



**AGÊNCIA NACIONAL DE
TRANSPORTES TERRESTRES**

Logistics Investment Program (PIL): Railroads and Roads Concession



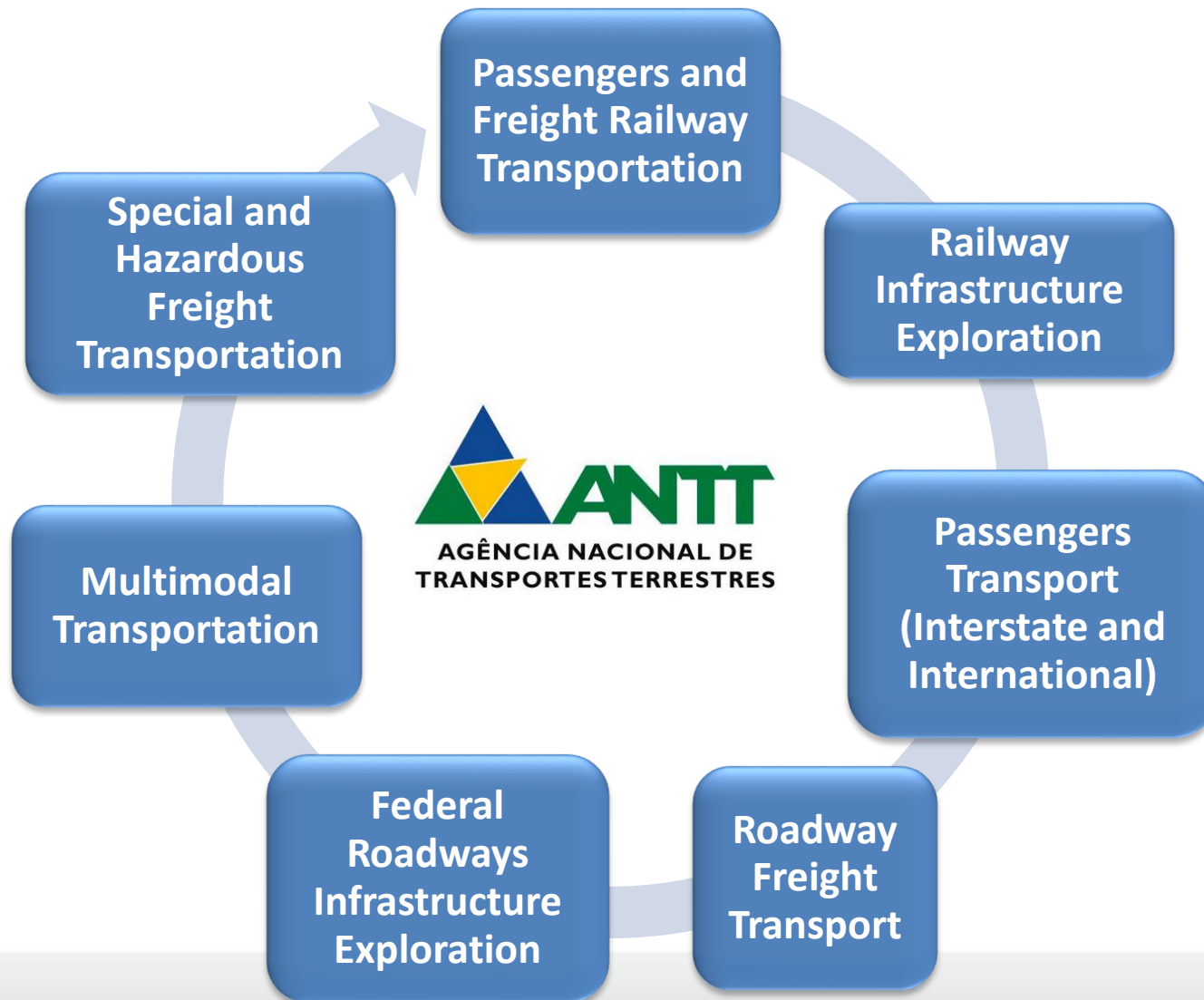
São Paulo - SP
28/08/2015



1) INTRODUCTION



ANTT OVERVIEW



Institutions involved - Concession process



Casa Civil – Presidência da República



Ministério dos Transportes



Ministério do Planejamento, Orçamento e Gestão



Ministério da Fazenda



BNDES



Agência Nacional de Transportes Terrestres



Empresa de Planejamento e Logística S.A.



VALEC – Engenharia, Construções e Ferrovias S.A.



DNIT – Departamento Nacional de Infraestrutura de Transportes



IBAMA

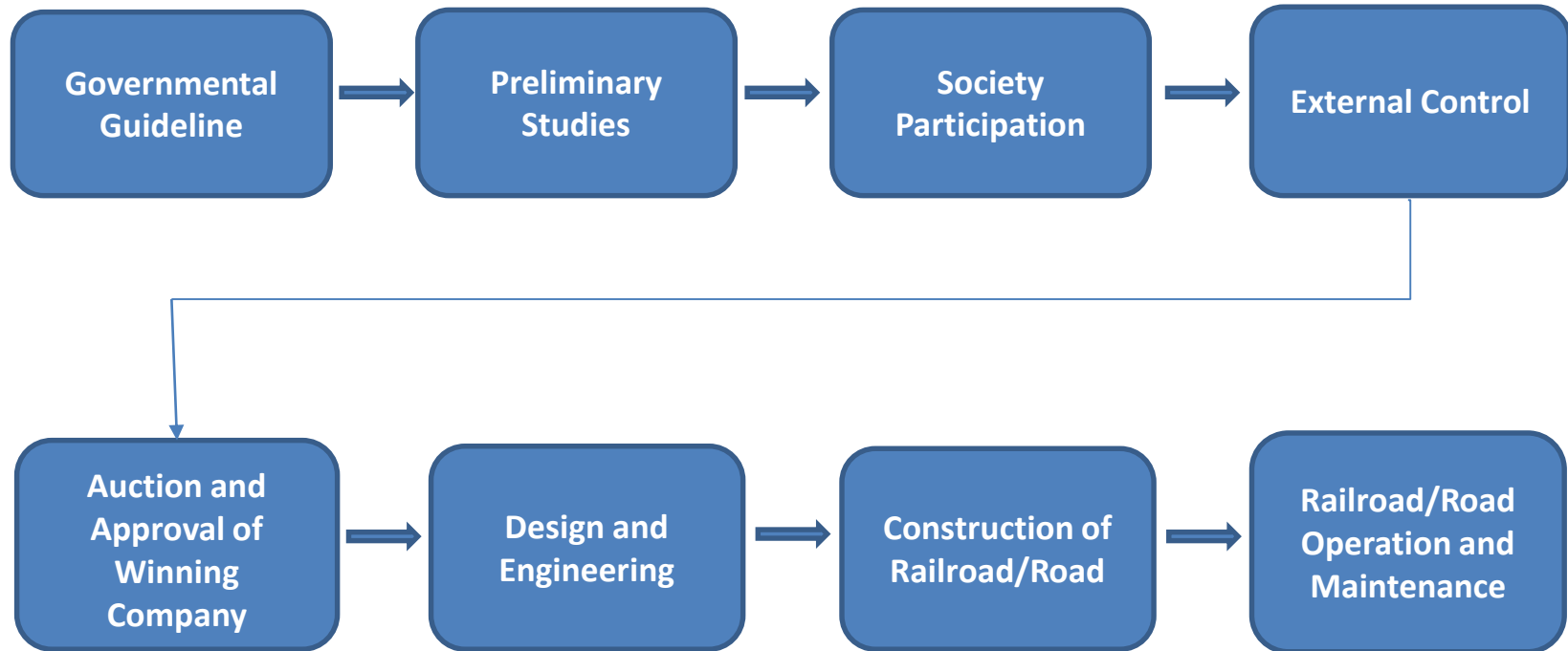


Tribunal de Contas da União



Potential Concessionary

SIMPLIFIED CONCESSION PROCESS



Governmental Guideline

- **Casa Civil (Presidency):** Defines the programs and priorities.
- **Ministério dos Transportes (MT):** Defines the public policies in transportation sector.
- **Ministério do Planejamento, Orçamento e Gestão (MPOG):** Federal Government programs planning and evaluation.
- **Ministério da Fazenda (MF):** Formulation and execution of economic policies. In railroad and road, defines guarantee system and founding sources.
- **Banco Nacional de Desenvolvimentos Econômico e Social (BNDES):** Official bank to support the enterprise financing.

