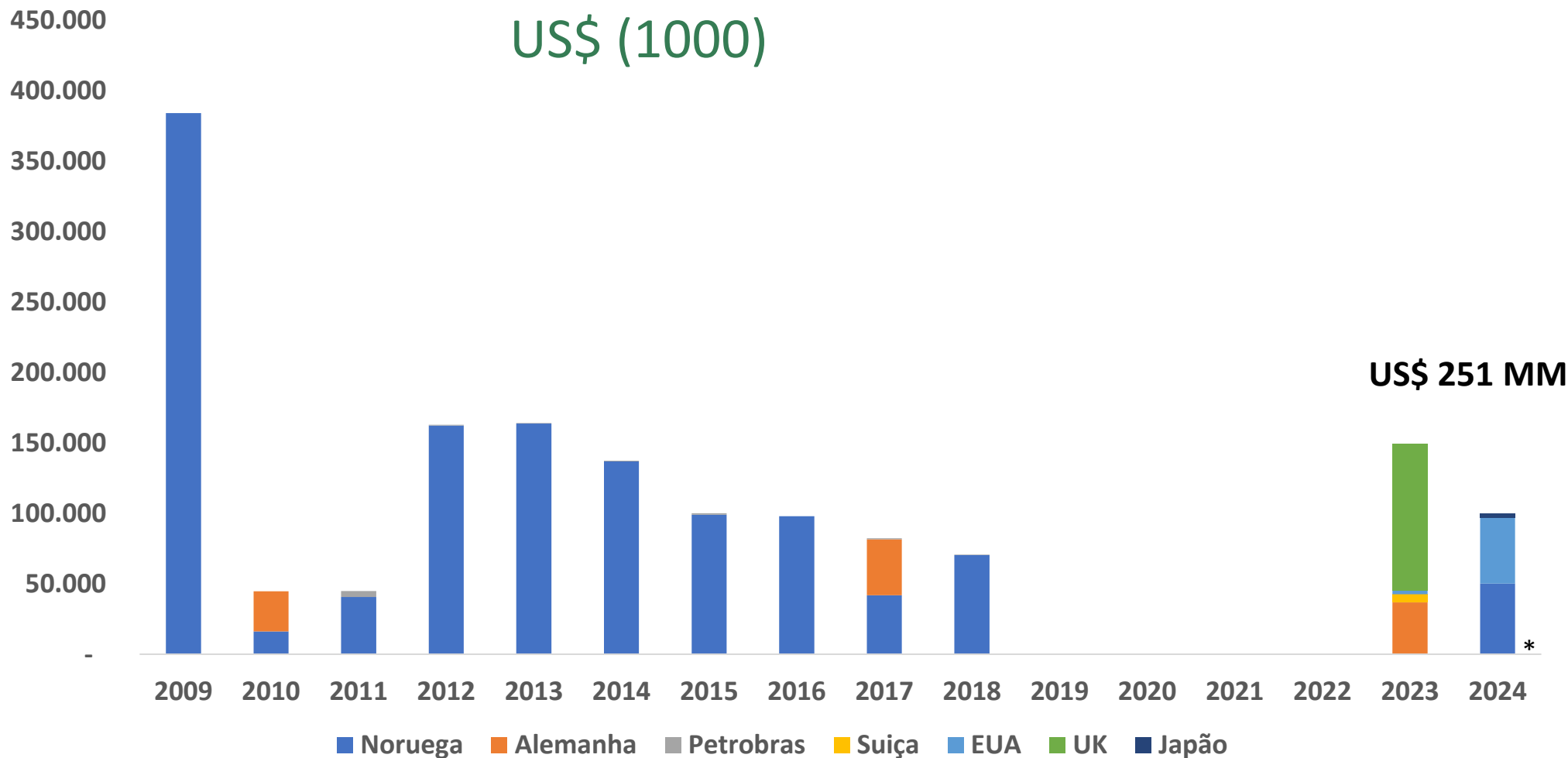
Donations to the Amazon fund – 15 years



15 YEARS

–Nominal value

US\$ (1000)

