

**BANCO NACIONAL DE DESENVOLVIMENTO  
ECONÔMICO E SOCIAL - BNDES**

**Independent auditors' limited assurance  
report**

# BANCO NACIONAL DE DESENVOLVIMENTO ECONÔMICO E SOCIAL - BNDES

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## INDEPENDENT AUDITORS' REPORT

To  
MANAGEMENT OF  
**Banco Nacional de Desenvolvimento Econômico e Social - BNDES**  
Rio de Janeiro - RJ

### 1. Introduction

We were engaged for the purpose of applying limited assurance procedures intended to check the compliance of projects supported by Amazon Fund in 2012 with standards and guidelines applicable to them.

Our responsibility is to issue a limited assurance report on the compliance of the projects supported by Amazon Fund.

### 2. Procedures applied

The limited assurance procedures were followed according to the Standard NBC TO 3000 - Assurance Engagement Different from Audit and Review, issued by the Federal Association of Accountants (CFC) and approved by CFC Resolution 1.160/2009, and to the ISAE 3000 - International Standard on Assurance Engagements, issued by International Auditing and Assurance Standards Board (IAASB), both for assurance engagements different from audit or review of historic financial information.

The limited assurance procedures comprise:

- a) Planning of the work, considering the relevance, coherence, and volume of quantitative and qualitative information;
- b) Understanding the methodology of analysis of the projects by means of interviews with the managers responsible for the information;
- c) Examining analysis reports, BNDES' management decisions and contracts, checking their compliance with Decree No. 6.527, of August 1, 2008, which addresses the creation of the Amazon Fund by the Brazilian Development Bank (BNDES), particularly the compliance with the provisions of Article 1, and with the standards and guidelines issued by the Amazon Fund Guidance Committee (COFA);

- d) Evaluation of the purpose compliance (products and services), expected results and objectives of the projects analyzed by the technical teams of BNDES, approved by its management, engaged or to be engaged, to verify their compliance with the strategic guidelines included in the Sustainable Amazon Plan (PAS) and with the tactical and operational guidelines of the Action Plan for Prevention and Control of the Legal Amazon Deforestation (PPCDAM);
- e) Crosschecking the quantitative and qualitative information of the analysis reports and their conclusions against management decisions and the contracts entered into between BNDES and the executors of the projects.

### 3. Scope and limitations

The purpose of our work was the application of limited assurance procedures on the compliance by BNDES with the provisions of Decree No. 6.527/2008 in regard to supportable actions, with the guidelines and criteria issued by COFA, with the strategic guidelines included in PAS, and with the tactical and operational guidelines of PPCDAM, not including an evaluation of the compliance by the beneficiaries of the projects with the obligations agreed with BNDES.

The procedures followed and pertinent analyses made were restricted to the documents made available by BNDES, and their authenticity was not subject to validation.

The procedures applied do not represent an exam of financial statements according to Brazilian and international audit standards.

Our report does not provide limited assurance on the effective meeting of targets, expectations and ambitions, whose information is subject to future and subjective evaluation.

Procedures to identify frauds and the exam of documents were not performed.

#### 4. Approved and engaged projects

During the performance of the limited assurance work, we analyzed operations of non-reimbursable financial support approved and/or engaged during 2012, comprising the following organizations and their current status:

##### a) Projects approved in 2011 and engaged in 2012:

- Contract # 11208721 - State of Mato Grosso - Fire Department;
- Contract # 11211751 - Instituto de Pesquisa Ambiental da Amazônia (Ipam);
- Contract # 11211791 - Municipality of Anapu/PA;
- Contract # 11211781 - Municipality of Jacundá/PA.

##### b) Projects approved and engaged in 2012:

- Contract # 12203841 - State of Acre - Fire Department;
- Contract # 12210131 - State of Rondônia - Fire Department;
- Contract # 12202531 - State of Tocantins - Fire Department;
- Contract # 12200011 - Fundação de Amparo e Desenvolvimento da Pesquisa (Fadesp) / Universidade Federal do Pará (UFPA);
- Contract # 12203271 - Fundação de Amparo e Desenvolvimento da Pesquisa (Fadesp) / Universidade Federal do Pará (UFPA);
- Contract # 12200341 - Fundação de Amparo e Desenvolvimento da Pesquisa (Fadesp) / Universidade Federal do Pará (UFPA);
- Contract # 12200651 - Fundação de Amparo e Desenvolvimento da Pesquisa (Fadesp) / Universidade Federal do Pará (UFPA);
- Contract # 12204352 - Fundação Banco do Brasil (FBB);
- Contract # 12206691 - Instituto Sociedade, População e Natureza (ISPN).

