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PPI and the New Regulatory Framework for Sanitation

Almost 35 million Brazilians have no clean water supply, and almost half of the population (about 100 million people) has no sewage collection. These circumstances result, every year, in thousands of sick leaves due to GI diseases, hospitalizations and deaths. It also influences the average household income and rates of school delay.

On 06/24, the Brazilian Federal Senate approved bill 4162/2019, labeled a new regulatory framework for basic sanitation, which will transform this situation: the new rules contribute to bring more legal security and competition to the sector, making it more attractive for private investments.

According to estimates, the universalization of water and sewage services by 2033 would require BRL 600 billion in capital expenditure. Currently, the private sector accounts for about 6% of the Brazilian sanitation market, but it has been responsible for 20% of investments. Private concessionaires invest, on average, 2.5 times more than state-owned sanitation companies, but the fees charged are similar to those of public companies.

PPI and basic sanitation: a great partnership

The Investment Partnerships Program (PPI) has championed with great enthusiasm the new bill, which will change the country's landscape in terms of sanitation and will have significant impacts in terms of health, education and labor productivity. It will also contribute to the preservation of the environment and benefit the tourism industry.

Many of the initiatives backed by PPI already anticipate the application of elements of the new sanitation law, such as projects in the area of solid urban waste supported through FEP-CAIXA (Federal Fund for Concessions and PPPs administered by Caixa Econômica Federal) and the initiatives undertaken by BNDES (Brazilian Development Bank) to structure blocks of municipalities aiming at carrying out PPPs in the areas of water distribution and sewage service.

Federal Government endorsement for these subnational initiatives is provided for in Decree 9036/2017, which indicated the basic sanitation sector as one of the public policies of national priority and allowed official credit institutions whose presidents are members of the PPI Council (BNDES and Caixa Econômica Federal) to support the structuring and development of projects related to the sector.

What changes with the new regulatory framework?

Clearer rules. Bill 4162/2019 provided the Brazilian National Water Agency (ANA) the competence to develop national regulatory reference standards for public basic sanitation services. The objective is to bring more legal certainty and regulatory uniformity to the sector, as well as to promote best practices.

Today, regulations are issued by more than 50 municipal, state and regional agencies that do not always work together, which can lead to insecurity for investors due to divergent regulatory decisions.

End of “program contracts”. The new regulatory framework prohibits so-called “program contracts” for the provision of public basic sanitation services. This type of contract could be signed directly between state-owned sanitation companies and municipalities without a bidding procedure. The change introduced by the new bill helps enhance competitiveness in the sector, which can contribute to promote efficiency in state-owned companies and to increase the presence of private agents. It also became mandatory to meet investment and service quality goals.

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Privatization. Bill 4162/2019 also innovates by facilitating the privatization of state-owned sanitation companies. The previous legislation made it difficult to dispose of a controlling interest in a public company or a mixed-capital company.

Regionalization. The ownership of the services may be exercised by the states, together with the municipalities, within the regional units in which the state territories will be divided, as well as in the metropolitan regions, for the provision of services that are characterized as a “public function of common interest”. These services are defined by the need to share operational facilities that serve more than one municipality.

The new bill also provides for the establishment of reference blocks for the regionalized provision of public basic sanitation services, stimulating partnerships with the private sector.

The Federal Government will have an important role in structuring these blocks and in carrying out feasibility studies, as well as in supporting subnational entities in the entire structuring of privatization, and PPPs projects. The Federal Government will also prioritize municipalities that choose blocks and regionalization of services when it deliberates about projects financing and resources allocation.

Governance. Bill 4162/2019 creates the Interministerial Committee on Basic Sanitation (CISB), chaired by the Ministry of Regional Development, to ensure the implementation of the federal basic sanitation policy and to coordinate the allocation of financial resources.

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Relicitation of Airports qualified in PPI

Resolutions 122/2020 and 123/2020, published on 6/25, qualified in the PPI portfolio the rebidding processes of Governador Aluizio Alves Airport, in Rio Grande do Norte, and Viracopos International Airport, in Campinas, São Paulo. The prospect is that the bidding documents will be published in the second half of 2021, and that the new auctions will be held in the second half of 2021 (Viracopos) and in the first half of 2022 (Aluizio Alves).