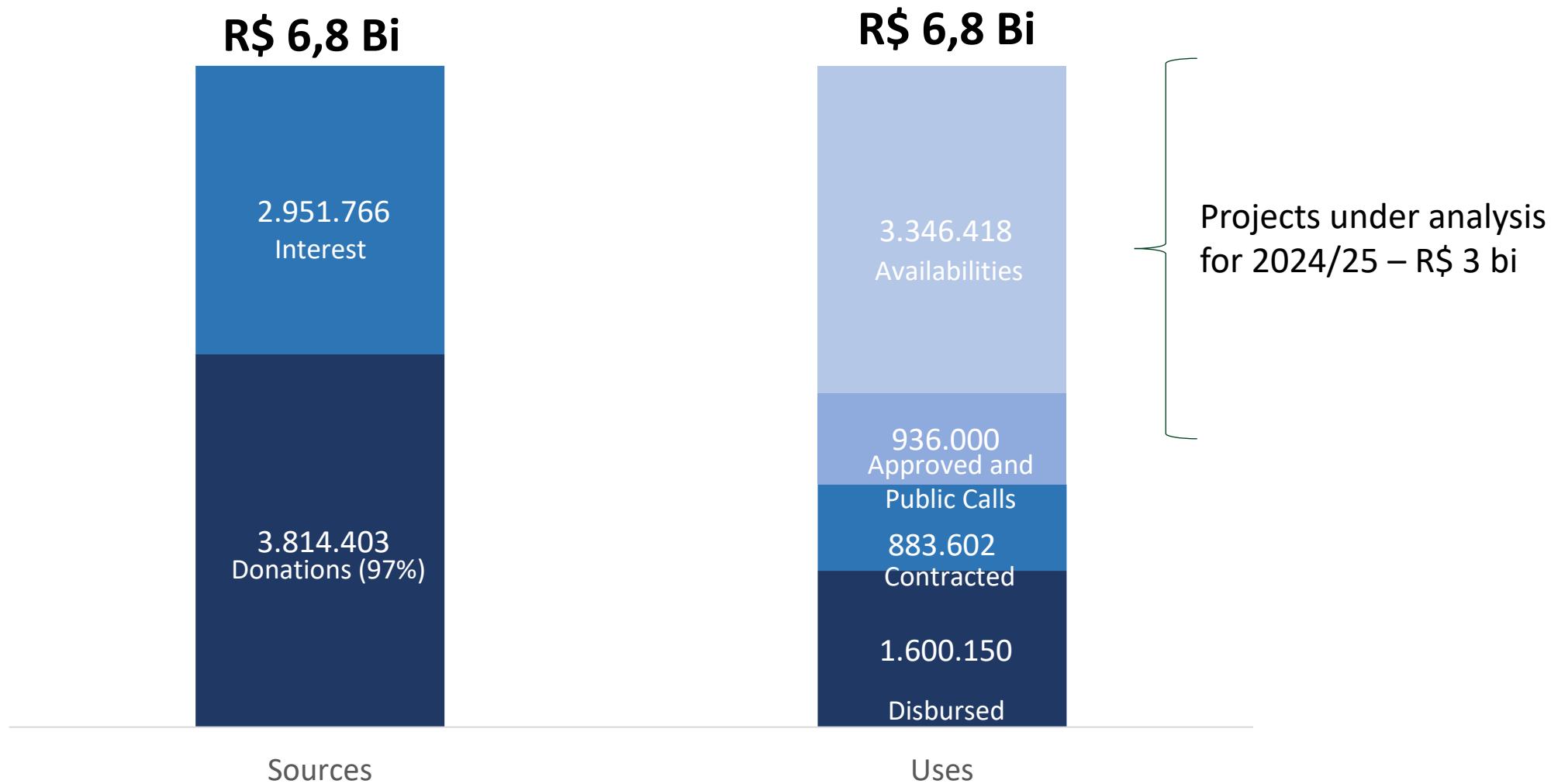


* Includes US\$ 38 million contracted on 12/22/22 under the coordination of the Lula Government

Values considered in the year of signing of the respective contracts

Nominal value converted into US\$ on the date of internalization of resources in Brazil

