BIP

List of project qualification parameters

DRAFT

DEZEMBRO/2024





MINISTÉRIO DO DESENVOLVIMENTO, INDÚSTRIA, COMÉRCIO E SERVIÇOS

GOVERNO FEDERAL





MINISTÉRIO DE

MINAS E ENERGIA

UNIÃO E RECONSTRUÇÃO

UNIÃO E RECONSTRUÇÃO

UNIÃO E RECONSTRUÇÃO

MINISTÉRIO DO MEIO AMBIENTE E MUDANÇA DO CLIMA









List of priority sectors and subsectors already defined by the Platform Steering Committee



NON-EXHAUSTIVE / INITIAL FOCUS / FOR DISCUSSION



Non-exhaustive list. Individual projects will be assessed on the basis of parameters, including contribution to adaptation and resilience.

Note: (*) Terminology and criteria to be defined in future discussions; (1) The subsectors are listed in preliminary prioritization order, which will be finalized with the technical teams of the relevant ministries; (2) Does not include was te emissions, which represent 4% of total Brazilian emissions (0.1 B tCo2). Source: SEEG; (3) Includes solutions such as SAF, biomethane, green diesel and others

Sustainable fuels

SECTORS COVERED

Nature-based solutions & Bioeconomy

Industry & Mobility

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans	Green diesel, aligned with the NIB and "Fuel of the Future Bill"
and government programs	SAF, aligned with the NIB and "PL Fuel of the Future"
	Bionaphtha as a by-product of SAF/green diesel
	Biomethane, as aligned with the "Fuel of the Future Bill"
	 Synthetic fuels, as mentioned in the "Fuel of the Future Bill" Focus on: Biomass Synthetic Fuel and Direct Air Capture (DAC) To be analyzed on a case-by-case basis: other methods of producing low-carbon hydrogen (e.g. H2 from electrolysis, H2 from biomethane) Not included: Coal and natural gas
	 Second-generation ethanol Focus on: Ethanol from agricultural residues (e.g., sugarcane bagasse, rice husks, and other biomass) To be analyzed on a case-by-case basis: Ethanol from corn, w heat and other cereals, in case of intermediate crops
	Other sustainable fuels from biorefineries (e.g. biobunker, bioLGP) may be evaluated on a case-by-case basis
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	Estimated CO2eq avoided per year compared to fossil fuel
	Proof that there has been no deforestation, if the project involves plantation areas or land for construction
Additional benefits	In case of need for a planting area: Preservation of biodiversity; acres of restored land
	 # jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)

Electric urban mobility

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 Projects aimed at the production of electric buses and/or the promotion of electric bus fleets in Brazilian cities/municipalities/states covered by the MOVER Plan and/or PNMU
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	Passengers impacted per year
	Reduction of other local pollutants (NOx, PM, etc.)
Additional benefits	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	Not applicable

Low-carbon hydrogen

S	E.	С	Т	0	R	S	С	0	V	F.	R	E.	D
U		U		U	•••	0		U	•		•••		~

Industry & Mobility

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 Be aligned with the PNH2 and the Hydrogen Legal Framework: Low-carbon hydrogen: hydrogen fuel or industrial input collected or obtained from various production processes and which has GHG emissions, according to the life cycle analysis, with an initial value less than or equal to 7 kgCO2eq/kgH2;
	Methanol and ammonia as a byproduct of low-carbon hydrogen
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	Energy produced and stored in MWh
	 Estimated reduced kgCO2eq/kgH2 avoided if purpose used is declared
Additional benefits	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	 Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)

Strategic minerals

SECTORS COVERED

Industry & Mobility

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans	In line with the government's concept of "strategic minerals", prioritizing the minerals that contribute most directly to the climate transition:
and government programs	 Complete value chain (including mining and processing): Copper, cobalt, graphite, lithium, niobium, nickel, silicon, rare earth elements, and manganese; Uranium and vanadium must be analyzed on a case-by-case basis;
	• Focus on processing projects only: Aluminum, analyzed on a case-by-case basis (does not include projects focused on bauxite mining)
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	• TBD
Additional benefits	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
	 The project has clear sustainable extraction practices (e.g., decarbonization of the fleet, adoption of biodiversity preservation measures and application of IBAMA guidelines, use of sustainable energy, zero waste, increased efficiency/accuracy in extraction)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate	 Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)
frameworks	Project certified by international certifiers in ESG transparency