Preliminary Studies

- **Preliminary studies:**
 - Demand Study
 - Engineering Study
 - Operational Analysis
 - Environmental Assessment
 - Economic and Financial Analysis
- **Request for Expressions of Interest (PMI – Procedimento de Manifestação de Interesse) :**
 - Federal Government officially and publicly calls for companies to develop the analysis.
 - These studies will support the concession process.
 - IBAMA will assess the studies and issue environmental licenses.

PMI process

- Public Call
- Reference guide: + 1 week
- Proposals and Selection Committee: + 1 month
- Regular meetings: 15 to 60 days bases
- Request of information: at any time
- Studies submission to the Committe: +6 months
- Best study selection by the Committee: 15 to 30 days
- Fine tuning: 30 days
- Submission to Transport Minister by the Committee: + 1 week
- Minister decision: end of selection process
- Company assists ANTT till the auction

Obligations between parties

- PMI process generates no contractual obligation between the government and the company
- Important points:
 - The payment for studies is made by the winning bidder (not the government) after bidding process (before contract signing)
 - The government does not need to carry out the bidding process (project may result not feasible - company's risk)
 - Authorized firms may at any time give up from PMI (no fine,...)

Selection Committee

- Formed by the MT, ANTT, VALEC and EPL representatives
- Responsible for monitoring studies development, evaluation and the choice of best of study
- Members are the official interlocutors of the government before the authorized companies

Reference guide

- Indicative – not mandatory
- Innovation is welcome
- Chances in scope/object can be submitted to the Selection Committee

Best Study

- Objective criteria for each topic (part of study)
- Each topic is graded
- Each topic has a weight – given by the Committee via AHP
- Weight sums of topics – company's general grade
- The whole process is registered
- Government cannot combine different studies, unless we have a previous study

Society Participation

Society Participation:

- Expose to the society the preliminary characteristics of the studies
- Allow manifestation of society about preliminary studies
- Clarify doubts
- Perform adjustment of study, if necessary



External Control

External Control:

- Autonomous bodies (p.e TCU – National Court of Auditors)
- Concession documentation analysis
- Covers aspects of legality, accountability and efficiency making determinations or recommendations

Auction and Approval of Winning Company

Auction and Approval Winning Company:

- ANTT develops the contract and obligations
- The term of the concession will be fixed
- ANTT will work on auction procedures and companies eligibility and approval of winning company
- The contract will be supervised by ANTT

Design and Engineering

Design and Engineering:

- Based on Preliminary Studies, concessionary works on the design and engineering activities
- Mandatory connection to specific places such as cities, ports, mining areas etc
- Concessionary develops the plan and the schedule for execution.
- ANTT approves the project

Construction of Railroad/road

Construction of Railway:

- Implementation of the main line and all other necessary lines to guarantee circulation of trains and meet the demand
- This phase should be completed as fixed in contract
- ANTT supervises execution of the plan

Railroad/road Operation and Maintenance

Railway Operation and Maintenance

- Services, standards and targets as defined in the contract
- All standards defined in the contract are aimed at security, quality of service and environmental care

2) ROAD CONCESSION



ROAD CONCESSIONS

1995-2002

Weighted Average Toll Rate R\$ 10,4

1.316 km Granted on 6 roads



2003-2010

Weighted Average Toll Rate R\$ 3,8

3.781 km Granted on 8 roads



2011-2014

Weighted Average Toll Rate R\$ 3,5

5.350 km Granted on 7 roads



Estimated Investment
R\$ 66,1 billions

**5 auctions in
2015**

R\$ 19,6 bi

**11 auctions in
2016**

R\$ 31,2 bi

**New Investment in
Existing Concessions**

R\$ 15,3 bi

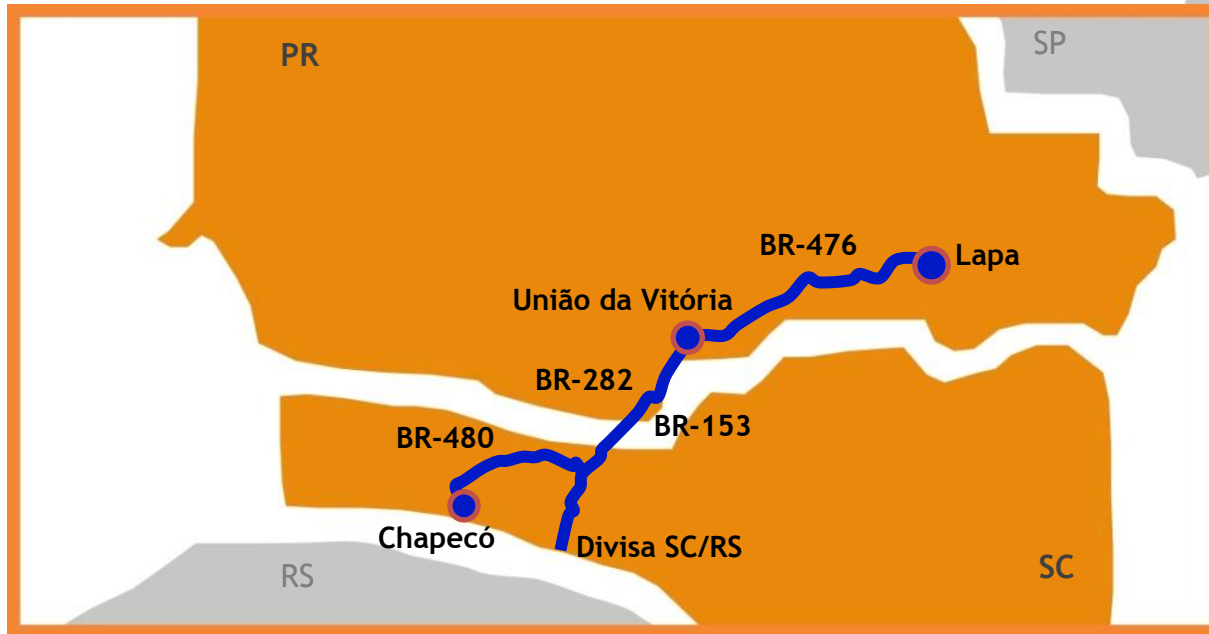
AUCTIONS IN 2015

- 2.603 km of roads in 7 states
- R\$ 19,6 billions in investment: duplication, additional lanes, signaling
- RFP projects– Auction expected in the 4th quarter
- Auction for the cheapest toll
- Financing led by BNDES
- Partnership with commercial banks and capital markets



BR-476/153/282/480/PR/SC

Auctions
In 2015



- Road linking SC/PR
- Total length: 460 km
- Estimated investment: R\$ 4,5 billion
- Goal: transport grain, poultry and swine through South arch ports

BR-364/GO/MG

Auctions
In 2015



- Road linking GO/MG
- Total length: 439 km
- Estimated investment: R\$ 3,1 billion
- Goal: connect grains producing region of southern Goiás to Triângulo Mineiro

BR-364/060/MT/GO

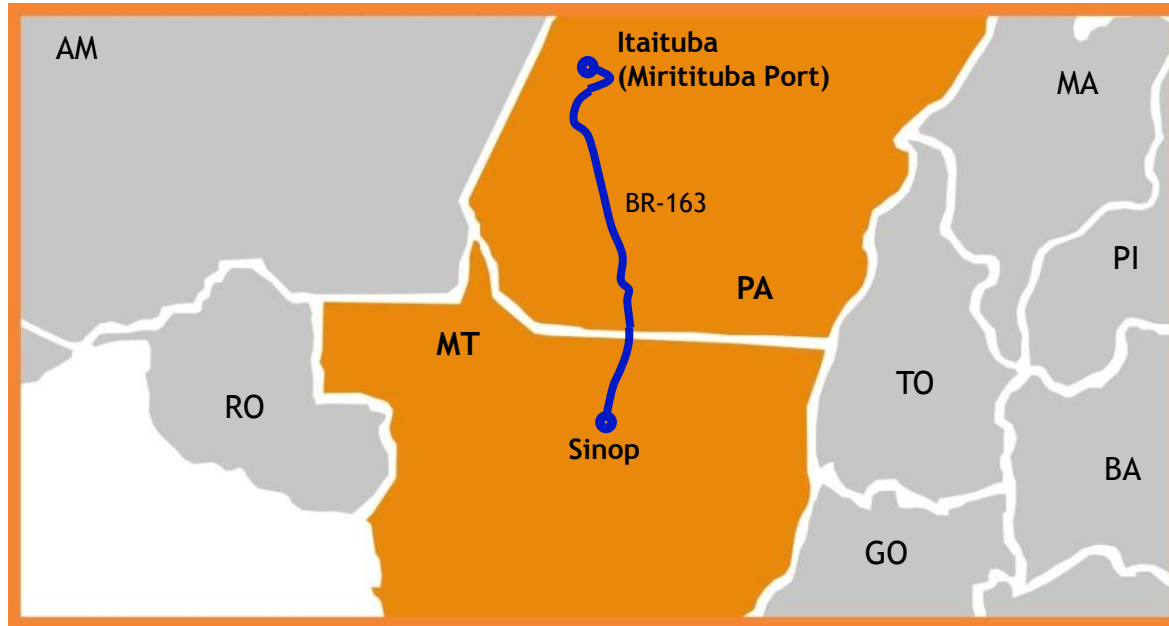
Auctions
In 2015



- Road linking MT/GO
- Total length: 704 km
- Estimated investment: R\$ 4,1 billion
- Goal: transport production from the Center-West region to ports in the North and South Arches

