

PPP PAYMENT AND GUARANTEE



Estado da Bahia



SUMMARY

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- ✓ Accountability

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- ✓ Recompositing
- ✓ Guarantee Mechanism Financial Flow
- ✓ Transparency

I – PPP Payment Mechanism

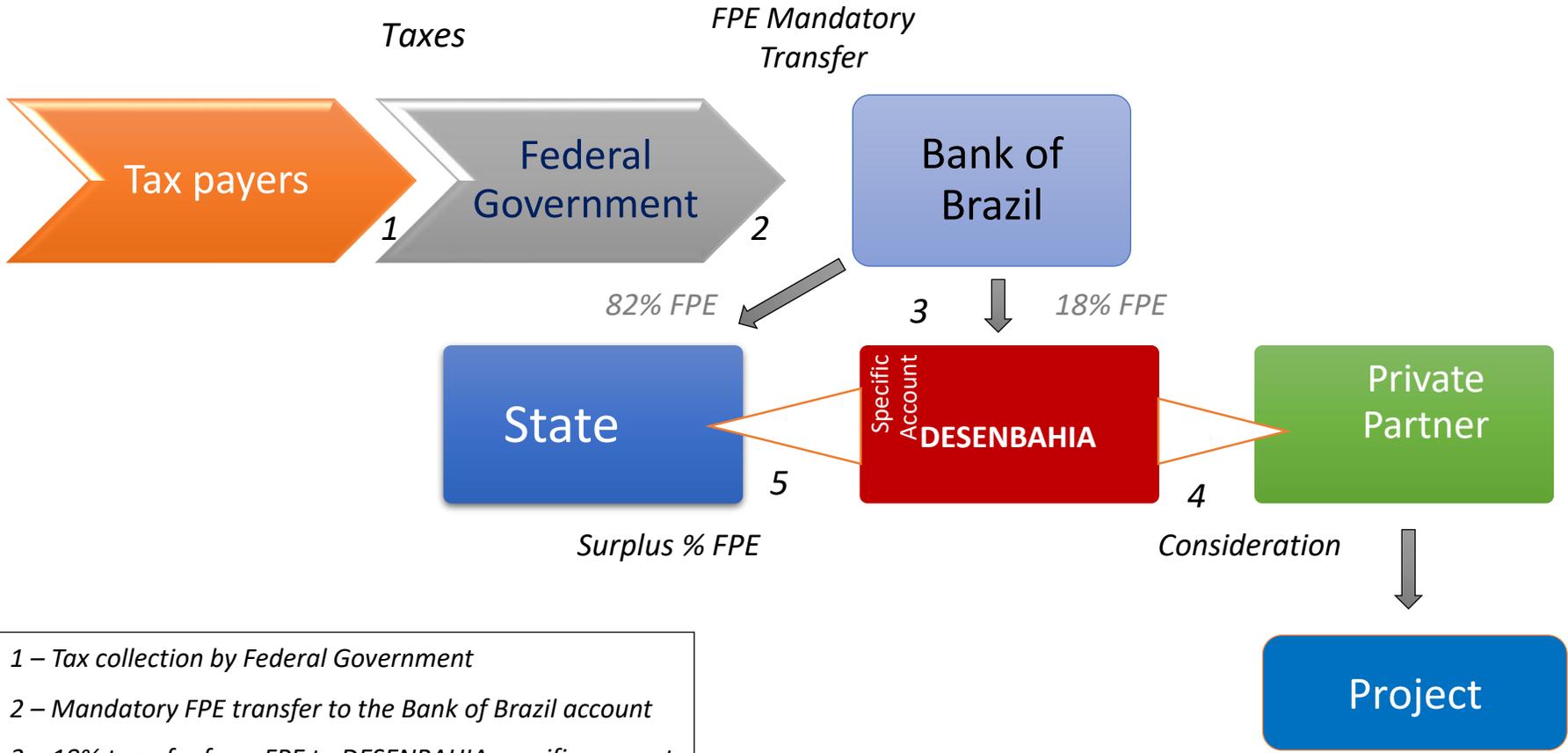
LEGISLATION

Law 11.477 / 2009

Authorizes the transfer of a portion of the financial resources from the States and Federal District Participation Fund (FPE), destined for the State of Bahia, to DESENBAHIA - State Development Agency of Bahia SA, for the purpose of complying with the obligations contracted by the State of Bahia and entities of its indirect administration in public-private partnership contracts ...