Energy efficiency (initial focus on industrial processes)

SECTORS COVERE	D
Industry & Mobility	Energy

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 The projects must be analyzed on a case-by-case basis and aligned with the MME and MIDC until there is a formal definition by the government about the term
	Initial focus on energy-intensive industries
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	Estimate of reduced/avoided kgCO2eq
	Total energy saved (KWh) compared to baseline
Additional benefits	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)

Low-carbon steel/aluminum

SECTORS COVERED

Industry & Mobility

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 The definition of this subsector is not available in the NIB, so projects that fall into this subsector must follow the prioritization of ITA (Industrial Transition Accelerator Brazil) and MDIC:
	Aluminum Aluminum Smelting with Renewable Energy Aluminum Casting with Low Carbon Anodes
	 Steel Direct reduced iron (DRI) production using clean H2 and/or electrification DRI production starting with natural gas with clear plans to transition to clean H2, CCU/S and/or electrification Iron making with CCU/S Self-reduction process Electrolysis process
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	Tons of low-emission material production
	Use of non-fossil energy sources for production
Additional benefits	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	• N/A

Low-carbon cement

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 The definition of this subsector is not available in the NIB, so projects that fall into this subsector must follow the prioritization of ITA (Industrial Transition Accelerator Brazil) and MDIC: Cement production with CCU/S Production of cement with supplementary cementitious materials (SCMs)
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	Tons of low-emission material production
	Use of non-fossil energy sources for production
Additional benefits	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	• N/A

Resilient renewable systems for isolated systems

S	Е	С	Т	Ο	R	S	С	0	V	Ε	R	Е	D	
---	---	---	---	---	---	---	---	---	---	---	---	---	---	--

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 The final version of the government's plan (PLANTE) has not yet been published However, once the plan is published, it will guide the definitions and terminology that will be applied to the platform and the relevant projects that are seeking to submit to the platform's pipeline
	 The platform will initially focus on projects aimed at transitioning from isolated systems that currently rely on fossil fuels to renewable energy sources Renewable energies/systems: solar, wind, hydro and/or storage systems Isolated systems: an area or region that is not connected to the main power grid ("SIN")
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	Estimate of reduced/avoided kgCO2eq
Additional benefits	Total affected population, families and/or households
	 # jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)

Technologies for resilient power grids (including smart grids and storage)

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 The final version of the government's plan (PLANTE) has not yet been published. However, once the plan is published, it will guide the definitions and terminology that will be applied to the platform and the relevant projects that are seeking to submit to the platform pipelin e
	 For now, the projects must be analyzed on a case-by-case basis and aligned with the Ministry of Mines and Energy (MME). The initial focus should be on smart grids and storage systems
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	MWh reduced/avoided or energy efficiency gain, if declared
Additional benefits	 # jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	• N/A

Offshore wind

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 The final version of the government's plan (PLANTE) has not yet been published. For now, companies must fit into the offshore wind energy framework (PL 576/2021), once approved
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	Energy produced and stored in MWh
	Estimate of reduced/avoided kgCO2eq
Additional benefits	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)

Recovery of native vegetation

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 Be in accordance with the provisions of the laws that regulate land use, such as CF (12.651/2012), Federal Family and Community Forest Management Program (to be published), Public Forest Management Law (11.284/2006), and Action Plan for the Prevention and Control of Defo restation (PPCDs)
	 PROVEG Definitions (Decree <u>8.972/2017)/PLANAVEG</u>: Alignment with one or more Planaveg Implementation Arrangements, namely: Recovery of vegetation in public areas (Conservation Units, Indigenous Lands, Public Forests); Environmental Regularization of Rural Areas (Forest Code); restoration associated with economic purposes (agroforestry, silviculture of native species, etc.) Alignment with priority recovery areas and models Formal acceptance of the recovered areas to be computed tow ards the goal of 12 million, follow ing PLANAVEG's monitoring protocol
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 10M
Positive climate impact	Estimated CO2eq sequestration per year
Additional benefits	Biodiversity conservation
	Contribution to water security
	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Promotion of the development of the RVN production chain
	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate	Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)
	Project in the process of certification with international certifiers