BR-163/MT/PA

Auctions
In 2015



- Road linking MT/PA
- Total Length: 976 km
- Estimated investment: R\$ 6,6 billion
- Goal: increase grain transportation through North Arch ports

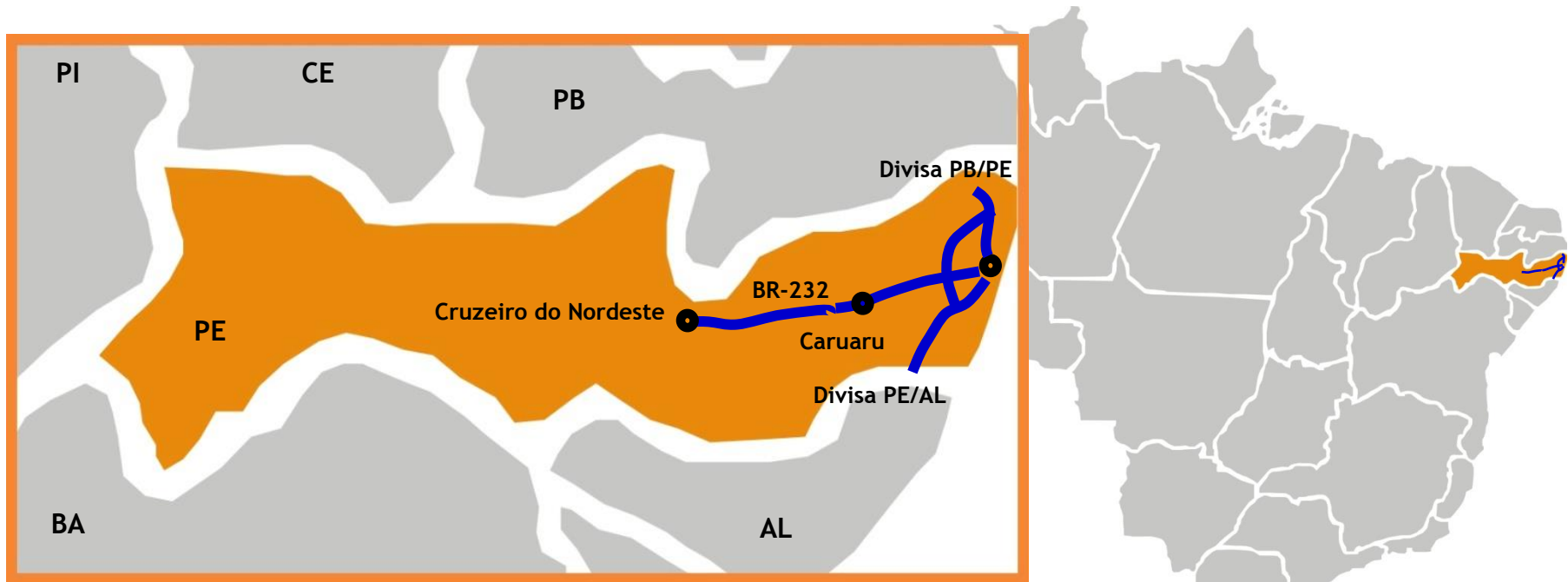
AUCTIONS IN 2016

- 4.371 km of roads in 10 states
- R\$ 31,2 billion in investment: road duplications, additional lanes, etc.
- Integration with the federal road network segments under concession and those to be auctioned in 2015



BR-101/232/PE

Auctions
in 2016



- Road in PE
- Total length: 564 km
- Estimated investment: R\$ 4,2 billion
- Goals: construction of Recife's metropolitan beltway, better access to the Port of Suape and road duplication until Cruzeiro do Nordeste

BR-101/BA

Auctions
in 2016



- Road in BA
- Total length: 199 km
- Estimated investment: R\$ 1,6 billion
- Goals: Duplicate segment Feira de Santana/Gandu and improve cargo transportation between the Northeast and Southeast regions

BR-262/381/MG

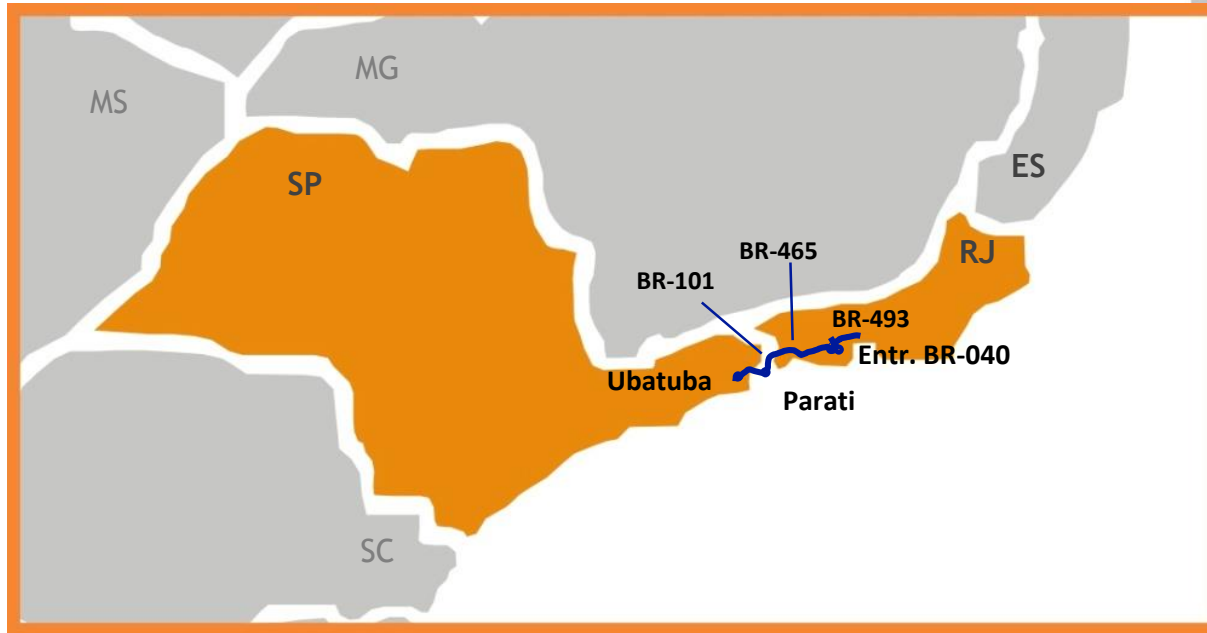
Auctions
in 2016



- Road in MG
- Total length: 305 km
- Estimated investment: R\$ 1,9 billion
- Goals: duplicate Belo Horizonte/ES border segment, enhance safety and reduce costs