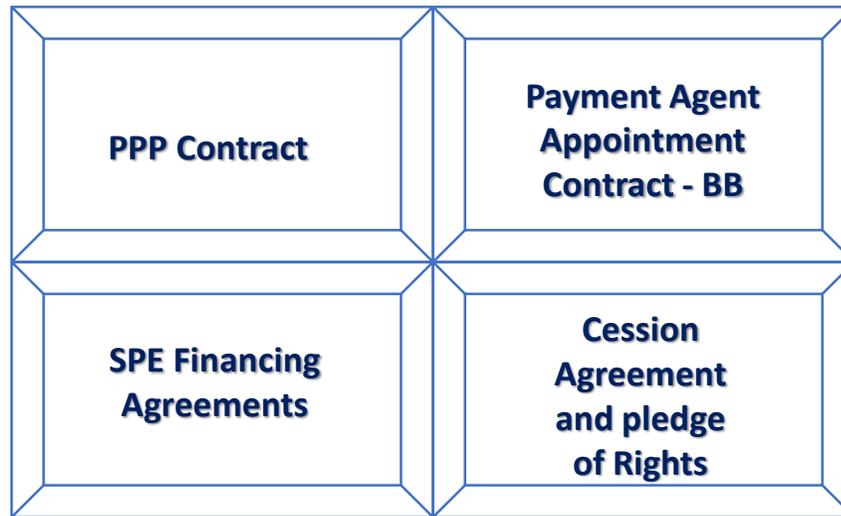
"Art. 1 - For the purpose of complying with the obligations contracted by the State of Bahia and entities of its indirect administration in public-private partnership contracts, in accordance with State Law Nº 9,290, of December 27, 2004, the financial agent responsible for the transfer of the resources of the States and Federal District Participation Fund (FPE) is authorized to transfer the amount corresponding to eighteen percent (18%) of the financial resources coming from that Fund, destined for the State of Bahia, to the State Development Agency of Bahia - DESENBAHIA, a private company incorporated under private law, as authorized by State Law Nº 2,321 of April 11, 1966. "

FINANCIAL FLOW OF PAYMENTS



- 1 – Tax collection by Federal Government
- 2 – Mandatory FPE transfer to the Bank of Brazil account
- 3 – 18% transfer from FPE to DESENBAHIA specific account
- 4 – Bank of Brazil releases payment to Private Partner
- 5 – Bank of Brazil reverses surplus % FPE to Treasury

CONTRACT BLOCK



The Payment Mechanism comprises the Contracts Block that characterizes a PPP project financing operation.

ACCOUNTABILITY

*USD/BRL 3,469

Source: UN Operational Rates of Exchange (01 May 2018)

Value USD million (converted from BRL*)

States and Federal District Participation Fund (FPE)	2017	∑ 2018 (until April)
Global Amount (18% FPE)	335,6	126,3
Due and paid obligations	153,1	58,7
Amount transferred to State Treasury	182,5	67,6

Value USD million (converted from BRL*)

Net Current Revenue (NCR)	2017	2018	2019
NCR (Source: SICOF/SEFAZ/SAF/COPAF)	8.634,4	8.747,0	8.861,1
5% Limit NCR	431,7	437,4	443,1
Expenses considered for the limit	191,8	194,3	207,1
Total of expenses / NCR	2,22%	2,22%	2,34%

Links

http://www.desenbahia.ba.gov.br/Institucional/prestacao_de_contas

II – Bahian Guarantor Fund for Partnerships - FGBP

Law 12.610/2012

Art. 1 - The State of Bahia, its local authorities, its public foundations and its state-owned subsidiaries are authorized to participate, within the global limit of US\$ 216 million, in the Bahian Guarantor Fund for Partnerships - FGBP, whose purpose is to guarantee payment of pecuniary obligations assumed by the state public partners, due to the partnerships dealt with in Law Nº. 9,290, dated December 27, 2004.

Law 12.912/2013

Article 2 - Law No. 12,610 shall become effective with the following provisions:

Art. 1-A - The State of Bahia, initial shareholder of the FGBP, after its regular constitution, will pay quotas in cash from the credit operation, in the form of art. 1, paragraph 4, item III, of this Law, in the initial amount of US\$ 72 million.

Paragraph 1 - The amount mentioned in the caput of this article shall constitute the minimum balance of resources contributed in the FGBP .