Sustainable management of native vegetation *(including NTFPs)*

Bioeconomy

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 Be in accordance with the provisions of the laws that regulate land use, such as CF (12.651/2012), Federal Family and Community Forest Management Program (to be published), Public Forest Management Law (11.284/2006), and Action Plan for the Prevention and Control of Defo restation (PPCDs)
	 CF (12.651/2012), Federal Program for Family and Community Forest Management (to be published) Public Forest Management Law (11.284/2006)
	 - (Community and Family) Federal Community and Family Forest Management Program. Concept of (MFCF): The execution of multiple-use forest management activities to obtain forest bioeconomy products, including logging, non-timber and environmental services, under the responsibility of indigenous peoples, traditional peoples and communities, and family farmers
	 (Business) Forest Code, art. 3, VII – sustainable management: management of natural vegetation to obtain economic, social and environmental benefits, respecting the mechanisms of support of the ecosystem object of management and considering, cumulatively or alternatively, the use of multiple timber species or not, multiple products and by-products of flora, as well as the use of other goods and services/concessions
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 10M
Positive climate impact	Estimated avoided GHG emissions
Additional benefits	Improved livelihoods (increased average income, improved health, etc.)
	Tons of NTFPs production
	 # jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	 Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)
	Project in the process of certification with international certifiers

Agricultural bioinputs and green fertilizer

SECTORS COVERED

Nature-based solutions & Bioeconomy

Industry & Mobility

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 Be in accordance with the provisions of the laws that regulate land use, such as CF (12.651/2012), Federal Family and Community Forest Management Program (to be published), Public Forest Management Law (11.284/2006), and Action Plan for the Prevention and Control of Defo restation (PPCDs)
	 Definition of the National Bioinputs Program (Decree No. 10,375/2020): A bioinput is considered to be a product, process or technology of plant, animal or microbial origin, intended for use in the production, storage and processing of agricultural products, aquatic production systems or planted forests, which positively interfere with the growth, development and response mechanism of animals, plants, microorganisms and derived substances and that interact with physical-chemical and biological products and processes. Green Fertilizer: from biomethane and/or green hydrogen
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	Tons of production
Additional benefits	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)

Waste management

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 Be in accordance with the provisions of the laws that regulate land use, such as CF (12.651/2012), Federal Family and Community Forest Management Program (to be published), Public Forest Management Law (11.284/2006), and Action Plan for the Prevention and Control of Defo restation (PPCDs)
	• Encouraging recycling (e.g. recycling/composting facilities, projects within the industry to manufacture products with greater recyclability (e.g. ecodesign))
	• Closure of dumps and establishment of landfills (e.g. recovery of biogas in landfills and anaerobic digestion and construction of new landfills)
	 Domestic sewage treatment (e.g. new structures aimed at decarbonizing the sector)
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 50M
Positive climate impact	• Diversion of organic waste from landfills and dumps, through composting and biodigestion initiatives of organic waste,
	Diversion of dry waste from landfills and dumps, through recycling initiatives,
	Reduction of methane emissions in final disposal units and sewage treatment plants,
	Energy recovery or burning of biogas generated in landfills or sewage treatment plants.
Additional benefits	Socio-productive inclusion of waste pickers in the recycling chain;
	• Promotion of agriculture (e.g. urban and peri-urban) from the flow of by-products from organic waste recovery activities;
	Promotion of public health and quality of life through the closure of dumps.
	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	 Planned investment in new recycling/composting facilities, projects within the industry to manufacture products with greater recyclability (e.g. ecodesign), recovery of biogas in landfills and anaerobic digestion and construction of new landfills
Alignment with climate frameworks	 Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)
	Project in the process of certification with international certifiers