Available resources – Jul/24



Portfolio

AMAZON
FUND

15
YEARS



New Strategies

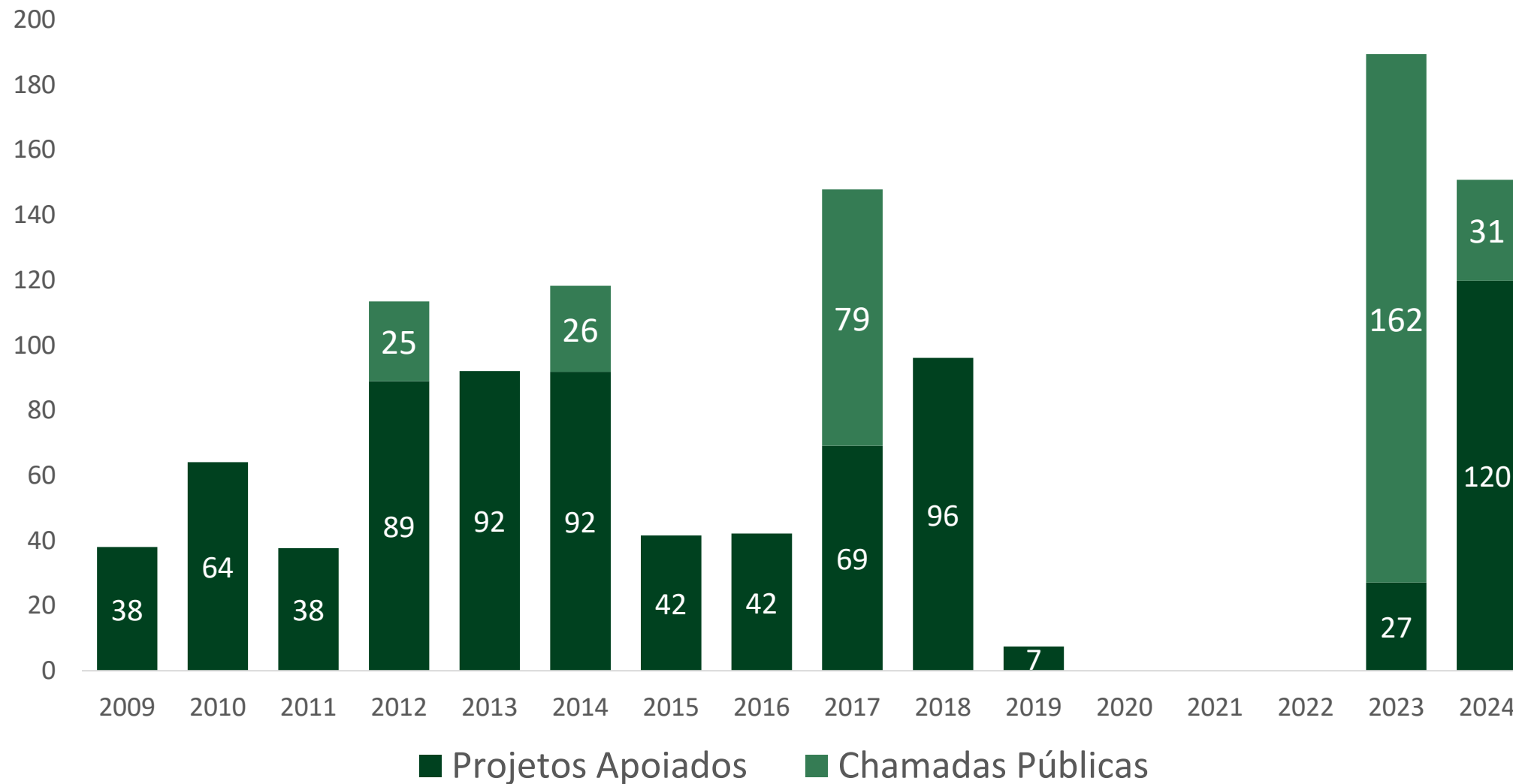
Scale

Greater Impact



Approved projects and Public Calls for proposals

(USD Million)



Increased Scale

Public Calls

BNDES structures and launches larger initiatives linked to public policies with partners

Restaura
Amazônia
R\$ 450 mi

Managing
partners
selected

Amazônia
na Escola
R\$ 336 mi

Projects
selected

Sanear
Amazônia
R\$ 150 mi

Managing
Partner
selected

Ecoforte
R\$ 100 mi*

Public call
launched

Quilombolas

Public call
under
design

*R\$ 15 million from the Amazon Fund+ R\$ 35 million from BNDES Fundo Socioambiental + R\$ 50 million from Fundação Banco do Brasil =>Total: R\$ 100 Million

Increased Scale

Public Calls

BNDES structures and launches larger initiatives linked to public policies with partners

Restaura
Amazônia
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Sanear
Amazônia
R\$ 150 mi

Ecoforte
R\$ 100 mi*

Quilombolas

States

Enable public institutions to act with modular projects

State
firefighters
R\$ 400 mi



Acre and Rondônia: approved and contracted
Roraima, Amazonas, Amapá, Pará e Maranhão: under analysis

*R\$ 15 million from the Amazon Fund+ R\$ 35 million from BNDES Fundo Socioambiental + R\$ 50 million from Fundação Banco do Brasil =>Total: R\$ 100 Million

Ampliação de escala | pontos de atenção

Public Calls

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Restaura
Amazônia
R\$ 450 mi

Amazônia
na Escola
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Sanear
Amazônia
R\$ 150 mi

