



SIM

SISTEMA INTEGRADO DE MOBILIDADE

**New Public Transportation Services
Concession Agreement (Curitiba/Brazil)**

Road Show

October 6th, 2025



Planning and Structuring of the New Concession

New Concession of Curitiba's Public Transportation System (Bus Operation)

PLANNING AND STRUCTURING OF THE NEW CONCESSION

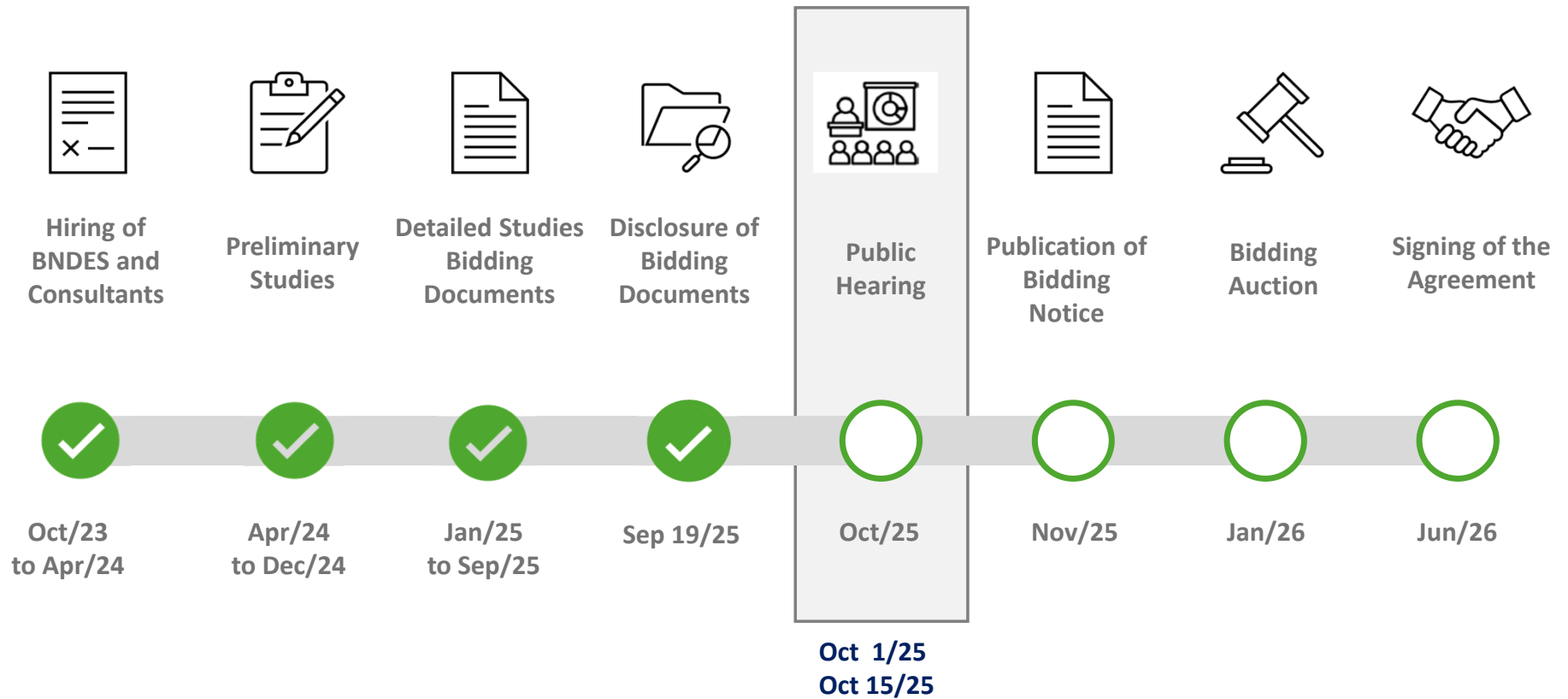
Process started in 2023:

- Contract with BNDES for concession structuring: **Oct/2023**
- Contract with Specialized Technical Consultants (Oficina-Tylin-Rhein-Addax Consortium): **April/2024**

Technical Studies conducted:

- Public Transportation System Diagnosis and Restructuring Report
- Demand Study Report
- Social and Environmental Assessment Report
- Legal and Institutional Report for the Concession
- Engineering and Technical-Operational Study Report
- Economic and Financial Evaluation Report
- Concession Model Proposition Report
- Drafts of the Documents Required for the Bidding of the Project (Notice, Contract and Annexes)

EXPECTED SCHEDULE



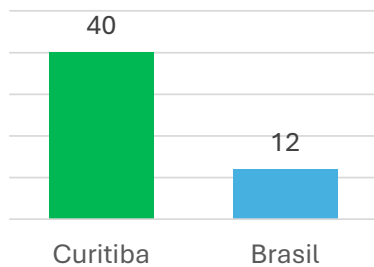
Curitiba's Current Transportation System