Regenerative agriculture

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 Be in accordance with the provisions of the laws that regulate land use, such as CF (12.651/2012), Federal Family and Community Forest Management Program (to be published), Public Forest Management Law (11.284/2006), and Action Plan for the Prevention and Control of Defo restation (PPCDs)
	 Decree 11,815/2023, Conversion of degraded pasture - public policies aimed at converting degraded pastures into sustainable agricultural and forestry production systems, with a view to promoting good agricultural practices that lead to carbon capture at a higher level than degraded pasture. Concepts and guidelines available at the link
	Comply with the definitions Article 2 of Decree 11,815/2023 (e.g. agroforestry, planted forest, improved pasture, ICLFS, etc.)
	 Minimum criteria: Registration in the CAR; Compliance Law 12.651/2012; Regularity with the PRA (Decree 7.830/2012); Reduction of emissions in 10 years; No increase in emissions for land use change (10 years); Other MCR Seals
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 10M
Positive climate impact	ha of APP and RL in environmental regularization
	There are consolidated areas with sustainable practices
Additional benefits	ha of surplus land from Legal Reserve
	tons of sustainable production
	# jobs created in Brazil (direct and indirect)
	Development of local communities (education, infrastructure, etc.)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
Alignment with climate frameworks	Project in the process of certification with international certifiers

Biotechnology (1/2)

Parameters	Description: Requirements to meet each parameter in this subsector
Alignment with transition plans and government programs	 Be in accordance with the provisions of the laws that regulate land use, such as CF (12.651/2012), Federal Family and Community Forest Management Program (to be published), Public Forest Management Law (11.284/2006), and Action Plan for the Prevention and Control of Defo restation (PPCDs)
	 Projects registered on the platform that include research, technological development, generation of finished products from biotechnology, as the case may be, must be registered, notified and the resulting economic exploitation divided fairly and equitably, under the terms of Law No. 13,123/2015, with a view to implementing the National Benefit Sharing Program.
	• Minimum criteria: Biotechnological research and development registered in SisGen; notified finished product and reproductive material; and fair and equitable sharing of benefits carried out under the terms of the Law.
	 Definitions according to Law 13,123/2015, which internalizes the concepts of the Convention on Biological Diversity – CBD (1992) and creates the National Benefit Sharing Program: Biotechnology means any technological application that uses biological systems, living organisms, or their derivatives, to manufacture or modify products or processes for specific use Genetic heritage - information on the genetic origin of plant, animal, microbial or other species, including substances from the metabolism of these living beings; User - natural or legal person who accesses genetic heritage or associated traditional know ledge; Finished product - product whose nature does not require any type of additional production process, arising from access to genetic heritage or associated traditional know ledge is one of the main elements of adding value to the product, being able to be used by the final consumer, whether an individual or a legal entity; Product notification - declaratory instrument that precedes the beginning of the activity of economic exploitation of finished product or reproductive material arising from access to genetic heritage or associated traditional know ledge, in which the user declares compliance with the requirements of this Law and indicates the type of benefit sharing, when applicable, to be established in the benefit sharing agreement;
	Minimum participation of genetic heritage per project to be discussed on a case-by-case basis
	 Adapt to at least 1 of the pillars of the PTE: Sustainable Finance, Technological Densification, Bioeconomy and Agri-Food Systems and/or Energy Transition
Significant amount of capital mobilized	Minimum of US\$ 10M

Biotechnology (2/2)

Parameters	Description: Requirements to meet each parameter in this subsector
Positive climate impact	Estimated avoided GHG emissions per avoided deforestation
	• Estimated sequestration of CO2eq per year by restoration of native vegetation with specific purposes for the use of species for biotechnological use
	 Research and/or development of processes/products based on the Brazilian genetic heritage that will lead to a reduction in the use of fossils/emissions (e.g. biofuels, biopolymers)
Additional benefits	Improved livelihoods (increased average income, improved health, etc.)
	 Benefit-sharing for the National Benefit-Sharing Program with the purpose of promoting the implementation and development of activities related to the sustainable use of biological diversity, its conservation and benefit-sharing
	• Adoption of measures to minimize or, if possible, eliminate threats to genetic heritage (including those resulting from climate change)
	# jobs created in Brazil (direct and indirect)
Technological densification	Expected investment in technologies that are new/underdeveloped in Brazil
	Expected number of patents to be filed
Alignment with climate frameworks	Project aligned with EU, US and/or Asian taxonomy and/or regulations (self-declaratory)

Ball Climate & Ecological Transformation Investment Platform