Located in the municipality of São Gonçalo do Amarante, the International Airport of Natal - Governador Aluizio Alves is located 25 km from the state capital and 36 km from Ponta Negra Beach, where most of the Natal hotel zone is concentrated. The airport has an annual capacity of 6.2 million passengers. Viracopos International Airport, located 17 km from downtown Campinas (third largest city in the state of São Paulo), serves the interior and the Metropolitan Region of São Paulo.

The possibility of rebidding federal airport concession contracts is provided for in Law 13488/2017. It allows the friendly termination of the partnership contract and the execution of a new bid for the project, with other partners and under new contractual conditions.

Railway Ferroeste qualified in the PPI portfolio

Resolution 133/2020, published on 6/25, qualified the state company "Paraná Oeste Railway - Ferroeste" in the PPI portfolio. The company holds the concession rights to build and operate an existing railway between the cities of Guarapuava and Cascavel, with the possibility of extending it to Dourados, in Mato Grosso do Sul. The "Western Export Corridor Project - New Ferroeste", with an estimated extension of 1,370 km, foresees the construction of new stretches, according to the results of ongoing feasibility studies.

The Federal Government's support for the privatization of Ferroeste, requested by the Government of the state of Paraná, will contribute to attracting private investments that are fundamental to the implementation of this strategic project for Paraná and for Brazil. The initiative meets the need for expansion of the national railway network in order to accommodate grain export demand and promote a greater participation of this freight modal option in Brazil's transportation system, since it is less expensive, has more freight capacity in relation to other modes and offers more security in the transport of goods. A Project Governance Committee with representatives from the Ministries of Economy and Infrastructure, the Brazilian National Land Transportation Agency (ANTT) and the Government of Paraná will be in charge for monitoring the execution of the project, in all steps necessary for its implementation, which will include discussions on the most appropriate concession model. More information about the initiative is available at: <https://www.ppi.gov.br/ef-277-parana-oeste-railway-ferroeste>

Public Hearing on terminals at the Port of Santos

The Brazilian National Agency for Waterways Transport (ANTAQ) held on 6/9 a Virtual Public Consultation on the Studies of Liquid and Gas Bulk Terminals in the Port of Santos (STS08 and STS08A), located in the Alamoia region. This is the largest terminal rent project, with projected investments worth over BRL 1.4 billion. Studies in the area were qualified in the PPI project portfolio during the 11th meeting of the PPI Council, through Resolution 87/2019.

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Five public fishery terminals are qualified in the PPI portfolio

Five new Public Fishery Terminals (PFT) were qualified in the PPI portfolio with the resolution 128/2020 published in 6/26: PFT of Natal, in the state of Rio Grande do Norte; PFT of Aracaju, in the state of Sergipe; PFT of Vitória, in the state of Espírito Santo; and the PFTs of Santos and Cananéia, in the state of São Paulo. The Ministry of Agriculture, Livestock and Food Supply - MAPA is responsible for promoting and monitoring the bidding procedures of the privatization projects.

Public Fishery Terminals (PFT) are facilities necessary for fishery handling, storage activities, trading post, fishery processing and support for vessel navigation. The PFT area may include anchorages, docks, wharves, berthing bridges and piers, cold storage warehouses, buildings and facilities for protection and waterway access.

Attracting private investments for these projects is crucial to modernize and make PFTs operational, and therefore create the conditions for the development of the fishery industry. In 2019, the national fishery production was approximately 722,000 tons. The Food and Agriculture Organization of the United Nations (FAO) estimates that in 2030 this production may reach 20 million tons.

The qualification of five more PFTs in PPI was deliberated during the last meeting of the PPI Council, held on June 10. The PPI portfolio already includes the privatization projects of the PFT of Cabedelo, in the state of Paraíba; the PFT of Belém, in the state of Pará; and the PFT of Manaus, in the state of Amazonas.

Via Dutra: PPI talks with the financial sector

The Round of Talks with potential investors from national and international groups on the concession of the BR-116/101/SP/RJ road system (Dutra/Rio-Santos) was concluded in June. Dubbed “Via Dutra”, BR-116/101 connects the states of Rio de Janeiro and São Paulo. This is Brazil’s most relevant highway concession project, whose importance can be measured by the broad participation of civil society in the initiative.

The one-on-one talks with potential partners were conducted by PPI together with representatives from other government agencies that work in the structuring and monitoring of this concession. The purpose of the meetings was to present improvements introduced in the project (based mainly on the contributions made by civil society during previous Public Hearings), answer questions and take note of suggestions.