Key Information

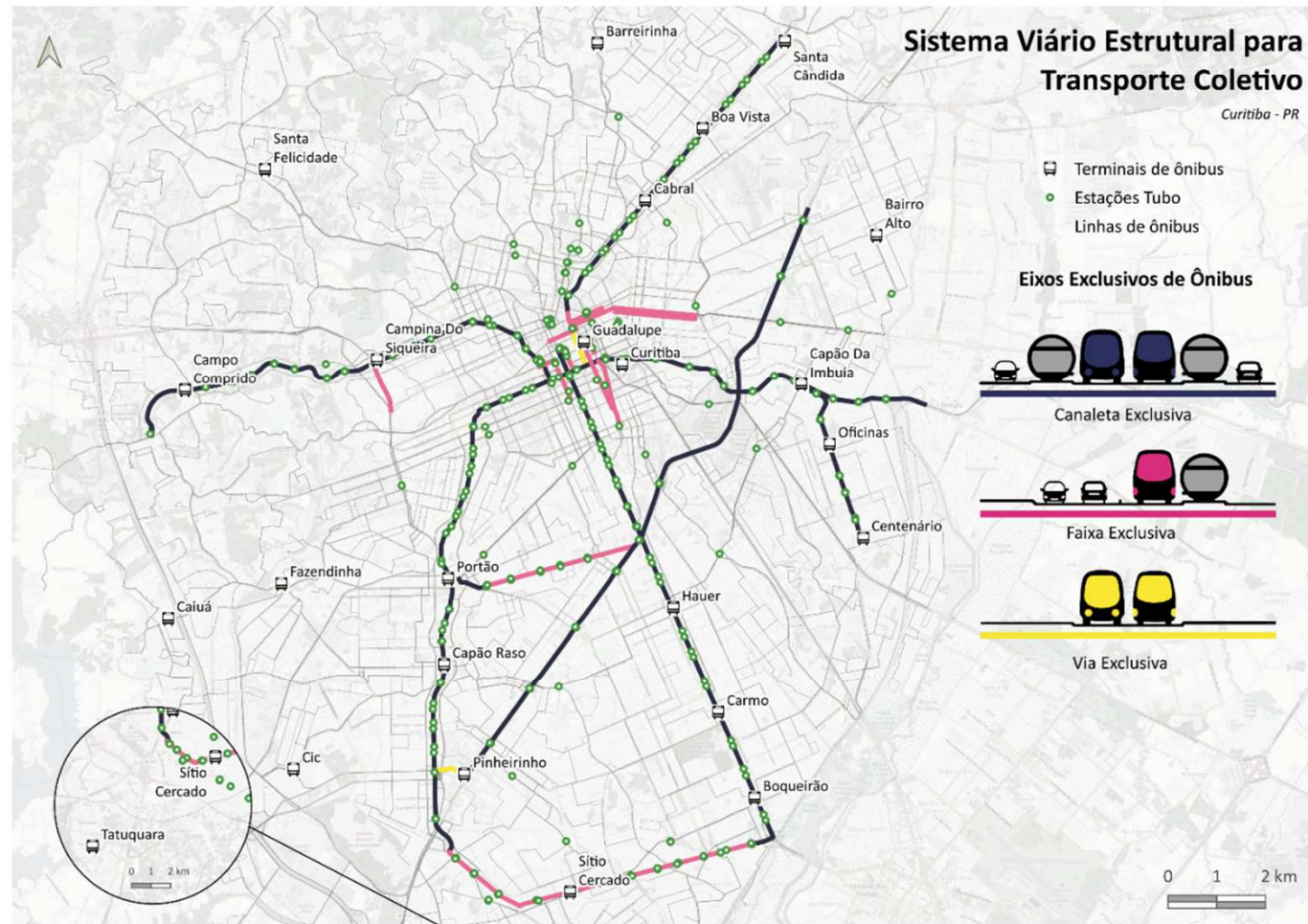
EXISTING INFRASTRUCTURE

- 89 km of priority roads for Public Transportation, including 78 km of BRT corridors
- 22 Bus Terminals
- 1 Metropolitan Bus Terminal
- 342 Bus stations (“Estações Tubo”)

RRT Index: Km of BRT per million of inhabitants



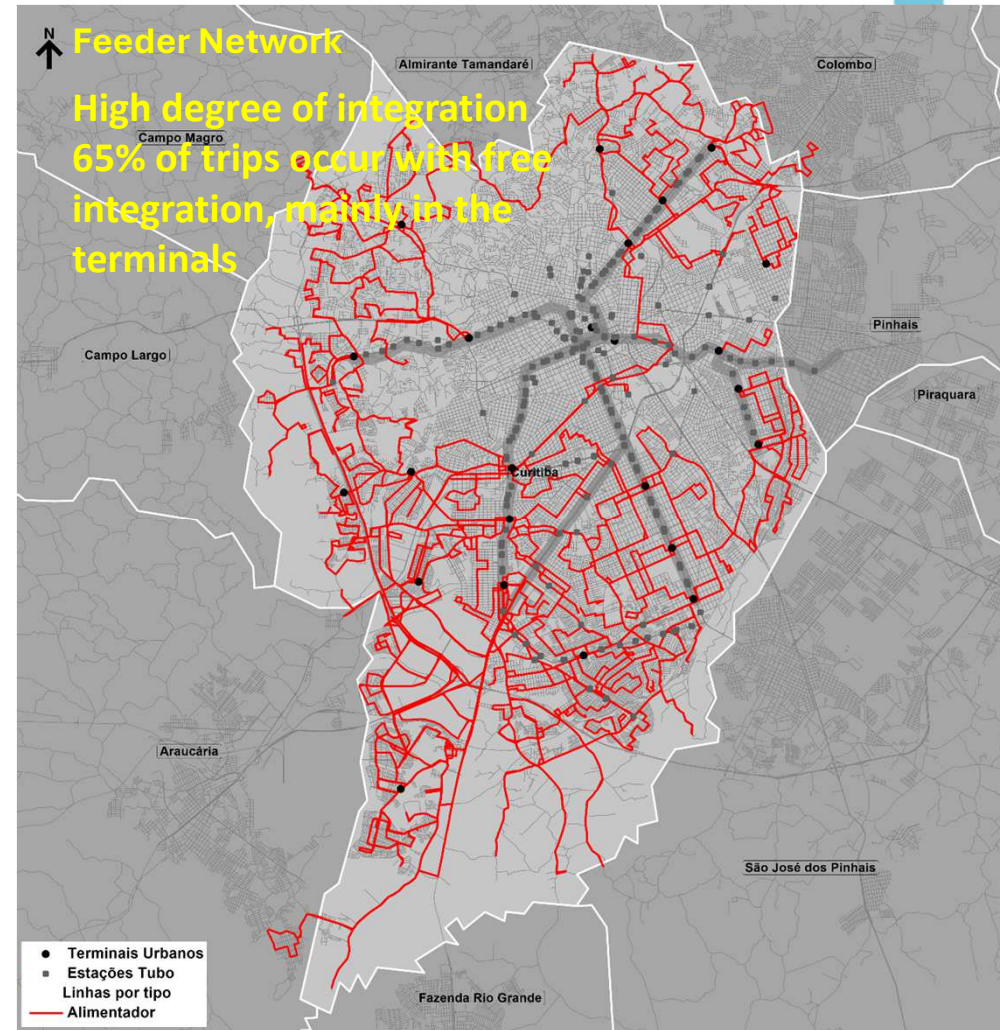
Curitiba (calculated)
Brazil (ITDP)