Ecoforte
R\$ 100 mi*

Quilombolas

States

Enable public institutions to act with modular projects

State
firefighters
R\$ 400 mi

Federal Government

Ensure support on structuring projects in strategic areas

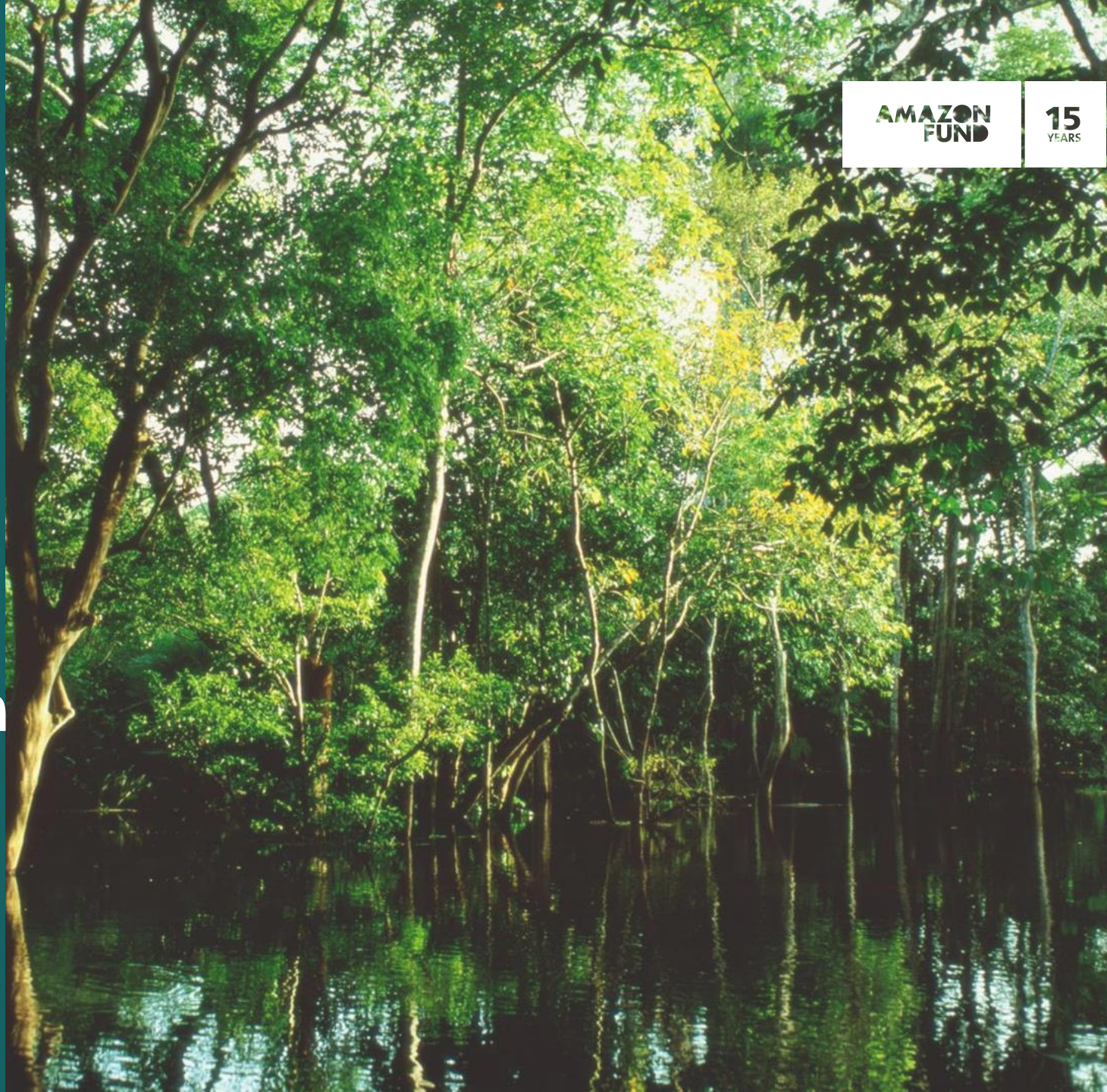
Contracted
MJ AMAS | R\$ 318 MM

*R\$ 15 million from the Amazon Fund+ R\$ 35 million from BNDES Fundo Socioambiental + R\$ 50 million from Fundação Banco do Brasil =>Total: R\$ 100 Million

Public calls launched 2023 and 2024

Focus:

- ✓ Restoration
- ✓ Sustainable production



Sustainable productive activities are a priority of the Amazon Fund. In 2023, the fund resumed its assessment and approval of new projects. The ongoing support for the bioeconomy was reestablished, now aiming at increasing the scale and capillarity of sustainable and inclusive value chains.

In the first 15 years, the fund has already delivered significant results:



239 thousand people
benefited from sustainable
productive activities



R\$ 317 million in
revenue obtained
from the sale of products



Over BRL 500 million in support
to sustainable production activities



75 million hectares area
of sustainable forest
management



652 institutions
supported directly
and through partners

Public Calls 2023-2024

Restaura Amazônia

R\$ 450 milhões

+ partners

Launch: dec/2023

Stage: contracting

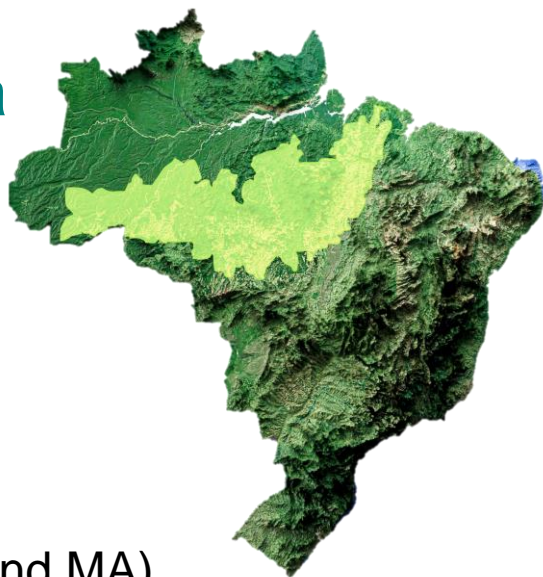
Territorial scope: 7 states

(AC, AM, RO, MT, TO, PA and MA)

Involving at least 50 municipalities

Objective: restore the Arc of Deforestation, capturing CO2, preserving biodiversity and generating jobs and income

Territories: Protected areas, Indigenous lands, quilombola territories, settlements, non-designated public areas, family farmers properties



Amazônia na escola

R\$ 332 milhões

Launch: dec/2023

Stage: contracting

Territorial scope: 9 states of the Legal Amazon

126 municipalities

Over 140 thousand producers directly supported

1.7 million students (25% of Legal Amazon)

Objective: strengthen food production in sustainable grounds and its consumption in the municipal and state public schools of the region

Final beneficiaries: associations, cooperatives, informal groups and individuals, including indigenous peoples, quilombolas, and other traditional communities, women and settlers, school communities and students from public schools



Public Calls 2023-2024

Sanear Amazônia

R\$ 150 milhões

Launch: mar/2024

Stage: contracting

Territorial scope: 5 states | 4.626 families
(RO, AC, AM, PA, AP)

Objective: to implement social technologies for water access for productive inclusion e improve life conditions, food and nutritional security of low-income family farmers

Beneficiaries: Sustainable use federal protected areas (RESEX and FLONA);
Quilombola communities and agroextractive settlement projects



