



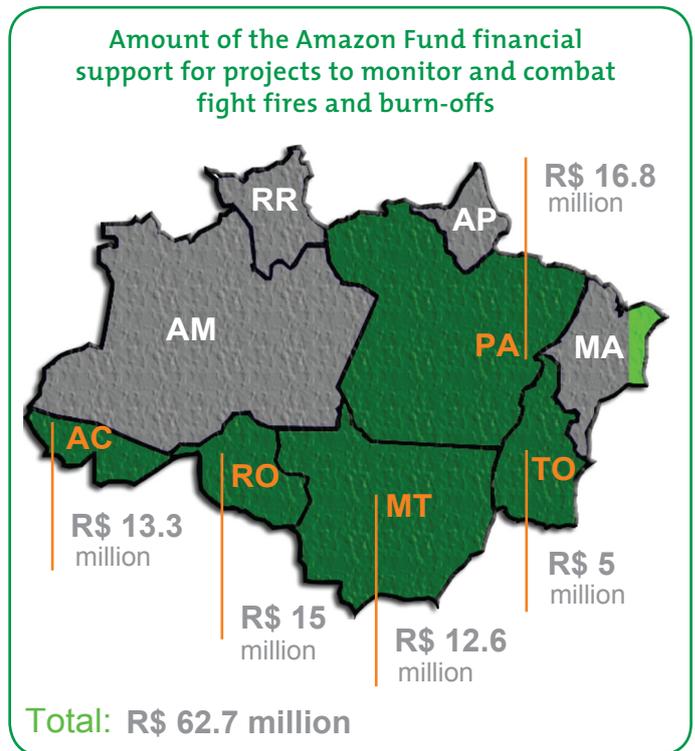
BNDES approves R\$ 16.8 million for project in the state of Pará

Financial support to be used to monitor, prevent and fight forest fires and illegal burn-offs in the Legal Amazon totals R\$ 62.7 million

The board of directors at the Brazilian Development Bank (BNDES), within the scope of the Amazon Fund, has approved non-reimbursable financial support in the amount of R\$ 16.8 million for a project aimed at monitoring, preventing and combating deforestation caused by forest fires and illegal burn-offs in the state of Pará. With this, the Amazon Fund portfolio now has 35 approved projects, totaling R\$ 413.2 million.

Pará is now the fifth state in the Legal Amazon with an approved project aimed at improving and strengthening efforts taken by the state Fire Fighters in the region, totaling a support of R\$ 62.7 million. The other states include: Acre (R\$ 13.3 million); Mato Grosso (R\$ 12.6 million); Rondônia (R\$ 15 million) and Tocantins (R\$ 5 million). All financed projects are in keeping with the public policy directly managed by the Ministry of the Environment (MMA) to take firm action to monitor and fight fires.

The state of Pará – With completion slated for two years, the “Pará Against Forest Fires and Unauthorized Burn-offs” project is aimed at strengthening the Fire Fighters Department in the state of Pará (CBPA) by taking action to improve the physical and operational structure of the Itaituba Military



Fire Department and the Quick-Response Operational Divisions (NORRs) in the cities of Castanhal, Tucuruí, Redenção, Altamira, Santarém, Abaetetuba, Parauapebas, Paragominas and Marabá, thus ensuring coverage in the entire state of Pará.

New Report on the Amazon Fund Project Portfolio

The Amazon Fund has launched a new version of its Project Portfolio Report. The change, both in content and graphic design, is aimed at providing consolidated data related to the three years of the Fund's operation, focusing on the progress of the portfolio, which totals 35 financed projects and R\$ 124.7 million in disbursements. In addition to the breakdown of the portfolio (number of projects submitted, total amount requested and the flow of projects at the BNDES), it is possible to see the profile of the financed projects and follow up on the number of disbursements already made.



In the new graphic design, the content has been divided into three parts: the consolidated portfolio, profile of the financed projects and the disbursements made. Another important new aspect is the way the data is presented. Altogether, there are 14 graphs, of which 12 are related to the projects already financed. The Report is a monthly publication which is available on the website (www.fundoamazonia.gov.br), where the News Bulletin and the Annual Report can also be found. Contributions to improve information can be sent to the BNDES (fundoamazonia.faleconosco@bndes.gov.br).