Public Consultation on Concession of the Fishery Terminal of Cabedelo

The Public Consultation on the concession process for the exploration of the Public Fishery Terminal (PFT) of Cabedelo, in the state of Paraíba, was successfully held on 06/11. The qualification of the project in the PPI portfolio met a request by the Ministry of Agriculture, Livestock and Food Supply (MAPA). During the consultation, in addition to receiving formal contributions from civil society, a virtual public hearing was conducted, as well as rounds of one-on-one conversations with potential partners in the fishery sector. The project will be the first concession of a PFT in Brazil. With projected investments worth of BRL 10 million, it may bring very positive socioeconomic impacts, as it can generate income and quality of life for more than 1000 families in the region.

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Public Consultation on Grain Terminal at the Port of Maceió, Alagoas

On 6/9, the National Agency for Waterways Transport (ANTAQ) opened a public consultation on the MAC13 grain terminal lease project, located in the Organized Port of Maceió, state of Alagoas. The objective was to receive contributions to improve the documents necessary to carry out the bidding process, which has been qualified in the Investment Partnerships Program Portfolio during the last meeting of the PPI Council, on June 10.

The technical documents subject to the public hearing are available at <http://web.antaq.gov.br/Sistemas/LeilaoInternetV2/PaginaPrincipal.aspx>. Contributions may be sent to ANTAQ until 07/23, exclusively through the electronic form available on the Agency's website.

The MAC13 terminal has 71,262m² and is intended for the handling and storage of solid vegetable bulk, especially sugar. The contractual term will be 25 years and the expected investments to be made by the winners of the bidding total BRL 55.7 million. The overall contract value for MAC13 is BRL 922.7 million. Future terminal lessees will pay the port authority for the use of the area the monthly amount of BRL 364,684.87 and an additional BRL 4.73 per ton handled.

Virtual Public Hearing on the lease of the Port of Fortaleza, Ceará

The public consultation process on the lease of the MUC01 area, in the Port of Fortaleza, state of Ceará, began on 6/8. As part of the process, the National Waterway Transportation Agency (ANTAQ) will hold, on 07/06, a virtual public hearing on the initiative, which has been qualified in the PPI portfolio during the 13th meeting of the PPI Council (6/10).

Those interested in sending contributions during the hearing must register through the messaging application "Whatsapp", at the number (61) 2029-6940, between 10 am and 2 pm (GMT - 03:00) on 6/7. The hearing will begin at 3 pm and end at 6 pm (GMT - 03:00). Through WhatsApp, participants will be able to send their contributions by video, audio or in writing. Another way to participate will be through a virtual meeting room created in the "Microsoft Teams" application. The entire virtual session will be broadcast on the ANTAQ channel on "Youtube", at: <https://youtu.be/a75DyhQVUHg>

The public consultation on the lease of the MUC01 area will remain open until 7/22. Interested parties may submit suggestions using an electronic form available on the ANTAQ's website: <http://web.antaq.gov.br/Sistemas/LeilaoInternetV2/PaginaPrincipal.aspx>. Bidding documents are also available on ANTAQ'S website.

With 6,000m², the area called MUC01 is intended for the handling and storage of solid vegetable bulk, especially wheat grain. The expected investments to be made by the auction winners over the 25 years of the contract total BRL 56.7 million. The overall value of the contract is BRL 516.6 million. Future terminal lessees will pay the port authority for the use of the area the monthly amount of BRL 63,231.54 and an additional BRL 1.54 per ton handled.

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Energy, Oil, Gas and Mining

Public Consultation on the National Mining Agency 1st Bidding Round

On 6/4, the National Mining Agency (ANM) opened a Public Consultation on its 1st Bidding Round - Availability of Areas, which involves the offer of mining rights of 500 available areas. The objective is to discuss with the society and the mining sector the rules proposed in the Notice, which will be a model for future rounds. The draft notice will be under PC until 7/18/2020. More information can be obtained at <http://www.anm.gov.br> or through the e-mail: cp02.2020@anm.gov.br.