EcoForte Redes

R\$ 15 million

+ R\$ 35 million Fundo Socioambiental BNDES

+ R\$ 50 million Fundação Banco do Brasil

Total: R\$ 100 million

Launch: jul/2024

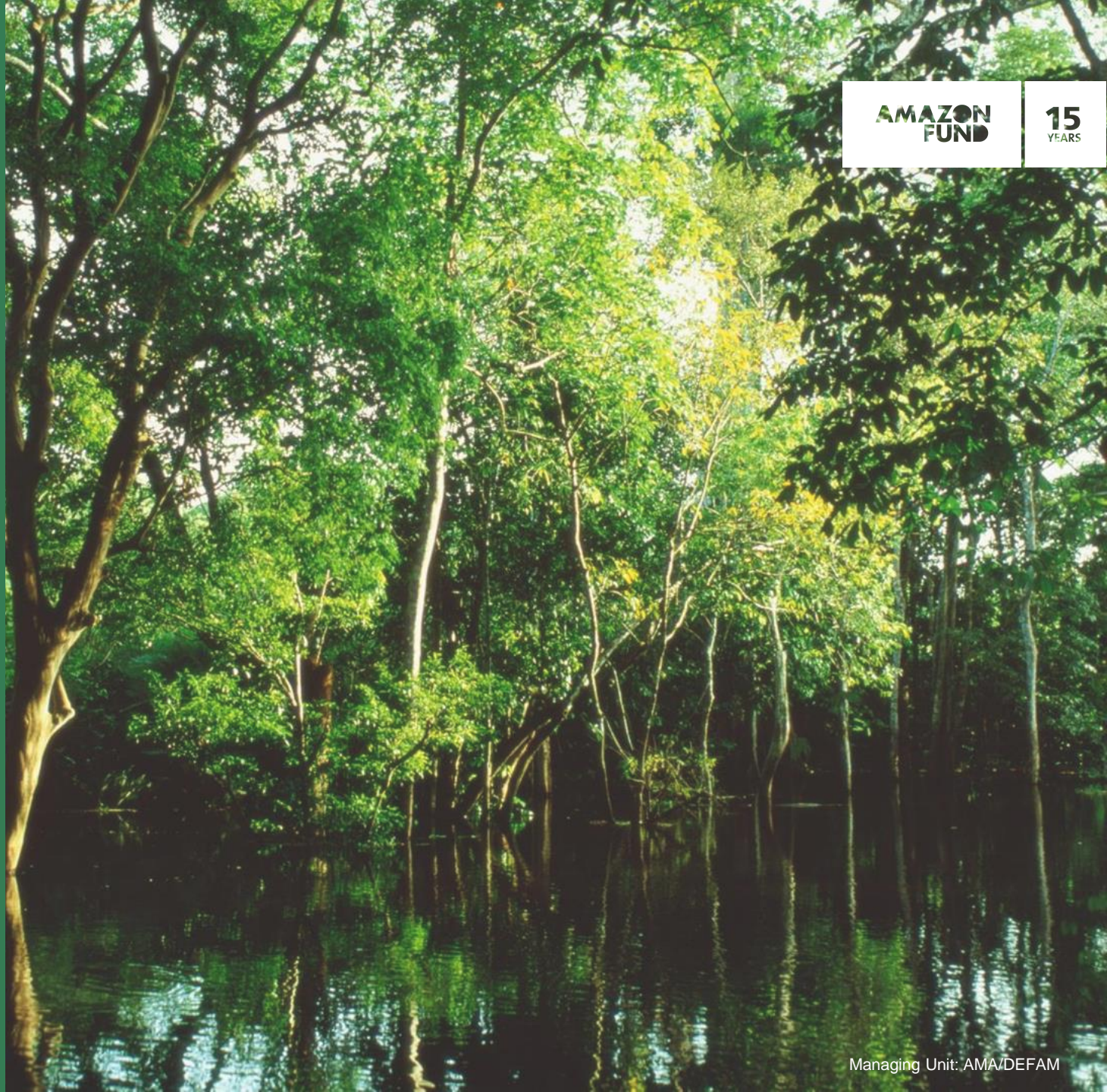
Stage: receiving proposals

Territorial scope: nationwide (resources from the Amazon Fund supporting the 9 states of the Legal Amazon)

Objective: strengthen agroecology, extractive and organic production networks, promoting social and financial autonomy of supported families

Beneficiaries: family farmers, settlers, quilombolas, indigenous peoples and from other traditional communities, prioritizing projects led by women and which include youth participation

Thematic Agendas



Support the indigenous agenda is to protect the Amazon



Indigenous Lands: 23% of the area and 2% of deforestation in the Amazon (2022)

“This data demonstrates the capacity of indigenous peoples to act as effective protectors of the forest.”

Plano de Ação para Prevenção e Controle do Desmatamento na Amazônia Legal (PPCDAm - 5ª fase - 2023-2027)

Growing trajectory in supporting indigenous agenda

COFA defines Guidelines and Focus

2009

COFA creates WG for indigenous agenda

Decree PNGATI

COFA approves Chamada PNGATI

2014

Fundo Amazônia paralyzed

2019

COFA is reinstalled with the participation of MPI

2023

abr.2024

138 R\$ MILLIONS

13 EXCLUSIVE PROJECTS FROM INDIGENOUS AGENDA

★ 3 PROJECTS WITH RESOURCE MANAGEMENT BY INDIGENOUS ORGANIZATIONS

101 INDIGENOUS LANDS SUPPORTED

147 R\$ MILLIONS

3 Structuring Project

★ ALL PROJECTS WITH RESOURCE MANAGEMENT BY INDIGENOUS ORGANIZATIONS

332 INDIGENOUS LANDS FROM THE AMAZON POTENTIALLY SUPPORTED

Active participation on the G20 Initiative on Bioeconomy (GIB)

Discussions on:

- Science, technology and innovation for bioeconomy
- Sustainable use of biodiversity to bioeconomy
- The role of the bioeconomy to promote sustainable development

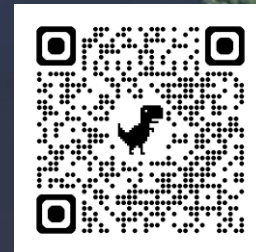


**AMAZON
FUND**

**15
YEARS**

**Thank you
Fernanda Garavini.**

**All information about the Amazon Fund, Project
supported, public calls, are available at
www.fundoamazonia.gov.br**



**MINISTÉRIO DO
DESENVOLVIMENTO,
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**MINISTÉRIO DO
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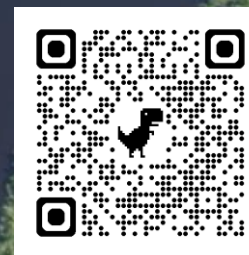


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Brazil protects it. The world supports it. Everyone wins.