Meeting of the Amazon Fund's Technical Committee in Brasília

The meeting was aimed at certifying the amount of carbon emissions from deforestation to establish the fundraising limit for the Amazon Fund in 2011

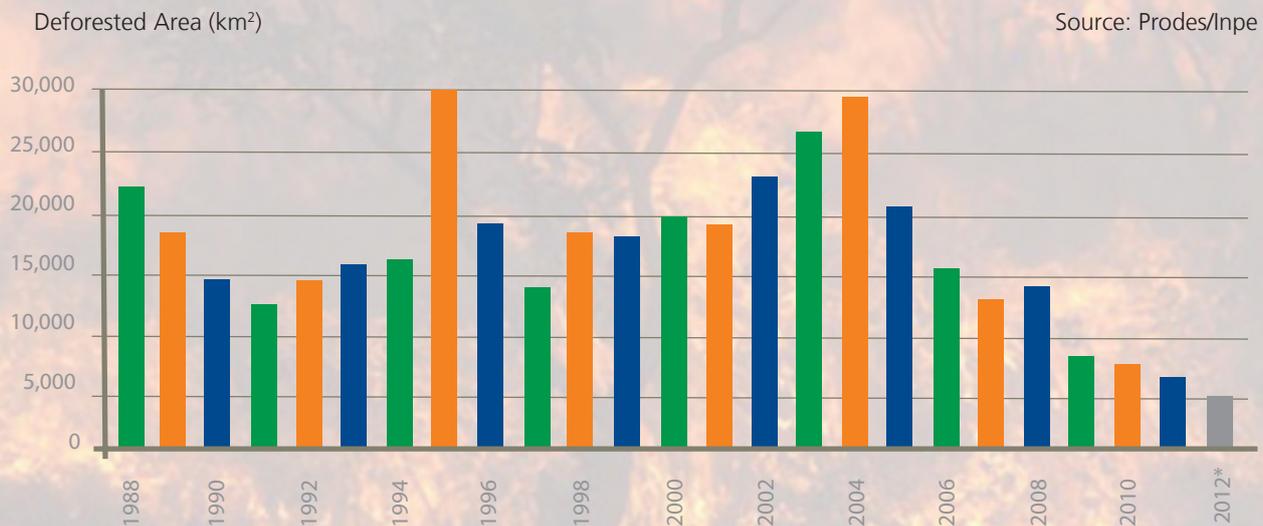
Aimed at certifying the amount of carbon emissions from deforestation calculated by the Ministry of the Environment (MMA) based on deforestation estimates generated from the National Institute of Spatial Research (INPE), the 5th Annual Meeting of the Technical Committee of the Amazon Fund (CTFA) was held on November 14 in Brasília, Federal District.

CTFA representatives, after considering the average rate of deforestation from 2001 to 2010, which corresponds to 16.531km² and the 2011 deforestation rate of 6.418km², established the estimated amount for reducing emissions between August 2010 and July 2011, which corresponds to some 490.2 million tons of carbon dioxide (CO₂). Based on this estimate, the fundraising limit for the Amazon Fund in 2011 is limited to US\$ 2,451,054,000.00.

The following CTFA representatives attended the 5th Meeting: Adalberto Luis Val (National Institute of the Amazon Research – INPA); Christiano Pires de Campos (Petrobras Research Center); Paulo Roberto de Souza Moutinho (Institute of the Amazon Environmental Research – IPAM); Naziano Filizola (Federal University of Amazonas – UFAM); and Marcos Aurélio Vasconcelos de Freitas (Federal University of Rio de Janeiro – UFRJ).

Fundraising – Amazon Fund fundraising is based on the results of greenhouse gas emissions that were prevented and the subsequent reduction of deforestation. With this, the bigger the reduction in deforestation caused by clear-cutting, the higher the potential to enlarge fundraising (see deforestation records since 1988 in the graph below).

Annual Deforestation in the Legal Amazon by clear-cutting (km²)



*Estimate

On November 27, the INPE announced a new estimate for the annual deforestation rate in the Legal Amazon for 2012, which indicates a reduction of 27% when compared to 2011. According to data collected by the Amazon Monitoring Project through PRODES Satellites, some 4,656 km² were deforested between August 2011 and July 2012. It is the lowest rate since the INPE started measuring it in 1988.