The 1st ANM Bidding Round aims to select investors interested in proceeding with mining projects already granted to third parties, but which have returned to the ANM portfolio. Until 2018, the selection of interested parties took place according to the best technical project. Decree 9406 / 2018 established a new selection model, according to which the areas must be the object of a prior public offer by ANM; if there are two or more interested parties, the areas are submitted to an electronic auction, to be decided according to the highest amount offered. As the opening of new areas was suspended since 2016, it is estimated that there are tens of thousands of available areas in the ANM portfolio, with large pent-up investments in the sector.

The qualification of the ANM 2020 Bidding Rounds in the PPI portfolio was recommended by the PPI Council in February 2020, during its 12th meeting (Resolution 110/2020). Since then, the Special Secretariat for the PPI has provided the necessary technical support for the design and implementation of the new bidding model of available areas.

Public hearings on copper and phosphate mining projects

On 6/19, the Geological Survey of Brazil – CPRM hold virtual public hearings on the bidding notices for the copper project in Bom Jardim de Goiás (state of Goiás) and the phosphate project in Miriri (states of Paraíba and Pernambuco). The recordings of the public hearings are available on YouTube:

- **Bom Jardim de Goiás Copper Project:** <https://www.youtube.com/watch?v=SQreXi4TZw8> . (Portuguese)

- **Miriri Phosphate Project:** <https://www.youtube.com/watch?v=4Eztid7LBX0> (Portuguese)

More information on assets and public hearings is available on the Brazilian Geological Survey page: [http://www.cprm.gov.br/publique/Acesso-a-Informacao/Leilao-Cobre-de-Bom-Jardim-% 28GO% 29-e-Miriri-Phosphate% 28PE-PB% 29-6244.html](http://www.cprm.gov.br/publique/Acesso-a-Informacao/Leilao-Cobre-de-Bom-Jardim-%28GO%29-e-Miriri-Phosphate%28PE-PB%29-6244.html)

Talks with the mining sector

On June 17, 18, 24 and 25, teams from the Special Secretariat of the PPI and the Brazilian Geological Service - CPRM held Dialogues with the Mining sector, through one-on-one meetings via video conference with national and international companies of varying sizes, as well as specialized consulting firms. The objective was to answer questions and take note of suggestions from those interested in the mining auctions in the PPI portfolio scheduled for 2020.

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Public Consultation on the Transmission Auction Notice No. 01/2020

On 6/29, the second phase of Public Consultation No. 046/2019 was concluded, which sought subsidies for the improvement of the Transmission Lines Auction Notice 01/2020-ANEEL proposal, aimed at contracting a public electricity transmission service. This second phase counted on the contribution of 29 companies, associations and other interested parties.

The Transmission Auction No. 01/2020 contemplates 3690 km of transmission lines and 7160 MVA of transformation capacity, as well as the incorporation of Amazonas GT facilities, with 385 km of transmission line and 1350 MVA of transformation. Projected investments are worth of BRL 10 billion, distributed in 11 states of the Federation and capable of generating 21,300 direct jobs.

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Partnerships of Federative Entities and Regional Development

PPP project for the construction of a new children's hospital is qualified in PPI

The PPP project for the construction and operation of the New Children's Hospital of Guarulhos, state of São Paulo, was qualified in PPI through Resolution 138/2020, published on 6/30. The resolution met a request by the Guarulhos city administration and was deliberated during the last meeting of the PPI Council (CPPI), held on 6/10.

With the qualification, the project will have national priority status for all agents involved in its implementation and receive support from the PPI team for structuring a partnership with the private sector. Support ranges from the decision on the best partnership model for the concession to the completion of the bidding process, covering technical, economic and environmental studies and actions to attract investors.

The structuring of a PPP for the new municipal unit of Specialized Care in Children's Health in Guarulhos is being conducted by BNDES. The initiative covers the construction, equipment, operation, maintenance and provision of clinical and non-clinical services. The private partner will be responsible for investments in infrastructure, having to carry out the works and acquire the equipment and materials necessary for the operation of the facility.

The expected result is the construction of a modern hospital, in line with the best hospital units in Brazil, expanding the service to the population of Guarulhos with quality, technique and humanization. The prospect is that the new hospital will double the capacity to serve the public between zero and 17 years in the city of Guarulhos.

MME and MCTI included in the Interministerial Committee on projects for energy recovery from solid waste

Resolution 125/2020, published on 6/30, recommends the inclusion of representatives from the Ministry of Mines and Energy (MME) and the Ministry of Science, Technology and Innovation (MCTI) in the Interministerial Committee responsible for monitoring, reviewing and providing information on concession projects to expand the capacity for energy recovery from urban solid waste (MSW). The objective is to promote the integration of MSW, energy and innovation policies to enable new ways of generating energy from this waste, in order to transform a health and environmental liability into an energy asset.

