

GUIDELINES OF THE BRAZIL-CHINA COOPERATION FUND FOR EXPANSION OF PRODUCTION CAPACITY

The operation of the China-Brazil Cooperation Fund for Expansion of Production Capacity (thereinafter named Fund) is based on the following guidelines, approved by the Steering Committee:

- 1) The Fund will classify projects based on the following criteria:
 - I. The projects will have to be considered as a priority for the Brazilian government; and
 - II. The projects will have to be considered as facilitators of the industrial cooperation between Brazil and China.

- 2) The Executive Secretariat will only submit to the Technical Working Group, for analysis, those Consultation Letters correctly filled in and in accordance with the following eliminatory criteria:
 - minimum project value of US \$ 100 million;
 - submission of all requested declarations and documentation.

If the Consultation Letter does not meet the eliminatory criteria, the Steering Committee authorizes the Executive Secretariat to return the Consultation Letter to the proponent, if additional information is needed, or to reject it.

- 3) Each party of the TWG will adopt its own specific criteria to analyze and propose classification of the Consultation Letters to the Steering Committee.

- 4) The TWG will only submit to the Steering Committee a proposed classification of those projects whose proponents submit to the Executive Secretariat at least a positive manifestation from one Brazilian Potential Financier and one Chinese Potential Financier considering the project potentially bankable.

- 5) The proponent shall submit the Potential Financiers' manifestation within a maximum of 12 (twelve) months following the date of the request by the Executive Secretariat. After this deadline the Consultation Letter will be automatically rejected.
- 6) The Steering Committee will decide on the final classification based on the TWG's proposed classification and will take the Potential Financiers' analysis as a reference.
- 7) The Fund's project analysis workflow will be the following:

Project analysis workflow