STRUCTURED AND CONSOLIDATED NETWORK

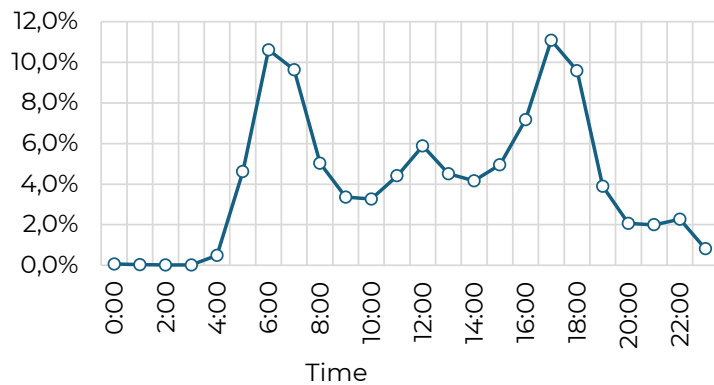
With bus lines hierarchy and functions

Type	Infrastructure	Vehicle colour	Quantity of lines
Alimentadora	Local and collector roads	Orange or yellow	151
Ligeirão	BRT	Red	3
Linha Direta ou Ligeirinho	BRT and shared roads	Silver or grey	24
Expresso	BRT	Red	12
Interbairros	Shared roads	Green	9
Troncal	Shared roads	Orange or yellow	16
Convencional	Shared roads	Orange or yellow	65
Madrugueiro			20
Total			300

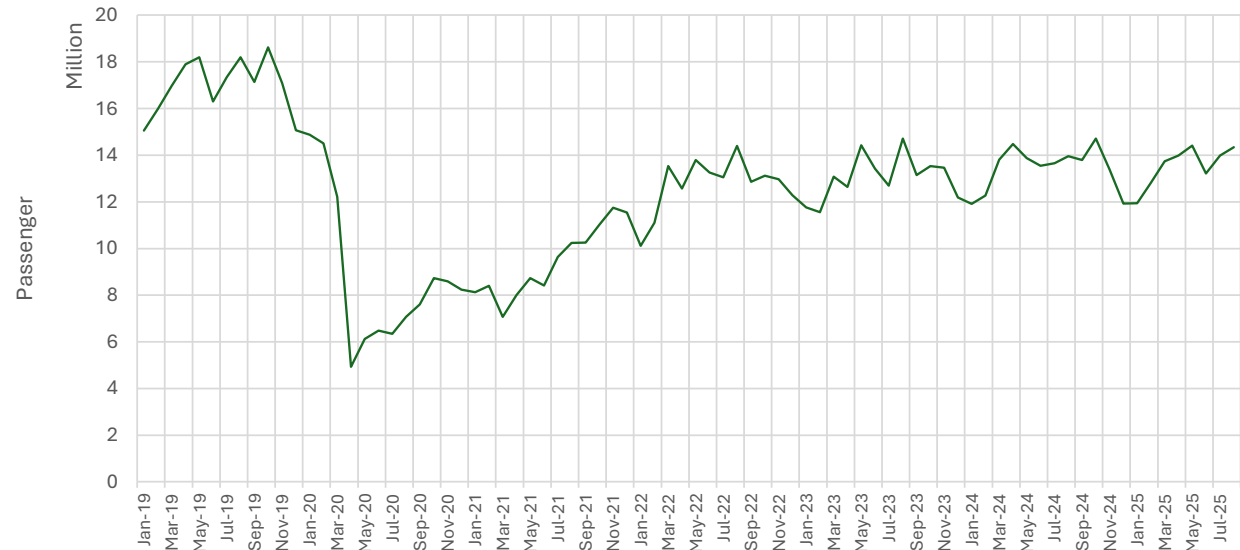


PASSENGERS TRANSPORTED

- Monthly average of **13.5 million passengers** registered with validators (does not include integrations)
- **15,3% gratuities (don't pay fare)**
- Business day: 564 thousand
- Saturday: 246 thousand
- Sunday: 125 thousand
- **62** thousand in peak hour of a business day