The Interministerial Committee on concessions for energy recovery projects from MSW was created by Decree 10.117 / 2019, which qualified these projects in the PPI. In addition to representatives from the Special Secretariat of PPI, MME and MCTI, the Committee also includes representatives from the Ministry of Regional Development (MDR) and the Ministry of the Environment (MMA). The inclusion of MME and MCTI was decided at the last meeting of the Board of the Investment Partnerships Program (CPPI), held on June 10.

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Course for Monitoring and Management of FEP-CAIXA Concession Contracts

The Special Secretariat for PPI (SPPI) has been coordinating events to train public agents involved in projects supported by FEP-CAIXA (Federal fund for concessions and PPPs administered by Caixa Econômica Federal – CAIXA) in municipalities/municipal consortia. As part of this work, the “Course for Monitoring and Management of FEP-CAIXA PPP Contracts” ran between 6/15 and 6/22. Sponsored by FUNASA with support from the Ministry of Regional Development (MDR) and Caixa Econômica Federal, the first day of the course was attended by around 60 professionals and focused on the operational phase of the projects.

The course covered aspects of legal-administrative, economic-financial and technical management of service delegation contracts to private partners and was designed based on the best international practices for structuring and managing public-private partnerships. One of the special features was the practical application of the contents covered, via case studies in the areas of solid urban waste, sewage and public lighting.

More than 600 registered for the FEP-CAIXA Roadshow

More than six hundred people, including authorities, investors, suppliers and financiers, registered for the FEP-CAIXA Roadshow, held on 6/9. The event, organized by Caixa Econômica Federal in partnership with the Special Secretariat of PPI and the Ministry of Regional Development (MDR), presented the initiatives carried out with the support of the Federal Fund for PPPs administered by Caixa Econômica Federal – FEP CAIXA.

During the Roadshow, the portfolio of projects supported by the Fund in the areas of public lighting, urban solid waste and basic sanitation was presented. The guidelines for structuring initiatives and fundraising were also clarified, in addition to the criteria for selecting municipalities and municipal consortia to be supported in these three sectors. The presentations used during the event are available at <https://www.concessoes.caixa.gov.br/sifep-portal/#/chamamentoPublico> Edital> Roadshow FEP CAIXA - 09-06-2020.zip> (Portuguese).

Modernization of Public Lighting: result of consortium selection published

Nine public consortia in the states of Bahia, Paraná, Rio Grande do Sul, Pernambuco and Minas Gerais have been qualified in the 2nd Public Call for selection of PPP projects in the Public Lighting sector, comprising 84 municipalities and benefiting 1.9 million inhabitants. The result was published on 06/05.

The projects will allow the implementation of more modern and economical public lighting networks, with the use of LED lamps. They may also help reduce crime rates, in addition to the provision of services integrated with the Public Lighting system.

The call continues the Public Policy for the Promotion of PPPs of the States, Federal District and Municipalities, which already supports, via FEP-CAIXA (Federal fund for concessions and PPPs administered by Caixa Econômica Federal – CAIXA), the structuring of 17 public lighting PPP projects across the country. The municipalities of Feira de Santana, in Bahia, and Aracaju, in Sergipe, were the first to publish bidding notices.

The complete list of qualified public consortia can be consulted at <https://concessoes.caixa.gov.br/sifep-portal/#/chamamentoPublico> Notice 001-19 IP CONSÓRCIOS> Final Result> (Portuguese).

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PPP bidding documents for public lighting in Aracaju (SE), Feira de Santana (BA) and Franco da Rocha (SP)

In June, PPP bidding documents were published to select the company / consortium responsible for the public lighting service in the municipalities of Aracaju (state of Sergipe), Feira de Santana (state of Bahia) and Franco da Rocha (state of São Paulo).

The projects include the modernization of public lighting points with the use of LED lamps and remote management, aiming to promote the reduction of energy consumption, improve the quality of services and enhance the use of urban spaces by the population. They are also part of the Federal Program for Confronting Violent Crime, coordinated by the Ministry of Justice and Public Security.