BR-101/493/465/RJ/SP

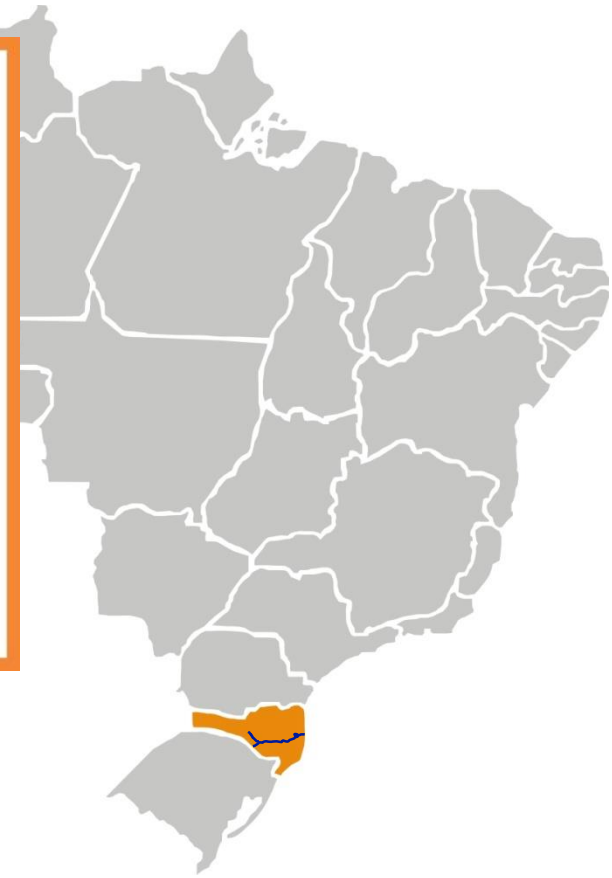
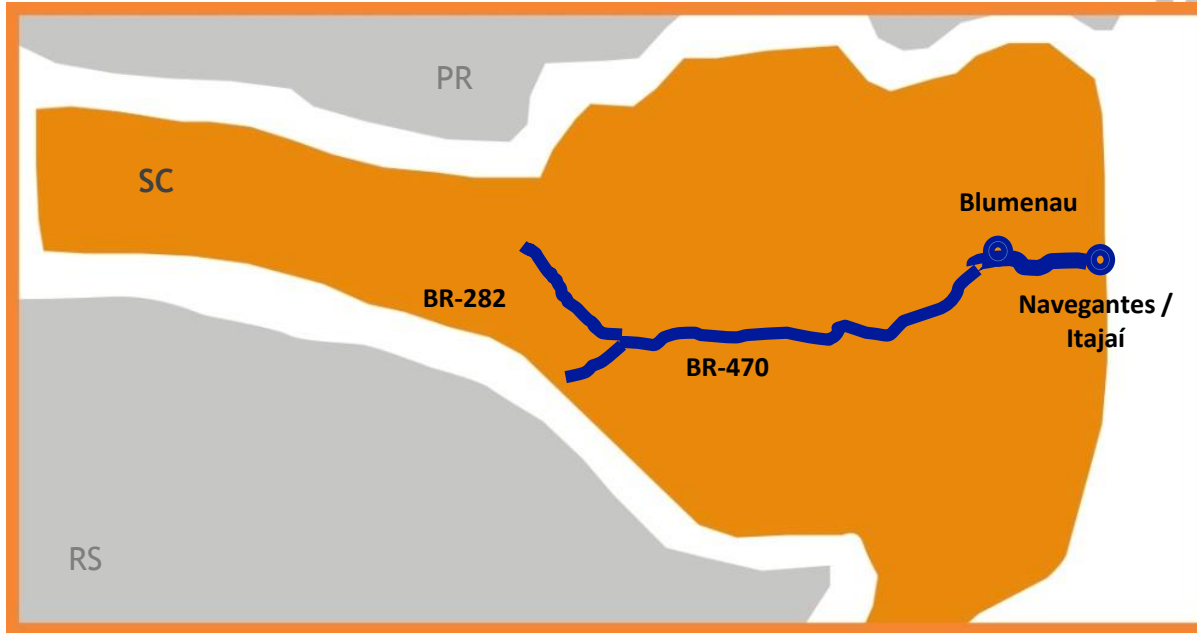
Auctions
in 2016



- Road linking RJ/SP
- Total length: 357 km
- Estimated investment: R\$ 3,1 billion
- Goals: Increase Rio-Santos segment capacity until Ubatuba, a touristic route, with the concession of the Rio de Janeiro metropolitan beltway

BR-470/282/SC

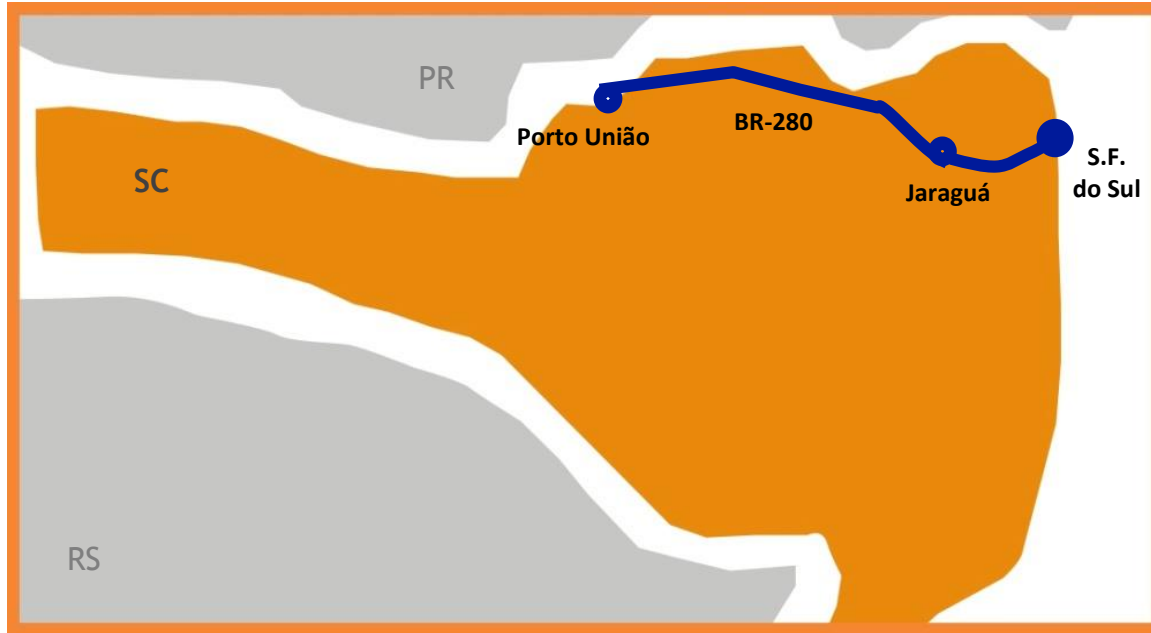
Auctions
in 2016



- Road in SC
- Total length: 455 km
- Estimated investment: R\$ 3,2 billions
- Goal: Duplicate segment that links SC farming and industrial region to the South Arch ports

BR-280/SC

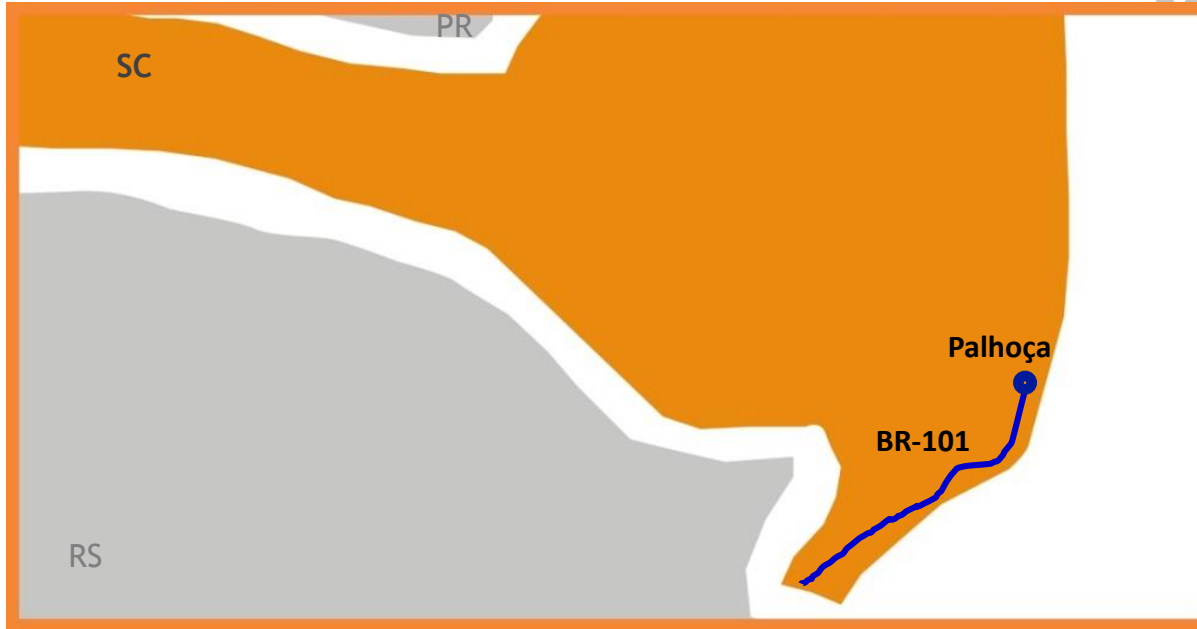
Auctions
in 2016



- Road in SC
- Total length: 307 km
- Estimated Investment: R\$ 2,1 billion
- Goal: improve transportation of SC agricultural and industrial production through South Arch ports