Evolution of monthly demand from Jan/19 to Jul/25



MOBILITY

297 thousand trips in the morning peak hour

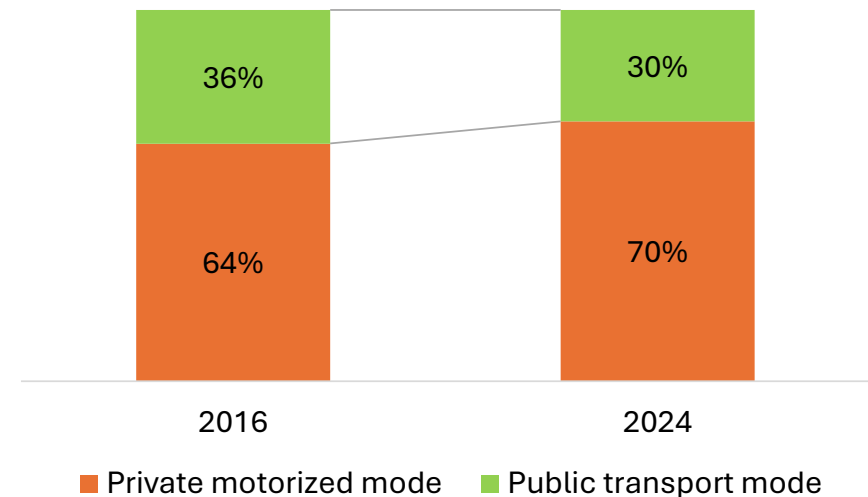
91 thousand trips of Public Transportation (31%)

68 thousand inside Curitiba

23 thousand with origin or destination outside Curitiba

Expanding public transport participation is an objective to be pursued with the new concession.

Modal Split



FLEET

- 1.189 buses in operation
- **1.270 buses in total**
- **34% of the fleet are high-capacity buses** (bi-articulated and articulated) equivalent to 50% of the seats
- The present fleet is equivalent to 1.730 conventional buses
- **Present average age of the fleet is 8,2 years old**
- **42% of the vehicles are above 13 years old**

Quantity of buses by type and category

Type of the vehicle	Line category	Quantity
Bi-articulated	Express	150
Articulated	Express	49
Articulated	Direct line	42
Articulated	Inter-neighborhood	90
Articulated	Several	98
Padron	Direct line	197
Padron	Inter-neighborhood	11
Padron	Several	64
Epadron	Inter-neighborhood	7
Conventional	Several	428
Econventional	Several	1
Micro-special	Several	132
Micro	Feeder	1
Total		1.270

FARE

- **Present public fare: R\$ 6,00**
(since March/2023)
- **Fare on Sundays: R\$ 3,00**
- **Students** of families with income under 5 (five) minimum wages, have **50% discount in fare**

Fare exemptions

Beneficiary		Gratuity / Discount	Participation
Elderly	Above 65 years old	Exemption	58,00%
People with disabilities	Income under 03 minimum wages	Exemption	10,00%
Escorts	It helps the disabled or retired due to disability who proves that they are unable to move alone		
Students	Family income under 05 minimum wages	50%	9,88%
Retired by disability	Family income under 02 minimum wage	Exemption	1,87%
Bailiff	Presentation of identification	Exemption	0,01%
Inspectors	Team of public transport inspectors	Exemption	0,23%
System operators	Drivers, collectors etc.	Exemption	10,05%
Postmen	Uniformed	Exemption	4,06%
Municipal police and guards	Uniform	Exemption	5,92%
Total			100,00%

PUBLIC FARE PAYMENT SYSTEM

- Payment through electronic credits registered on the **Transport Card**
- Payment in **cash**, at the **ticket offices of bus terminals or to the collectors who work at the bus stations**
- **Payment with debit and credit cards**



Electronic Ticketing System provided by the Municipality through URBS

The Concession will not change the current model, which will continue to be provided and operated by URBS

The New Concession Lots

Organization and scope of the concession

- Common concession, with a term of 15 years of operation (+ Transition Period)
- 5 Lots:
 - ✓ 2 Structural Lots (BRT1 e BRT2)
 - ✓ 3 Regional Lots (North, South and West)

Fleet	BRT1	BRT2	North	South	West
Diesel	82	82	256	281	322
Electric	120	92	15	8	10
Total	202	174	271	289	332

Concession of Structural Lots

Supply fleet (electric and diesel)

Operation of the transport service

Infrastructure (charging stations + garages)

Infrastructure of PT
(operation and conservation)

Concession of Regional Lots

Fleet Supply (electric and diesel)

Operation of the transport service

Infrastructure of charging
(garages)

Municipality (URBS)

Operational Planning, Management and Supervision of the System, Electronic Ticketing