The auctions will be held on 08/14 on the São Paulo Stock Exchange (B3). The winner will be responsible for developing, modernizing, expanding, operating and maintaining the municipal public lighting network for 13 years. Published with support of FEP-CAIXA (Federal fund for PPPs administered by Caixa Econômica Federal – CAIXA), the notices are part of a set of initiatives supported and co-financed by the World Bank through the Financial International Corporation and the Global Infrastructure Facility.

More information about each auction:

Feira de Santana. The public notice published by the second most populous municipality in the state of Bahia on 6/3 involves the modernization of 61 thousand points of light and investments worth of BRL 275 million. The document and other information about the auction are available at www.feiradesantana.ba.gov.br

Aracaju. The notice published by the capital of the state of Sergipe on 6/5 involves the modernization of 58 thousand light points and investments estimated at BRL 257 million. The notice and its annexes are available at www.aracaju.se.gov.br.

Franco da Rocha. The notice published by Franco da Rocha on 6/16 involves investments worth of BRL 58 million and the modernization of 10,000 points of light in the municipality. The document and other useful information about the auction are available at www.francodarocha.sp.gov.br> access to information> bids

Public consultation on CEDAE's concession model

On 6/9, the State Government of Rio de Janeiro opened a public consultation on the privatization process of the State Company for Water and Sewage (Companhia Estadual de Águas e Esgotos - CEDAE). Interested parties can obtain all the information necessary to participate on the site <http://www.rj.gov.br/consultapublica/>

The feasibility studies for the PPP were carried out by BNDES, which supports the entire structuring of the project. The area of the state of Rio served by CEDAE, which comprises 64 municipalities, will be divided into four blocks, with a 35-year concession term. In order to meet the goals provided for in the contracts, the investment estimate for private operators, in their respective areas of operation, is BRL 33.5 billion.

The government of the State of Rio is looking forward to launching the call for bid in the third quarter of 2020 so that the auction can be held later this year.

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Privatization of Companies and Services

Resolution qualifies the “Fixed Quota Bet” lottery service in the PPI

The lottery service "Fixed-odds betting", better known as "sports betting", has been qualified in the PPI and included in the National Privatization Plan (NPP) on 6/19, through Resolution 134/2020. It is public service exclusive to the Federal Government that can now be transferred to private agents through a concession or authorization process.

This initiative contributes to expand investment opportunities, stimulate the economy, increase revenue and generate jobs. One of the privatization models that may be adopted is the concession, already adopted in the successful LOTEX auction, held in October 2019, which was won by an Italian-American consortium and which generated a grant to be paid to the Union worth of BRL 817.9 million.

First Round of Talks with the Postal Sector

In June, the Special Secretariat for the PPI, together with the Ministry of Science, Technology, Innovations and Communications (MCTIC) and the BNDES, held the 1st Round of Talks with the Postal Sector. Through meetings via videoconference with stakeholders, the PPI team answered questions and obtained insights for regulatory improvement of the sector. In total, 21 meetings have been held with companies and associations from the postal sector.

“Mercado Livre do Produtor” included in the studies for the privatization of CEASAMINAS

Resolution 137/2020, published on 6/24, included evaluations on the “Mercado Livre do Produtor” (Free Producer Market) within the scope of the assessments necessary for the privatization of the state of Minas Gerais Supply Center (CEASAMINAS), a mixed economy company linked to the Ministry of Agriculture, Livestock and Food Supply. The assessments are conducted by the BNDES.

MLP is a place where producers and buyers of fruit and vegetables can negotiate directly. It occupies an area owned by the state of Minas Gerais and is on the perimeter of CEASAMINAS warehouses, representing an important element in the modeling of the privatization process.

Interministerial Committee on CEITEC presents its considerations

The result of the studies conducted by the Interministerial Committee instituted by Decree 10.065 / 2019, whose objective was to identify alternatives for the National Center for Advanced Electronic Technology - CEITEC, was presented during the 13th PPI Council Meeting. As an outcome of the studies, the Council recommended the corporate dissolution of CEITEC.

The Interministerial Committee, which was made up of representatives from the Ministry of Economy and the Ministry of Science, Technology and Innovations and which had technical support from BNDES, held dialogues with the private sector to assess whether there was an interest in entering into partnerships for concession or even acquisition. However, there was no appetite from the private sector for the operation, only interest in some assets of CEITEC, whose acquisition would be conditioned to some actions of the Brazilian government. For this reason, the Committee decided to recommend the liquidation of the company.