BR-101/SC

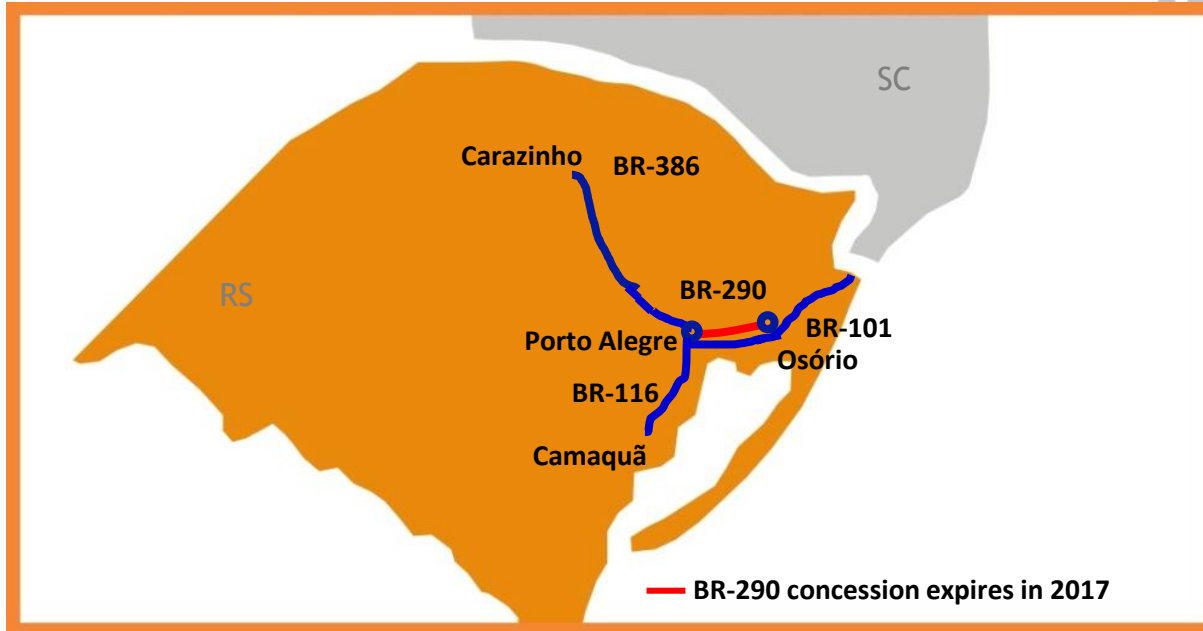
Auctions
in 2016



- Road in SC
- Total length: 220 km
- Estimated investment: R\$ 1,1 billion
- Goal: increase road capacity and safety

BR-101/116/290/386/RS

Auctions
in 2016



- Road in RS
- Total length: 581 km
- Estimated investment: R\$ 3,2 billion
- Goals: duplicate *Rodovia da Produção* until Carazinho, duplicate segment Porto Alegre-Camaquã and ensure *Freeway* quality



- Road in MS
- Total length: 249 km
- Estimated investment: R\$ 2 billion
- Goals: duplicate MS/SP border segment and reduce costs for the transport of farming and livestock produce through South Arch ports



- Road in MS
- Total length: 327 km
- Estimated investment: R\$ 2,5 billion
- Goals: duplicate MS/SP border segment and reduce costs for the transport of farming and livestock produce through South Arch ports

BR-364/RO/MT

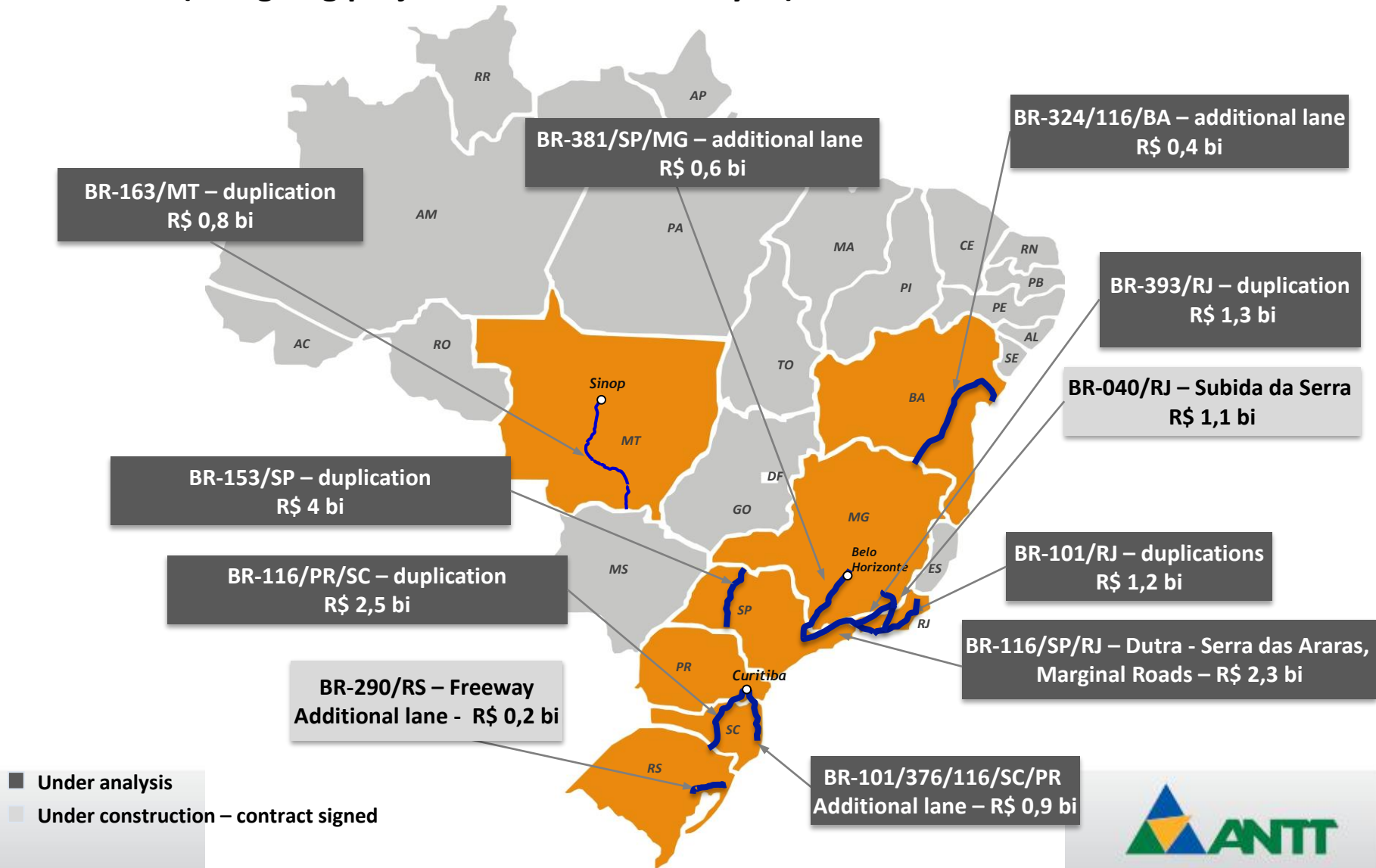
Auctions
in 2016



- Road linking RO/MT
- Total length: 806 km
- Estimated investment: R\$ 6,3 billion
- Goal: enhance the integration of the grain production regions of MT and RO to Rio Madeira waterway

NEW INVESTMENTS IN EXISTING CONCESSIONS

R\$ 15,3 billion (2 ongoing projects and 9 under analysis)