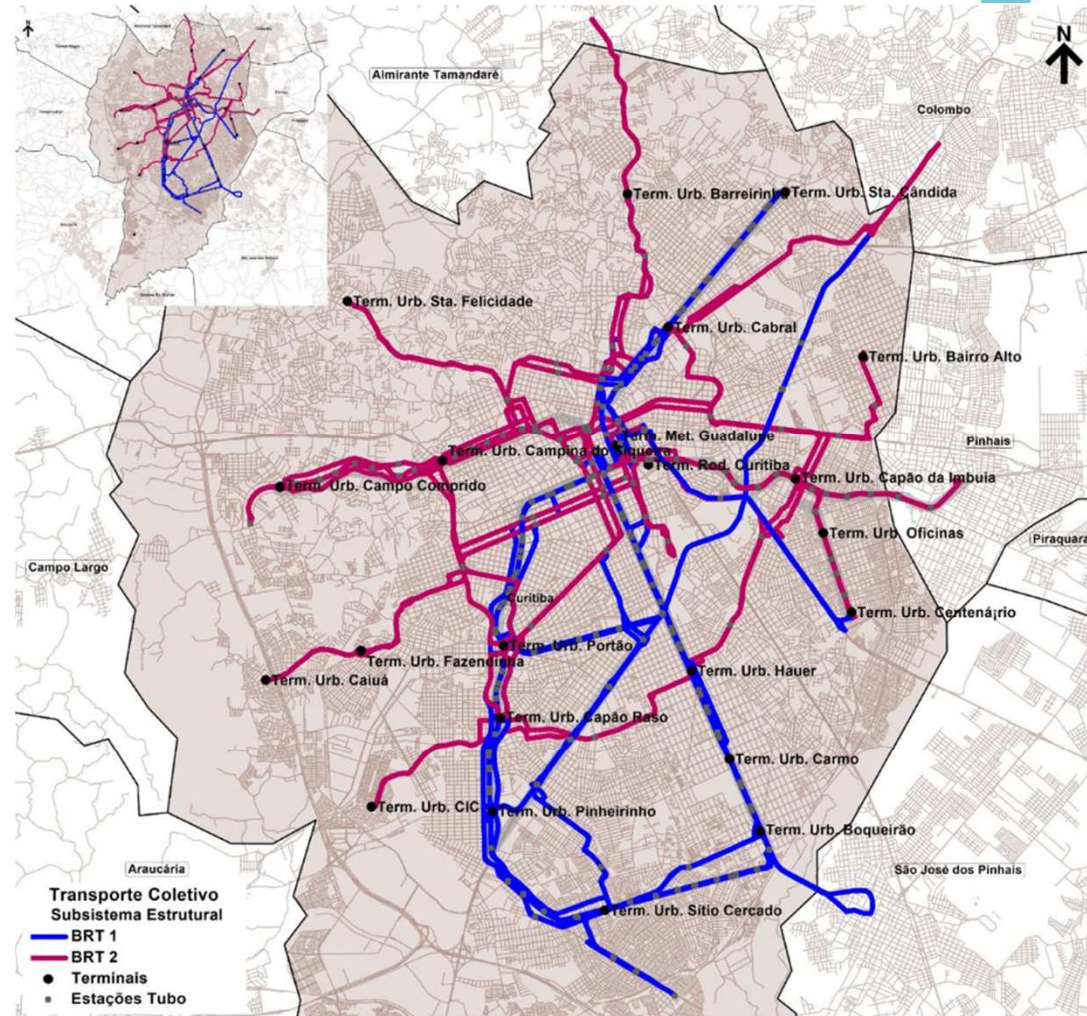
Structural Lots: BRT 1 and BRT 2

Increased transportation, capacity, and associated infrastructure

- Structural Lines: “Ligeirão”, Express and Direct Lines
- Bi-articulated and Articulated
- Priority in the electrification of the fleet

Main attributions

- Provide and operate electric and diesel fleets
- Implementation of 2 public charging stations
- Implementation of 16 new large tube stations (bus stations)
- Operation, maintenance and cleaning of all tube stations (bus stations)



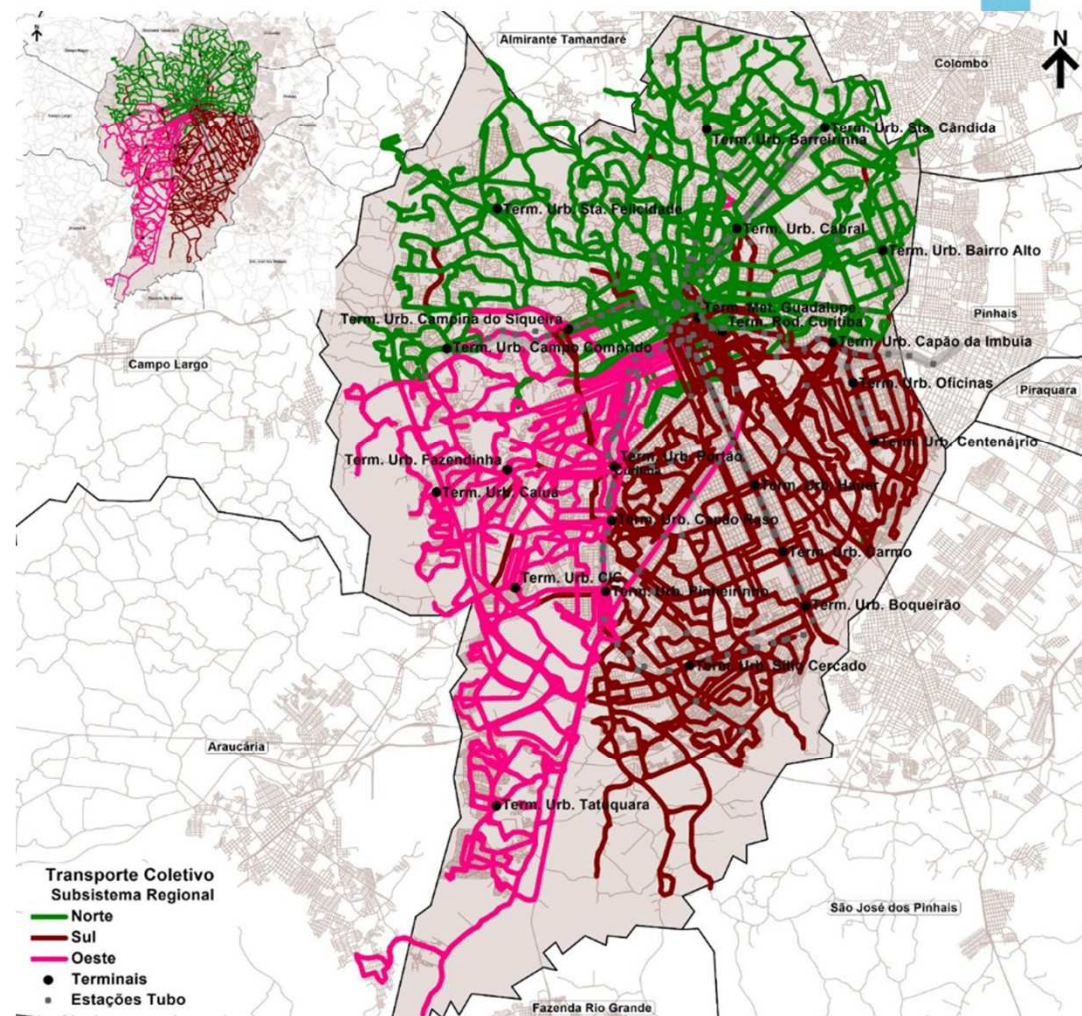
Regional Lots: North, West and South

Neighborhood service, of a particularized nature with local demands

- Lines: Interbairros, Alimentadoras, Convencionais, Troncais e “Madrugueiro”
- Lines with smaller capacity fleet