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Events & other

13th PPI Council Meeting qualifies enterprises in the federal government's investment partnership program

The Investment Partnership Program Council (CPPI) met on 6/10 to deliberate on new initiatives to be qualified in the PPI portfolio. The meeting was attended by President Jair Bolsonaro and the Minister of the Economy Paulo Guedes, who chairs the CPPI. The press conference held after the 13th Meeting is available at https://www.youtube.com/watch?v=CA-Q4FN-6vo&feature=emb_title (in Portuguese).

Projects qualified in the Program have national priority before all public agents in the administrative and control spheres of the Federal Government, States, Federal District and Municipalities. PPI team helps coordinate and supports sectoral Ministries and other federative entities with regard to the planning, modeling and monitoring of the prioritized initiatives. The objective is to seek more efficient models for the provision and management of public services, promote competition, bring more legal certainty and improve the regulatory environment to attract national and foreign investors.

Highlights of the 13th PPI Council Meeting:

- Seven Port Leases (Ports in Maceió, State of Alagoas; Mucuripe, state of Ceará; Areia Branca, state of Rio Grande do Norte; and Santos, state of São Paulo) + Studies for the privatization of the Port of Itajaí, state of Santa Catarina);
- Two Highways (BR-135/316 / MA, 230 / PA) + Inclusion of state of Paraná highways in the National Privatization Program + Support for the licensing of BR-174 / MT-RO;
- Relicitation of Airports (ASGA / state of Rio Grande do Norte and VCP / state of São Paulo);
- Line 2 of the Belo Horizonte/state of Minas Gerais subway + Railway Paraná Oeste S.A. - Ferroeste;
- Areas in Permanent Supply for exploration and production of oil and natural gas;
- Fishing terminals in Natal/state of Rio Grande do Norte, Aracaju/state of Sergipe, Vitória /state of Espírito Santo, Santos and Cananéia/state of São Paulo;
- Tourist developments ("Fort Nossa Senhora dos Remédios" and "Fort Orange" in the state of Pernambuco; "Fort of Santa Catarina", in the state of Paraíba; "Farm Pau D'Alho" in the state of São Paulo) + National Parks (São Joaquim/state of Santa Catarina and Brasília /Federal District);
- PPP of the New Municipal Hospital for Children and Adolescents in Guarulhos, state of São Paulo;
- Lottery - "Fixed Odds Betting";
- Corporate dissolution of CEITEC (state-owned company in the field of semiconductors) and contracting of specialized studies for Telebrás (Brazilian telecommunications company);
- Policy to support the environmental licensing of investment projects for the production of strategic minerals - "Strategic Pro-Minerals";
- Rules for conducting public hearings on the projects in the PPI portfolio, including on a virtual basis.
- Approval of the interministerial committee report on Nuclear Plant Angra 3

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Resolution regulates Virtual Public Hearings of PPI projects

Resolution 136/2020, published on 6/24, establishes the rules for holding virtual public hearings concerning initiatives that are part of the Investment Partnership Program (PPI). The strategy aims to guarantee the progress of the bidding processes amid the challenges brought by the COVID-19 pandemic.

The resolution states that virtual public hearings should use a technological platform with broad, direct and interactive access to interested citizens, in addition to ensuring the integrity and traceability of the information generated. Stakeholders will be able to access and view recordings of public hearings until the date of the project's bidding. As in the case of face-to-face public hearings, virtual public hearings will be preceded by wide disclosure, with notice of call informing the date, time, form and location.

Webinars in English

Webinar “Understanding the role of infrastructure to foster economic growth in Latin America post Covid-19” (6/9)

On 6/9, the PPI Special Secretary, Martha Seillier, participated in the webinar “Understanding the role of infrastructure to foster economic growth in Latin America post Covid-19”, organized by KPMG. Mediated by Stephen Beatty, KPMG Global Infrastructure Chairman, the event was also attended by Daniel Gomez Gaviria, from the National Planning Department of Colombia, and Rafael Ugaz, from Proinversión Peru. The webinar is available in full at https://www.youtube.com/watch?v=ivkSeUd_1cs (English)

Webinar “The new infrastructure pipeline” (6/26)

In the webinar "The New Infrastructure Pipeline", organized by Itaú BBA (Corporate Investment Bank of the Itaú Unibanco group), the PPI Special Secretary, Martha Seillier, spoke about the challenges and opportunities for infrastructure projects in Brazil. The video is available at: <https://linkedin.com/video/embed/live/urn:li:ugcPost:6682341131218362368/> (English).