##### c) Projects approved in 2012 and engaged/to be engaged in 2013:

- Operation # 4144809 - State of Pará;
- Operation # 4067384 - Instituto Brasileiro de Administração Municipal (Ibam);
- Operation # 3458307 - Instituto de Desenvolvimento Sustentável Mamirauá;
- Operation # 3391224 - Ministry of Environment - Brazilian Forest Service;
- Operation # 2441523 - Municipality of Porto de Moz/PA.

## 5. Environmental aspects of the analyzed projects related to Amazon Fund

By the end of present work, we were provided with elements that contributed to a better understanding of the matter, both in regard to its current stage and future prospects, in order to assist the decision-making process. During our analysis, we became aware of the actual need to increase knowledge related to the vulnerability of the biomes under discussion, and to the impacts and strategies of adaptation. There is a great opportunity to promote environmental, social, and economic development and forest conservation in the areas covered by the Fund, with an actual prospect of containment of deforestation in Legal Amazon, and to enable alternatives for protection and sustainable use of the forest, based on the mechanisms and processes included in PPCDAM, PAS, and legal provisions of Decree No. 6.527/2008 and Law No. 12.187/2009.

The analysis of the proposed projects and of the procedures and criteria used in the release of funds from Amazon Fund has made apparent the axes that guide the scope of these projects and the release of the funds: Land use; environmental control and monitoring; promotion of sustainable production activities; technological and scientific development; modernization and development of agencies acting in the Amazon biome.

## 6. Conclusions

- a) We crosschecked the clauses of the contracts for financial support to the projects listed in item 4, sub-item "a" (projects approved in 2011 and engaged in 2012) against the wording of the BNDES' management decisions approving the financial support.

We found that the purpose established in BNDES' management decisions, that approved the financial support to the projects was maintained in the contracts. We also found that the contracts did not include any amendments that could affect the compliance of the projects with Decree No. 6.527/2008, and with the criteria and guidelines of COFA, PAS, and PPCDAM.

The analysis reports and management decisions referring to these projects were the object of our assurance analysis, for the year 2011, concluded on June 6, 2012. The audit report then issued concluded on the compliance of the projects with Decree No. 6.527/2008, and with the criteria and guidelines of COFA, PAS, and PPCDAM.

- b) We crosschecked the information included in the analysis reports of the projects listed in item 4, sub-items "b" and "c" (projects approved and engaged in 2012, and projects approved in 2012 and engaged/to be engaged in 2013) against the provisions of Decree No. 6.527/2008, the guidelines and criteria issued by COFA, the strategic guidelines of PAS, and the tactical and operational guidelines of PPCDAM.

We did not find any non-conformances.

- c) We crosschecked the wording of BNDES' management decisions which approved the financial support to the projects listed in item 4, sub-items "b" and "c" (projects approved and engaged in 2012, and projects approved in 2012 and engaged/to be engaged in 2013) against the information included in the analysis reports.

We found that the purpose of the projects, object of the analysis reports issued by BNDES' technical teams, was maintained upon the approval of BNDES' management. We also found that the management decisions did not include any amendments that could affect the compliance of the projects with Decree No. 6.527/2008, and with the criteria and guidelines of COFA, PAS, and PPCDAM.

- d) We crosschecked the clauses of the contracts for financial support to the projects listed in item 4, sub-item "b" (projects approved and engaged in 2012) against the wording of BNDES' management decisions.

We found that the purpose established in BNDES' management decisions, that approved the financial support to the projects was maintained in the contracts. We also found that the contracts did not include any amendments that could affect the compliance of the projects with Decree No. 6.527/2008, and with the criteria and guidelines of COFA, PAS, and PPCDAM.

Rio de Janeiro, February 19, 2013.