Main attributions

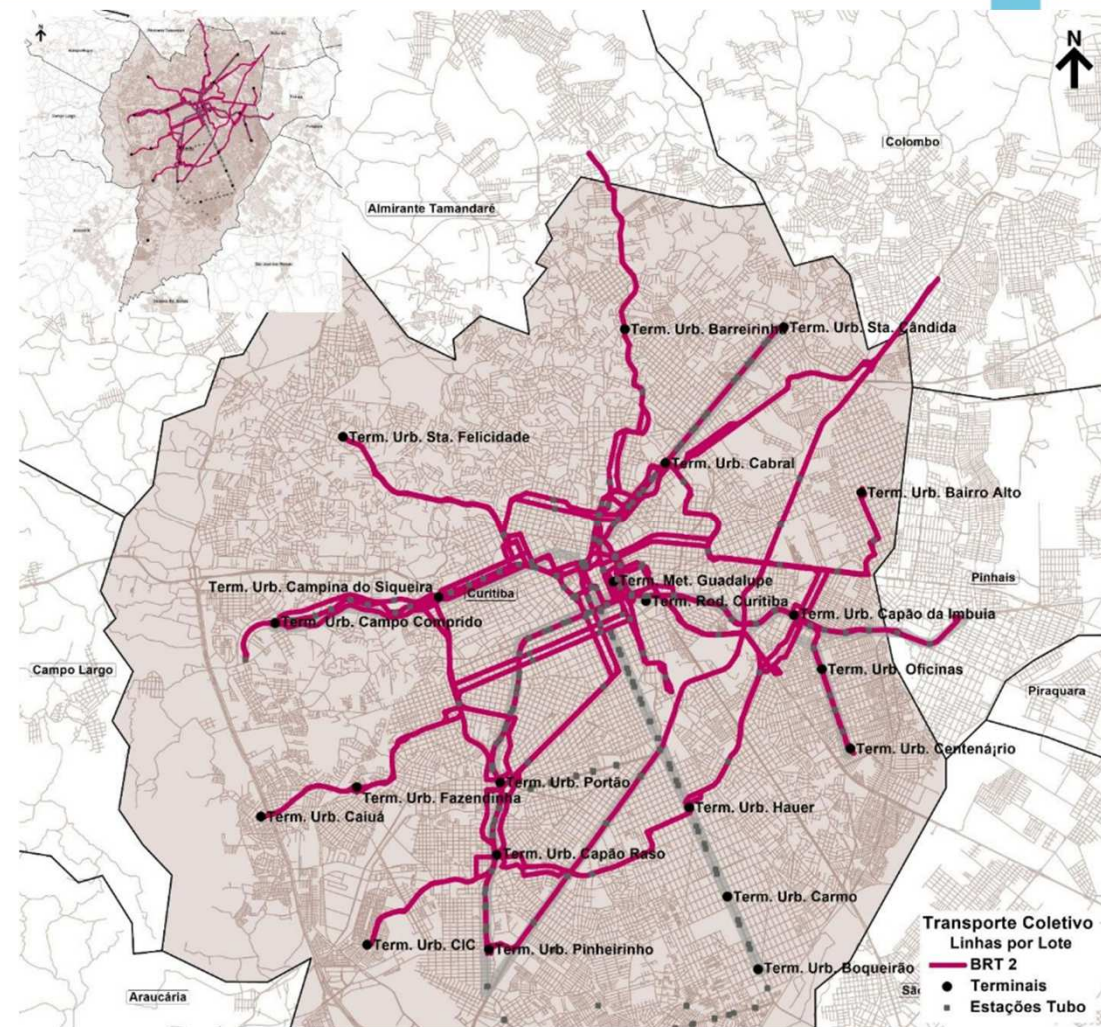
- Provide and operate electric and diesel fleets
- Development of a public transport project on demand and its subsequent operation



Lot BRT 2

Operational information	Year 1	Year 2	Year 3	Year 4	Year 5 and beyond
Total fleet	174	174	177	177	174
Annual Kilometric Production (millions)	9.9	9.9	10.3	10.3	9.9
Annual hours (thousand)	481	481	503	503	481