Paragraph 2 - If the minimum balance is to be reduced , the financial administrator agent of the FGBP must adopt the following procedures: ..

II - grant a period of 30 (thirty) days to the State of Bahia to pay new quotas in cash, until the full recompositing of the minimum balance.

Paragraph 3 - After the term set forth in item II of paragraph 2 of this article in case the respective shareholder does not adopt the measures that fit him, the financial agent of the FGBP is authorized to pay new quotas, within a period of up to ten (10) days , on behalf of the State of Bahia, through the use of funds resulting from the payment of financing agreements entered into with DESENBANIA with funds from the Fund for Social and Economic Development - FUNDESE.

Art. 3 - The contribution of up to 5% (five percent) of the financial resources of the States and Federal District Participation Fund (FPE), for the State of Bahia, to the Fund for Social and Economic Development - FUNDESE , for the purpose of its recompositing in the face of the use of its resources for payment of quotas of the Bahian Guarantor Fund of Partnerships - FGBP.

VALUES AND COMPETENCES

USD/BRL 3,469

Source: UN Operational Rates of Exchange (01 May 2018)

Global limit: US\$ 216 million

Initial value (minimum balance): US\$ 72 million

It is incumbent upon the FGBP:

“Provide guarantees to the obligations assumed by any of the entities of the Direct and Indirect Administration of the State of Bahia, within the scope of public-private partnerships contracts, provided for in a project previously approved by the Public-Private Partnerships Program Management Board ...”

GUARANTEE ACTIVATION

- ✓ The private partner can activate the FGBP in cases of:
 - i. liquid and enforceable amount due of receivable accepted and not yet paid by the public partner after 15 days, counted from the due date;
 - ii. constant debits of invoices issued and not accepted by the public partner, after 45 days, counted from the expiration date, provided there has not been express rejection by a motivated act.
- ✓ The FGBP is required to pay accepted and unpaid invoices by the public partner.
- ✓ And it is prohibited to pay invoices expressly rejected by a motivated act.
- ✓ It is the responsibility of the administrator to carry out procedures with the responsible expense originator of the PPP.
- ✓ After discharge of debts, the FGBP is subrogated to the rights of the private partner.