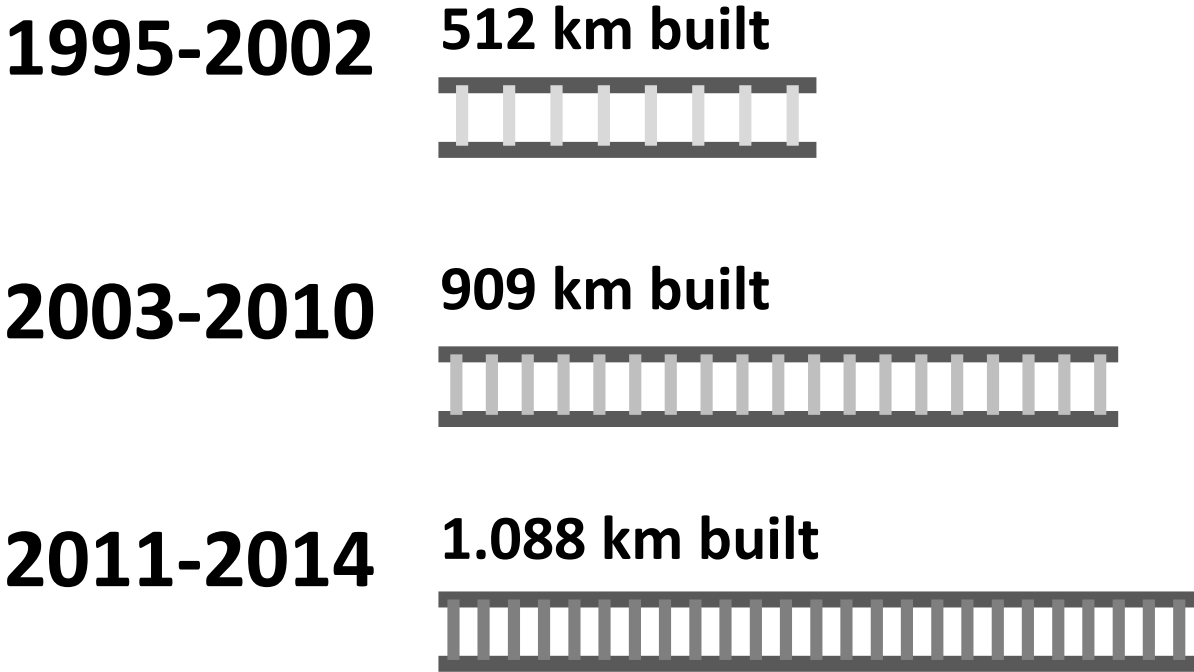


3) RAILROAD CONCESSION

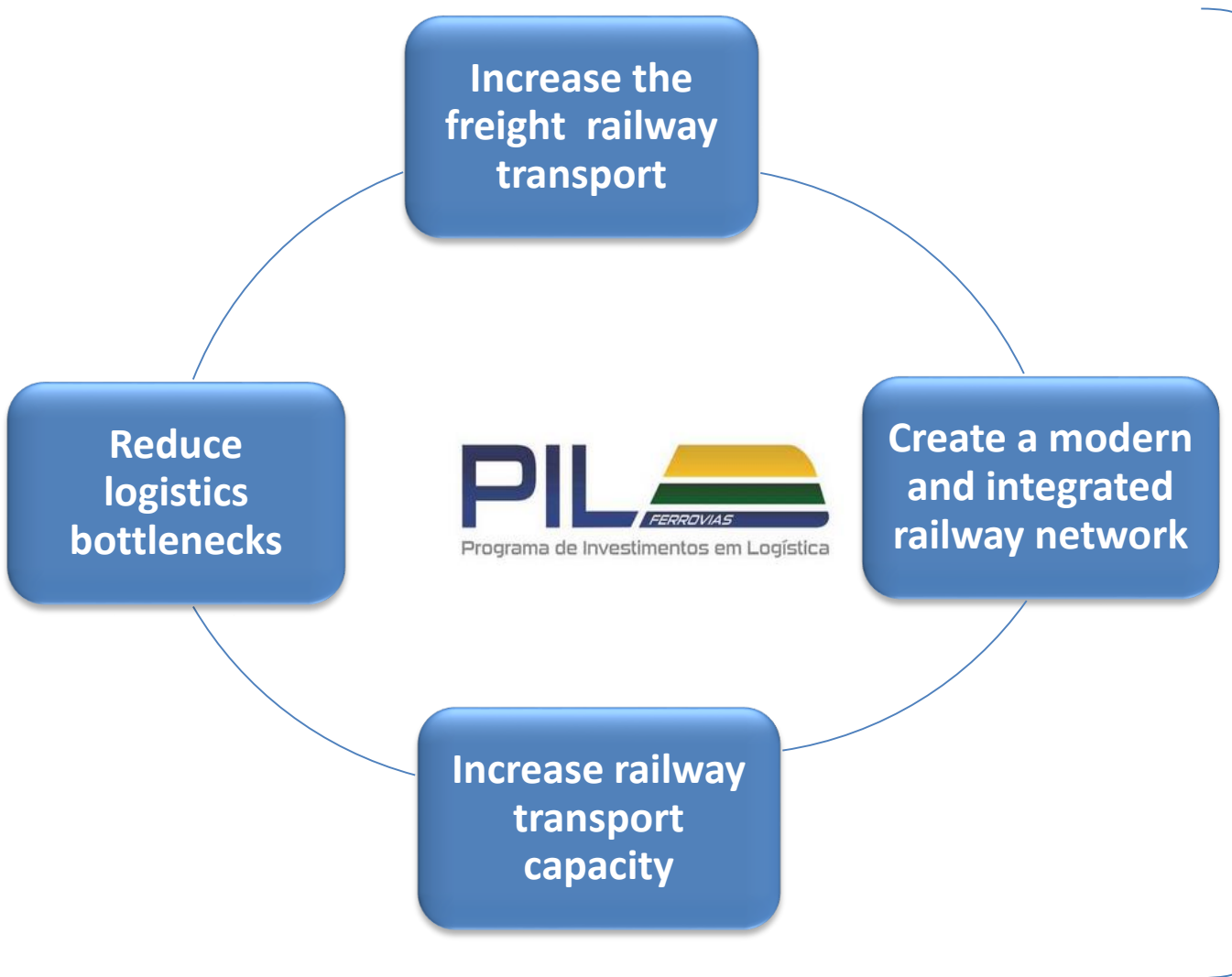


RAILROAD INVESTMENT

Public and Private



GOALS

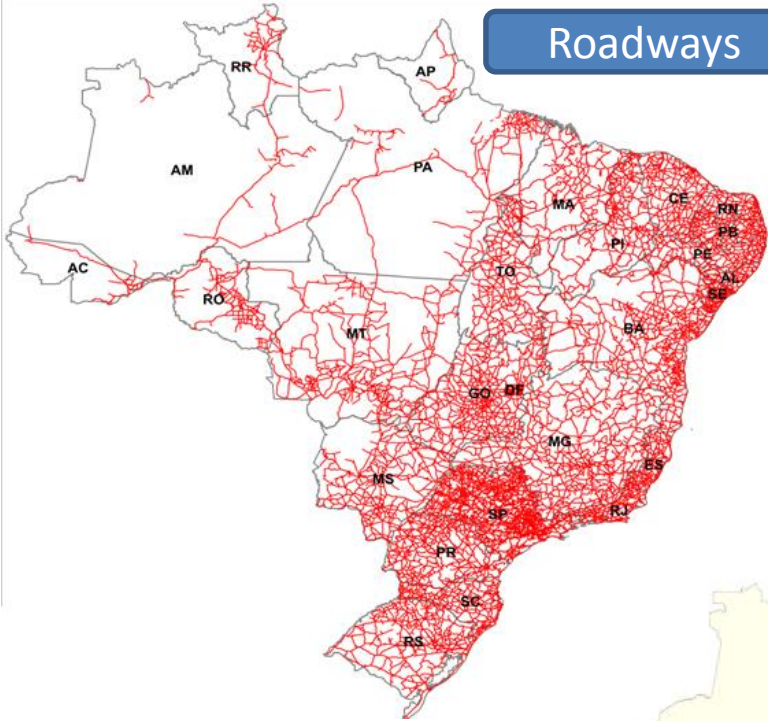


R\$ 86,4 billions in investments, including new railways and current concessions



TRANSPORTATION NETWORK

Roadways



Waterways



Railroads



PRIORITY RAILROADS PIL

SECOND PHASE



Estimated Investment R\$ 86,4 billion

Norte-Sul
Palmas-Anápolis
Barcarena-Açailândia

R\$ 7,8 bi

Norte-Sul
Anápolis-Estrela
D'Oeste-Três Lagoas

R\$ 4,9 bi

Lucas do Rio Verde-
Miritituba (PMI)