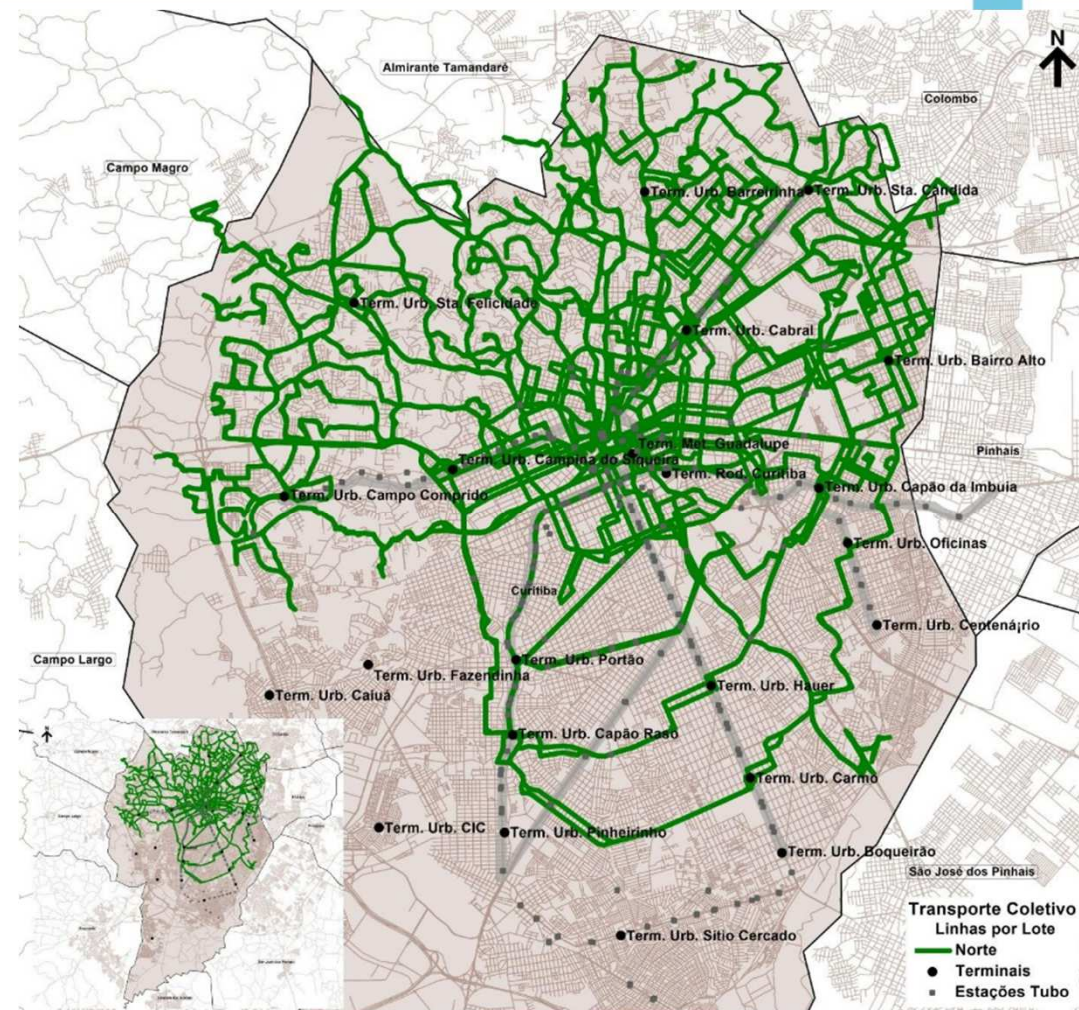
Line Category	Diesel	Electric	Total
"Ligeirão"		1	1
Express	1	3	4
Direct Line	11	2	13
Total	12	6	18



Lot North

Operational information	Year 1	Year 2	Year 3	Year 4	Year 5 and beyond
Total fleet	271	268	268	268	271
Annual Kilometric Production (millions)	17.5	17.5	17.5	17.5	17.5
Annual hours (thousand)	966	966	966	966	966

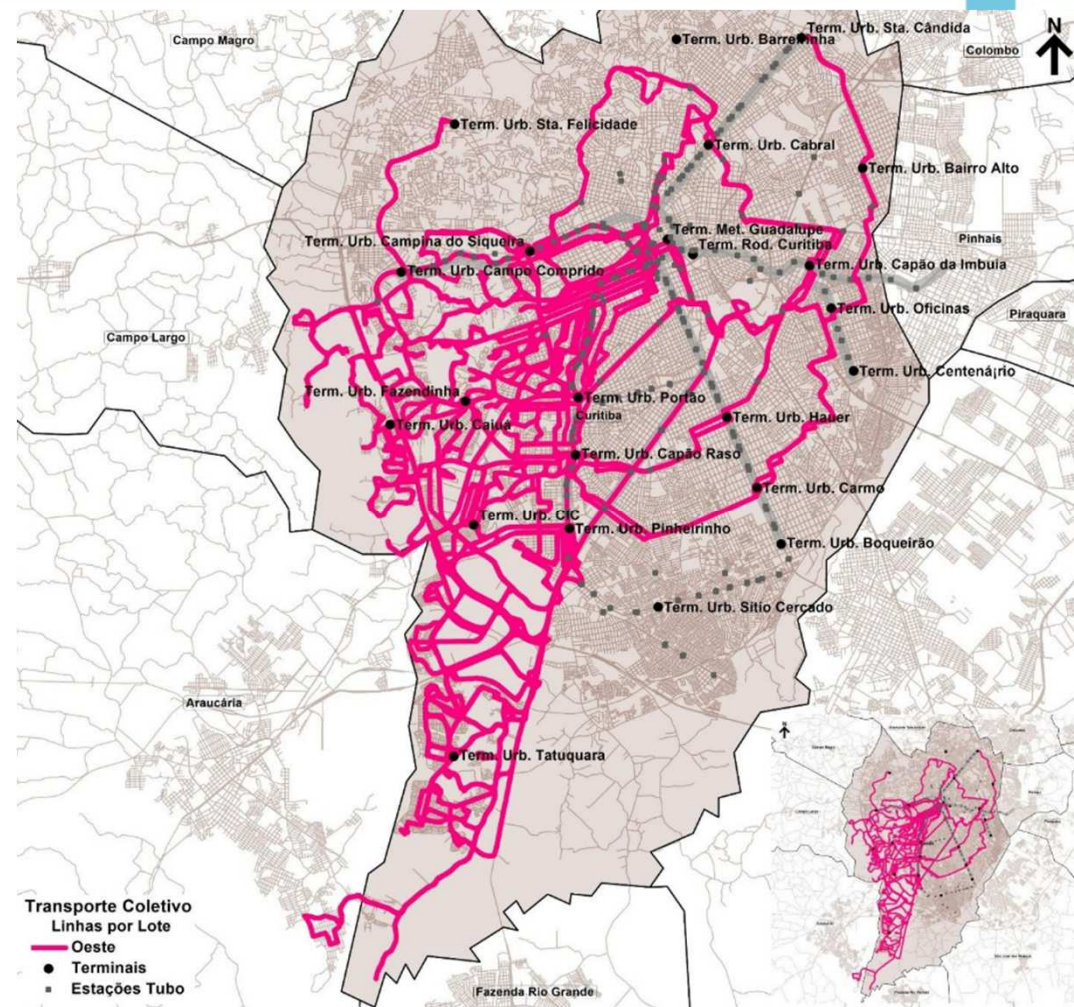
Line Category	Diesel	Electric	Total
Direct Line	1		1
Inter-neighborhood	1	4	5
Troncais	11		11
Alimentadoras	44		44
Conventional	31		31
“Madrugueiro”	7		7
Total	95	4	99