RECOMPOSITING

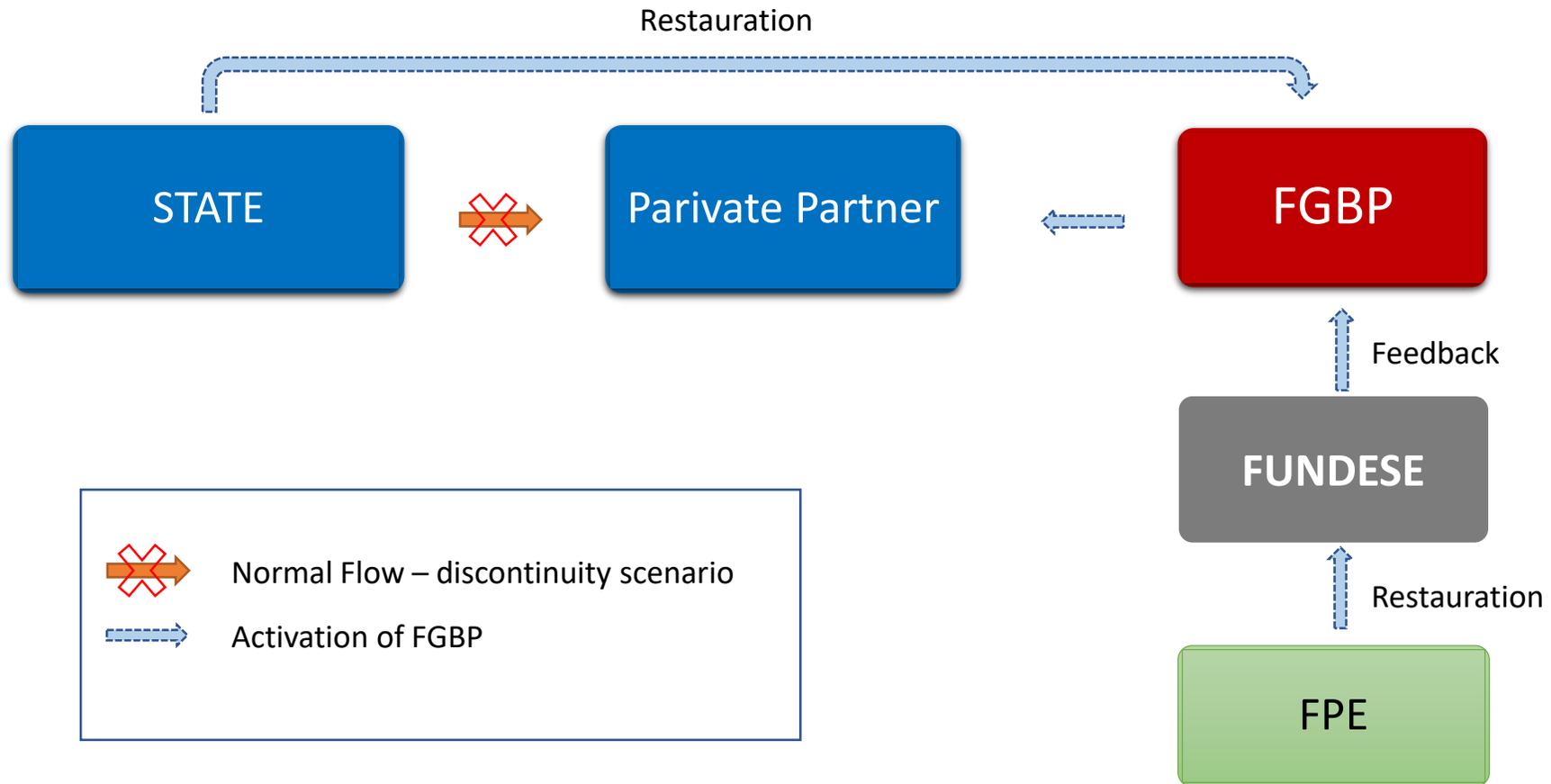
USD/BRL 3,469

Source: UN Operational Rates of Exchange (01 May 2018)

- ✓ The initial contributed value and the minimum balance of the Fund is US\$ 72 million.
- ✓ If the minimum balance is reduced, the administrator must:
 - i. notify, immediately, the group of shareholders;
 - ii. grant a period of 30 days to the State of Bahia (sole shareholder) to pay new quotas in cash, until the full restoration of the minimum balance.
- ✓ After this period has elapsed without the shareholder having adopted the measures that fit him, the administrator of the Fund is authorized to pay new quotas, within a period of up to 10 days, on behalf of the State of Bahia, through the use of FUNDESE funds.
- ✓ The restoration of FUNDESE is made with contributions from FPE, up to 5% of monthly resources.



GUARANTEE MECHANISM FINANCIAL FLOW



TRANSPARENCY (1/2)

DESENBANHIA Accounting Statements



http://www.desenbahia.ba.gov.br/institucional/demonstracoes_contabeis



FUNDO GARANTIDOR BAIANO DE PARCERIAS - FGBP

Relatório de Administração FGBP 2º semestre 2013

Estatuto do Fundo Garantidor Baiano de Parcerias - FGBP

Regulamento do Fundo Garantidor Baiano de Parcerias - FGBP

Relatório de Administração do FGBP - 2014

Relatório de Administração 2015 do FGBP

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TODOS OS DIREITOS RESERVADOS. WWW.DESENBANHIA.BA.GOV.BR

TRANSPARENCY (2/2)

SECRETARIA DA FAZENDA DO ESTADO DA BAHIA – PARCERIAS PÚBLICO-PRIVADAS (PPP) Public Warranty – Reports



The screenshot shows the website interface for the Secretariat of the State Treasury of Bahia. The main navigation menu includes Home, Síntese, Projetos, Legislação, Conselho Gestor, Secretaria Executiva, Eventos e Apresentações, **Garantia Pública**, Despesas com PPPs, and Contato. The 'Garantia Pública' section is active, displaying a table of reports under the heading 'Relatórios'.

Relatório	Formato	Tamanho
Relatório de Administração do FGBP Ano de 2016	PDF	377 Kb
Relatório de Administração do FGBP Ano de 2015	PDF	286 Kb
Relatório de Administração do FGBP Ano de 2014	PDF	1 Mb
Relatório de Administração do FGBP 2º Semestre de 2013	PDF	489 Kb

<http://www.sefaz.ba.gov.br/administracao/ppp/garantia.htm>

Relatórios

- › Relatório de Administração do FGBP Ano de 2016
- › Relatório de Administração do FGBP Ano de 2015
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