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Portfolio

114 projects supported

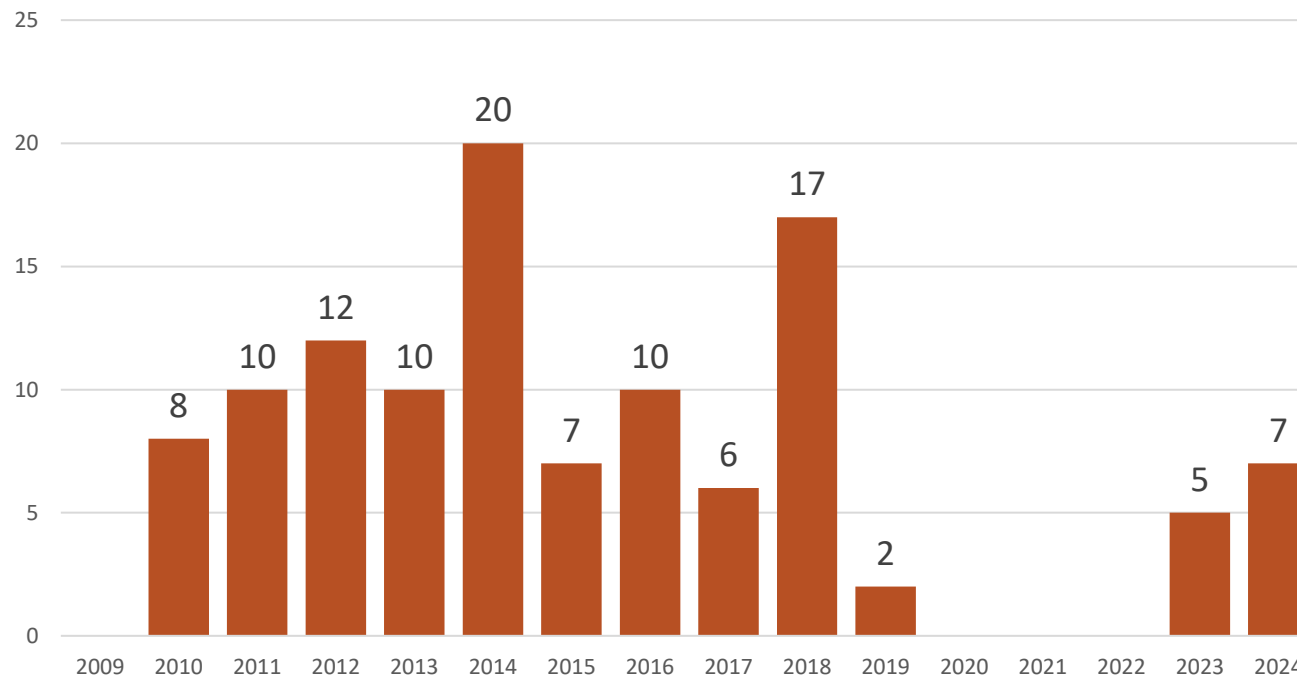


US\$ 815 million support

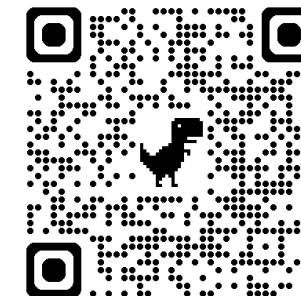


US\$ 621 million disbursed

Contracted projects / year



Click or read the QR Code for details on all projects supported by the Amazon Fund