R\$ 9,9 bi

Public hearing
Rio-Vitória

R\$ 7,8 bi

Bioceânica
segment in Brazil

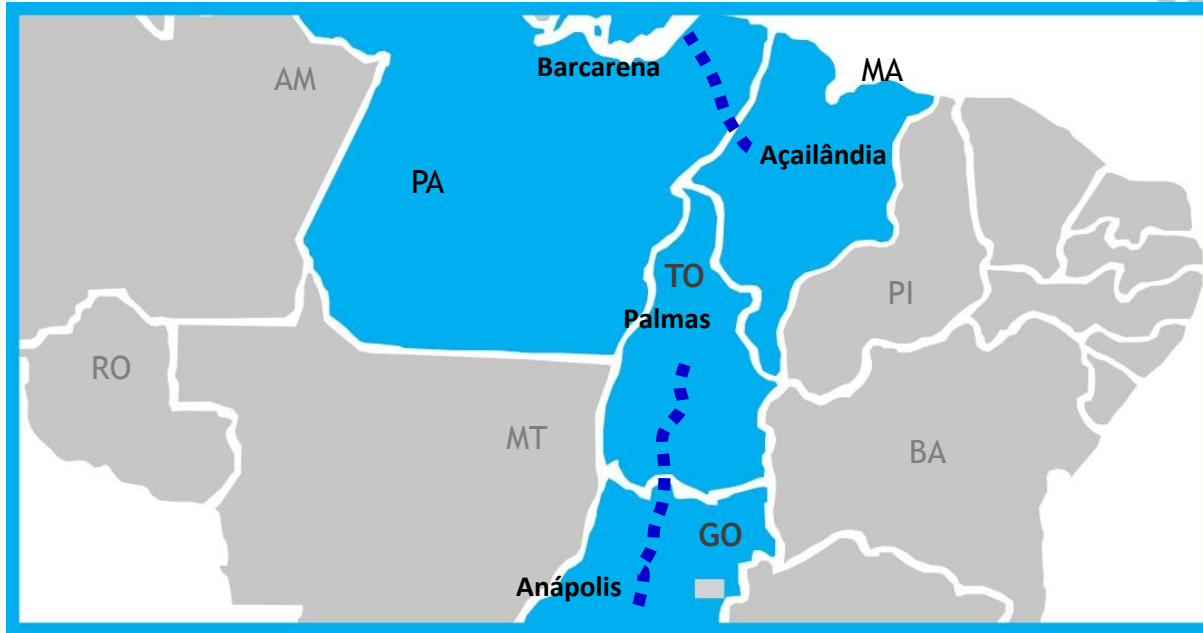
R\$ 40 bi

New investment in
existing concessions

R\$ 16 bi

NORTE-SUL RAILROAD

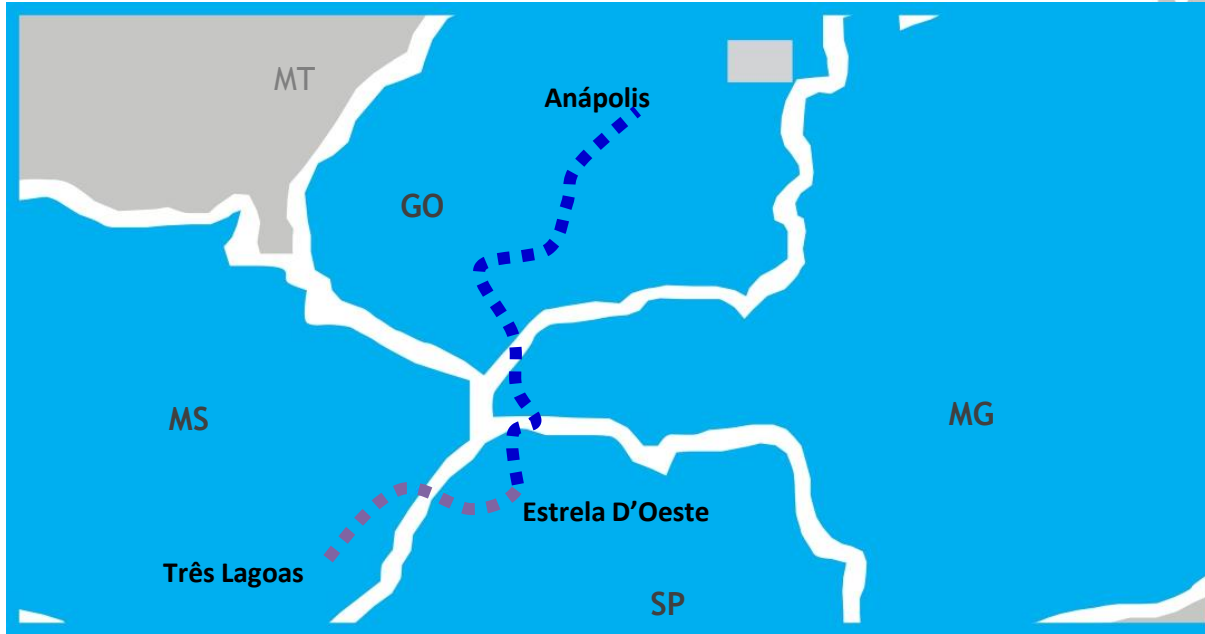
Palmas/TO-Anápolis/GO and Barcarena/MA-Açailândia/PA



- Railroad through GO/TO/MA/PA
- Full Length: 1.430 km
- Estimated investment: R\$ 7,8 billion
- Goal: finish Northern segment of the North-South corridor, with exits to the North Arch Ports

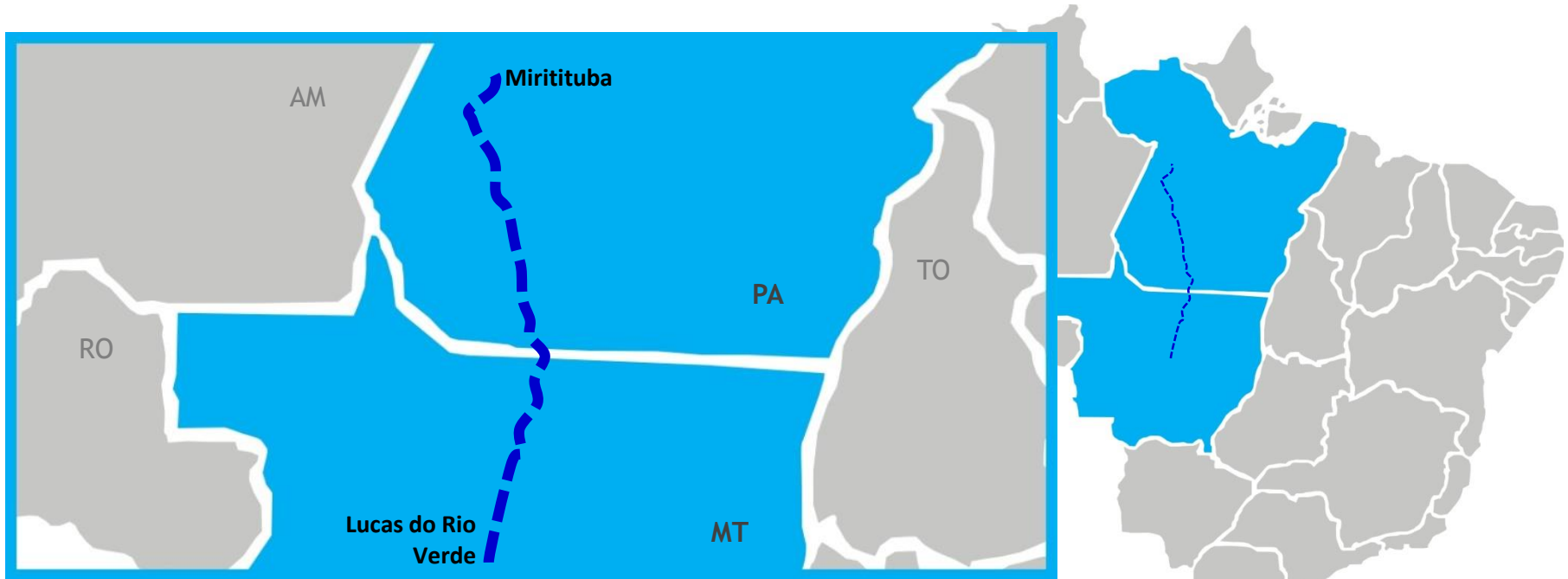
NORTE-SUL RAILROAD

Anápolis/GO-Estrela D'Oeste/SP-Três Lagoas/MS



- Railroad through GO/MG/SP/MS
- Full Length: 895 km
- Estimated investment: R\$ 4,9 billion
- Goal: finish Southern segment of the North-South corridor with links to the agricultural and industrial area of Três Lagoas