Webinar “Impacts of Covid-19 on Infrastructure Concession Projects” (6/26)

On 6/26, PPI Special Secretary, Martha Seillier, participated in the webinar "Impacts of Covid-19 on Infrastructure Concession Projects", organized by Infracore and the Women's Infrastructure Network, together with Cristiane Gomes, CEO at CCR Airports; Doris Chevalier, Founder of Infracore; and Ghita Bennis, senior associate at Ashurst. The webinar is available at <https://youtu.be/opXiaYyvayM> (English).

Webinar “Investing in the Brazilian Power Sector: Opportunities and Challenges” (6/30)

The PPI Deputy Special Secretary, Bruno Westin, participated in the panel “Investing in the Brazilian Power Sector: Opportunities and Challenges”, which is part of a series organized by the Brazilian-American Chamber of Commerce. The panel discussed upcoming opportunities in the power sector, as well as the challenges of investing in the sector after the COVID-19 pandemic. The webinar is available at <https://www.youtube.com/watch?v=CTMI-GXvCbE> (English).

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Webinars in Portuguese

Webinar on the Economy Recovery through investments in infrastructure (6/15)

The Special Secretariat for the PPI and the National Bank for Economic and Social Development (BNDES) held, on 6/15, the webinar "Economy Recovery through Investments in Infrastructure". The event was attended by the Executive Secretary of the Ministry of Economy, Marcelo Guarany; the President of BNDES, Gustavo Montezano; the PPI Special Secretary, Martha Seillier; the Director of Infrastructure and PPPs of the BNDES, Fábio Abrahão, and representatives of multilateral development banks. The event is available at: <https://www.youtube.com/watch?v=F Da baT1Q4> (Portuguese).

Webinar on Forest Concessions with the PPI team (6/17)

Brazilian Bar Association (OAB) held on 6/26 a webinar on "Public Forest Concession", in which the guests were the PPI Secretary of Support for Environmental Licensing and Expropriation, Rose Hofmann, and the Chief Advisor to the Special Advisory Service for Investors and Projects, Robson Eneas de Oliveira. The full video is available at <https://youtu.be/1FUeGzfa5ak> (Portuguese).

Webinar on CEITEC (6/25)

Organized by Jornal do Comércio/Blog Mercado Digital and with the mediation of technology reporter Patricia Knebel, the event gave rise to a debate on the liquidation of the CEITEC chip factory, in Rio Grande do Sul, with the participation of the PPI Secretary of Promotion and Support for Partnerships of Federative Entities, Wesley Cardia, and with the president of the Brazilian Society of Microelectronics (SBMICRO), Nilton Morimoto. The video is available https://www.jornaldocomercio.com/conteudo/galeria_de_videos/2020/06/745112-ceitec-extinguir-vender-ou-transformar-qual-sera-o-destino-da-fabrica-de-chips.html (Portuguese).

Webinar "International Infrastructure Mission | Project Structuring - Is There an Ideal Model?" (6/26)

On 6/17, the PPI Special Secretary, Martha Seillier, was one of the participants in the webinar "International Infrastructure Mission | Project Structuring - Is there an Ideal Model?", Organized by AmCham (American Chamber of Commerce). The event also included the participation of Fábio Abrahão, Director of Infrastructure, Concessions and PPPs at BNDES, and Claudia Prates, Director-General of New Development Bank Brasil. The webinar is available at: <https://www.amcham.com.br/connect/conteudo/tv/missao-internacional-de-infraestrutura-estruturacao-de-projetos-existe-um-modelo-ideal> (Portuguese).

Webinar "Auctions in the mining sector" (6/26)

On 06/26, the PPI Program Director of the Secretariat of Energy, Oil, Gas and Mining, Frederico Munia Machado, made a presentation on the theme "Auctions in the mining sector: PPI, the new availability of areas and the role of state companies in mining", in a free class of the Postgraduate Course in Mining Law taught by CEDIN - Center for Studies in Law and Business. The debater was the President of the Brazilian Institute of Mining Law (IBDM), Tiago de Mattos. The class is available at https://youtu.be/WYVH_gU-8P4 (Portuguese).

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