Portfolio

Troca virgula por ponto

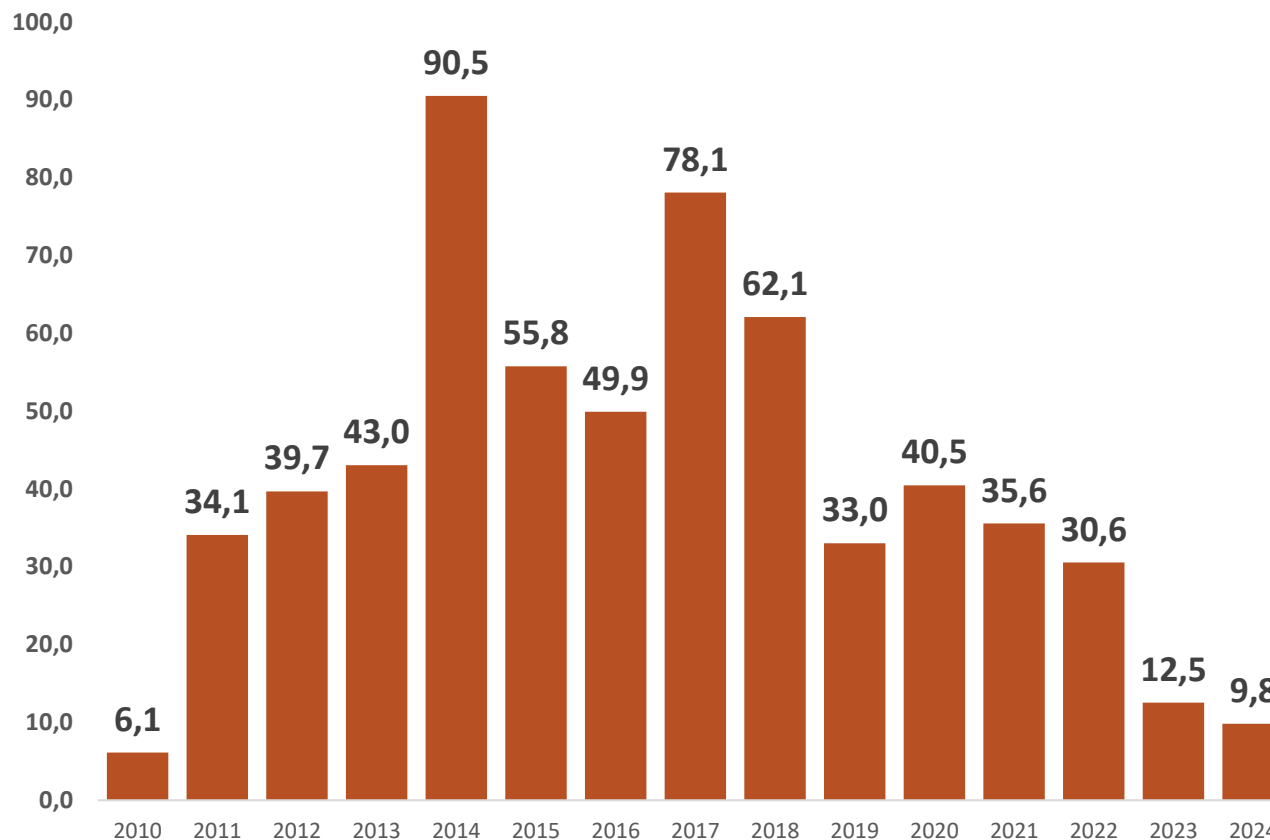
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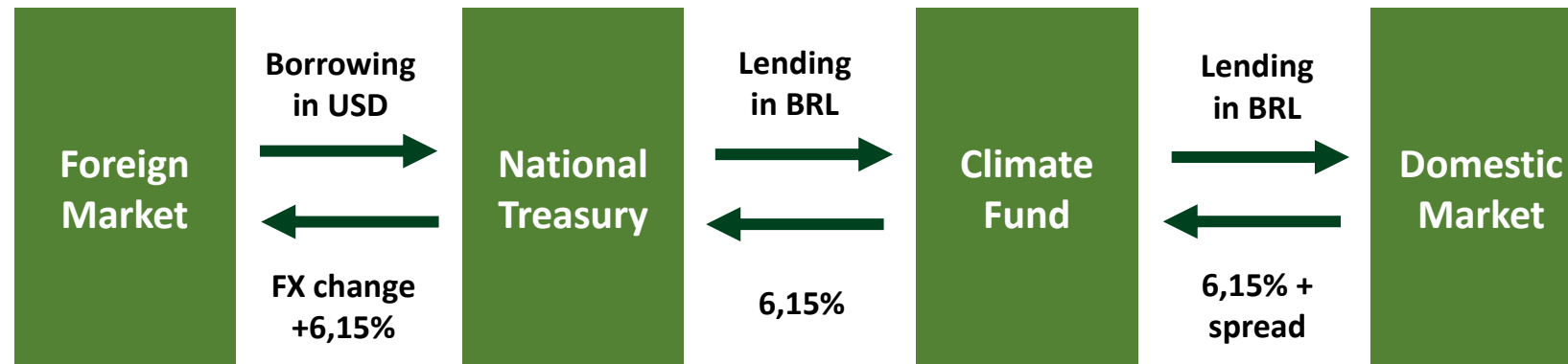


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FX hedge for selected green investment projects

- The Lula Administration issued “**sustainable bonds**” to finance selected projects.
- The Treasury borrows in international currency but **lends in domestic currency at the same foreign interest rate**.
- The **domestic borrower pays** the foreign interest rate **in domestic currency, plus risk and operational spreads**.
- The Treasury will therefore bear the currency-risk, providing FX hedge at a **zero cost to selected projects**.
- **Implemented** through the Climate Fund, managed by the BNDES.

An example of the funding and lending of Brazil's New Climate Fund in foreign and domestic currency



The Brazilian National Treasury passes its international financial cost to the Climate Fund, bearing the gains or losses of exchange rate variations.

The New Climate Fund – Main Uses

1. Resilient and Sustainable Urban Development
2. Green Industry
3. Transportation Logistics, Public Transportation, and Green Mobility
4. Green Services and Innovation
5. Forest and Water Resources
6. Energy Transition



Brazil's New Climate Fund Rates

Activities	Interest rate
1. Resilient and Sustainable Urban Development	
1.1 Energy efficiency in public buildings; efficient public lighting; sustainable urban waste management	6,15%
1.2 Urban green areas; climate change adaptation; disaster risk reduction	6,15%
2. Green Industry	6,15%
3. Transportation Logistics, Public Transportation, and Green Mobility	6,15%
4. Energy Transition	
4.1 Solar and wind energy generation	8,00%
4.2 Biomass, energy efficiency, smart grid, storage, and others	6,15%
5. Forest and water resources	1,00%
6. Green Services and Innovation	6,15%

New Climate Fund: potential disbursement of R\$32 billion by 2026