LUCAS DO RIO VERDE/MT-MIRITITUBA/PA



- Railroad through MT/PA
- Full Length: 1.140 km
- Estimated investment: R\$ 9,9 billion
- Goal: improve transportation of agricultural goods from MT state through the Tapajós waterway

RIO DE JANEIRO/RJ-VITÓRIA/ES

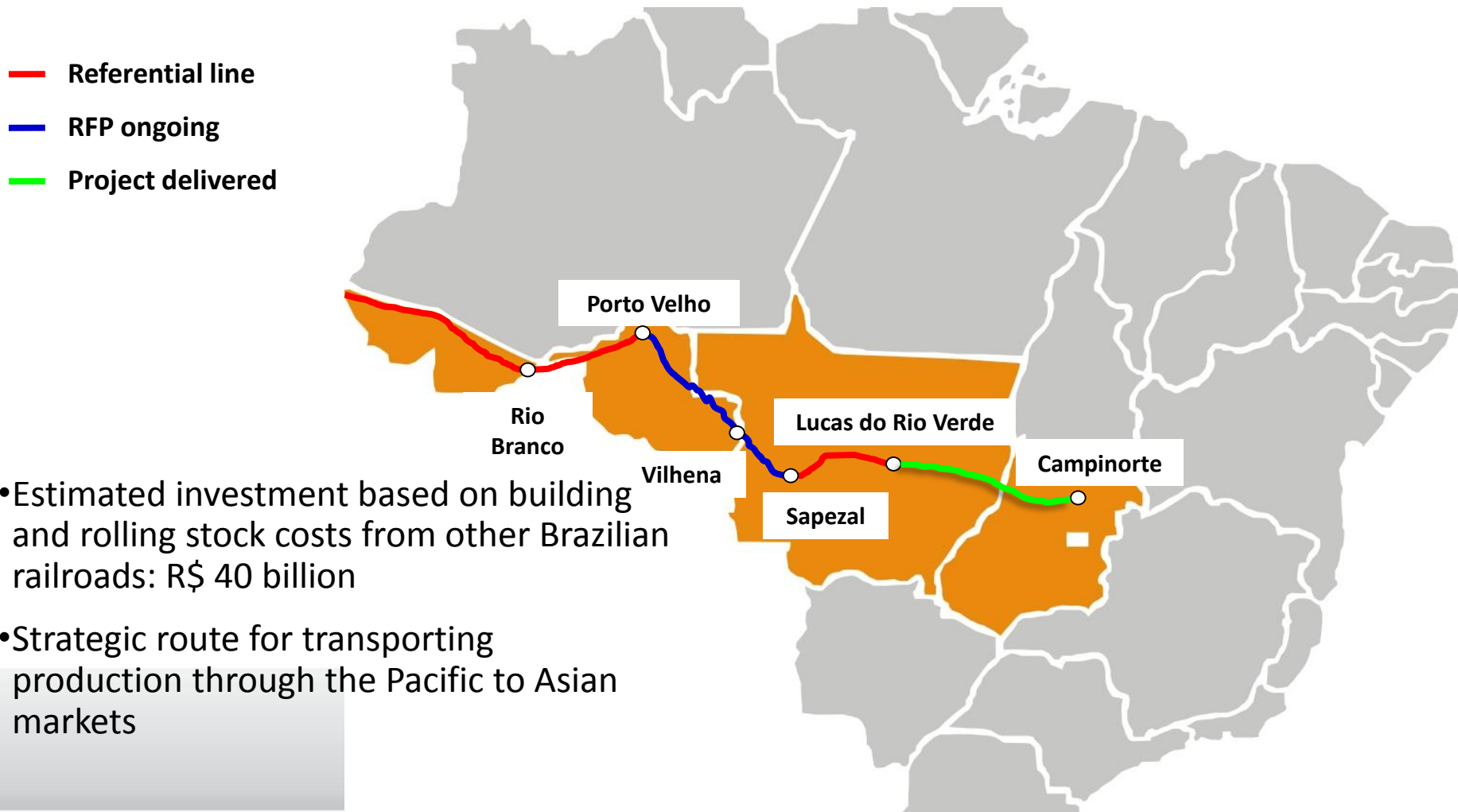


- Full Length: 572 km
- Estimated investment according to a study prepared by the state governments of ES and RJ: R\$ 7,8 billion
- Goal: integrate Rio de Janeiro port and Private Terminals from ES and RJ to the ports of Vitória and Tubarão

BIOCEÂNICA RAILROAD

Estimated brazilian segment– 3,500 km

Brazil-China-Peru Memorandum of Understanding established directives and set deadline for studies to be concluded in May/2016



- Estimated investment based on building and rolling stock costs from other Brazilian railroads: R\$ 40 billion
- Strategic route for transporting production through the Pacific to Asian markets

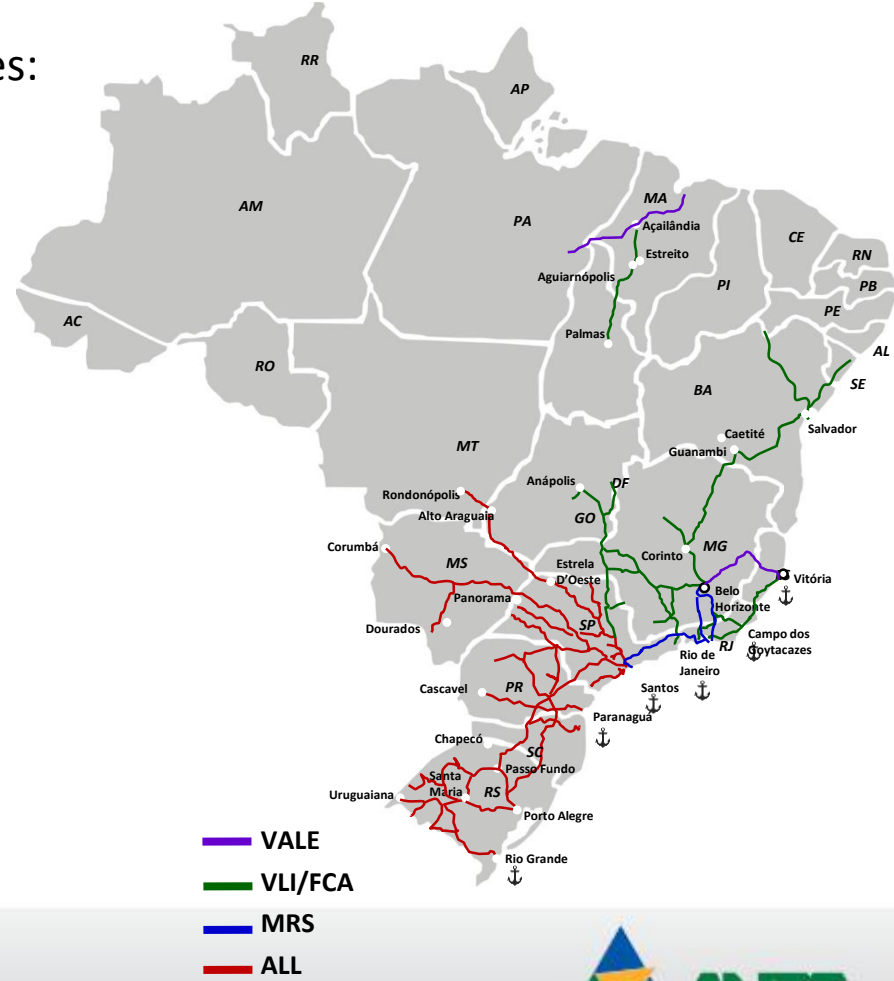
NEW INVESTMENT IN EXISTING CONCESSIONS

Estimated investment : R\$ 16 billion

Projects under negotiation with concessionaires:

- Expansion of the traffic capacity
- New yards
- Reduction of urban interferences
- Duplications
- Construction of new segments
- Signaling and railway equipment
- Expansion of the Fleet

MAIN EXISTING CONCESSIONS





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