Lot West

Operational information	Year 1	Year 2	Year 3	Year 4	Year 5 and beyond
Total fleet	332	332	332	332	332
Annual Kilometric Production (millions)	19.8	19.8	19.8	19.8	19.8
Annual hours (thousand)	993	993	993k	993	993

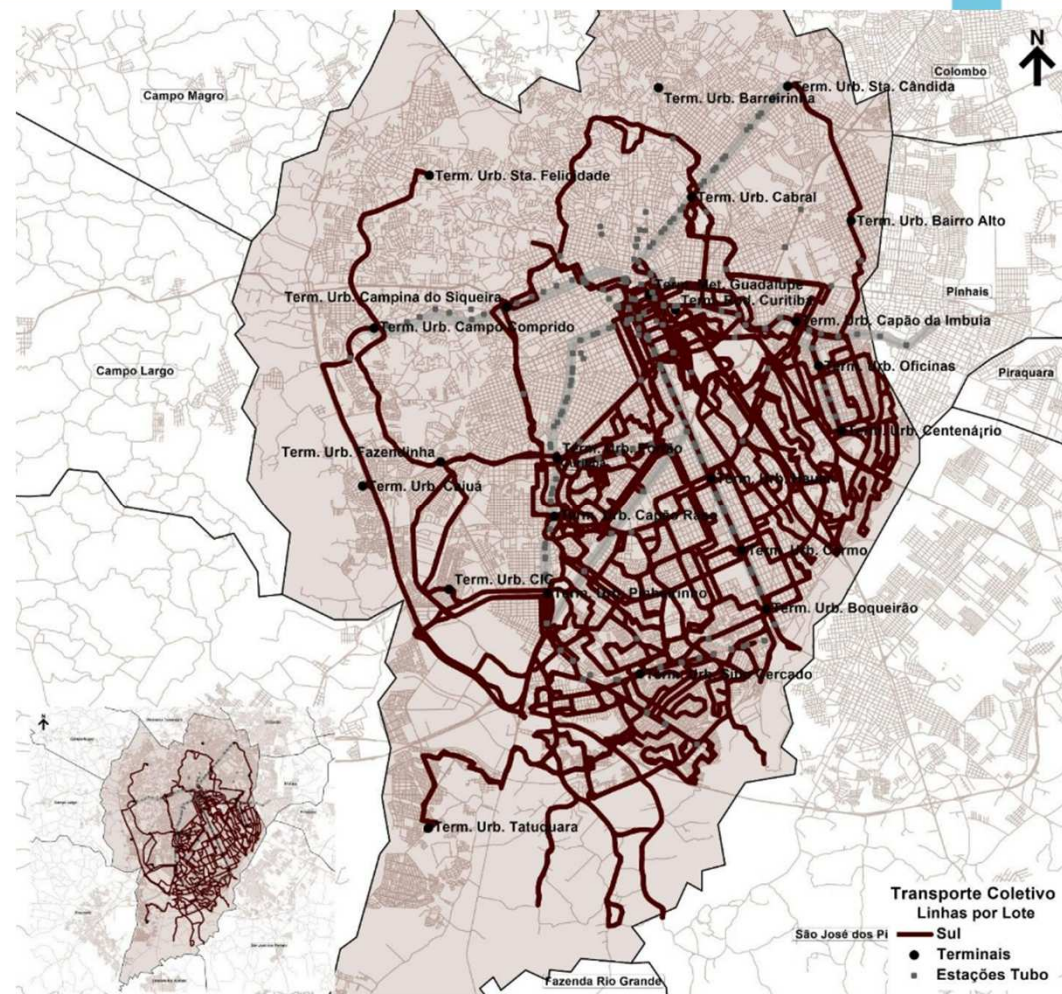
Line Category	Diesel	Electric	Total
Direct Line		1	1
Inter-neighborhood	4	2	6
Trunk	5		5
Feeder	46	6	52
Conventional	13	1	14
"Madrugueiro"	5		5
Total	73	10	83



Lot South

Operational information	Year 1	Year 2	Year 3	Year 4	Year 5 and beyond
Total fleet	289	287	287	287	289
Annual Kilometric Production (millions)	18.5	18.5	18.5	18.5	18.5
Annual hours (thousand)	1	1	1	1	1

Line Category	Diesel	Electric	Total
Direct Line			
Inter-neighborhood	5	2	7
Trunk			
Feeder	54		54
Conventional	20		20
“Madrugueiro”	7		
Total	86	2	88



New Concession – Main Changes for the Population

Temporal Integration, Line Changes

Temporal Integration

Possibility of unrestricted temporal integration, at any boarding point (station/stop), using the Transport Card

- **Greater route flexibility**, allowing users to compose the best routes for their trip
- **Reduction in the number of transfers** (integrations)

Reduction 4.7 %

- **Faster and more direct trips** (no need to go to the Terminals)

2.5% reduction in total time spent by users

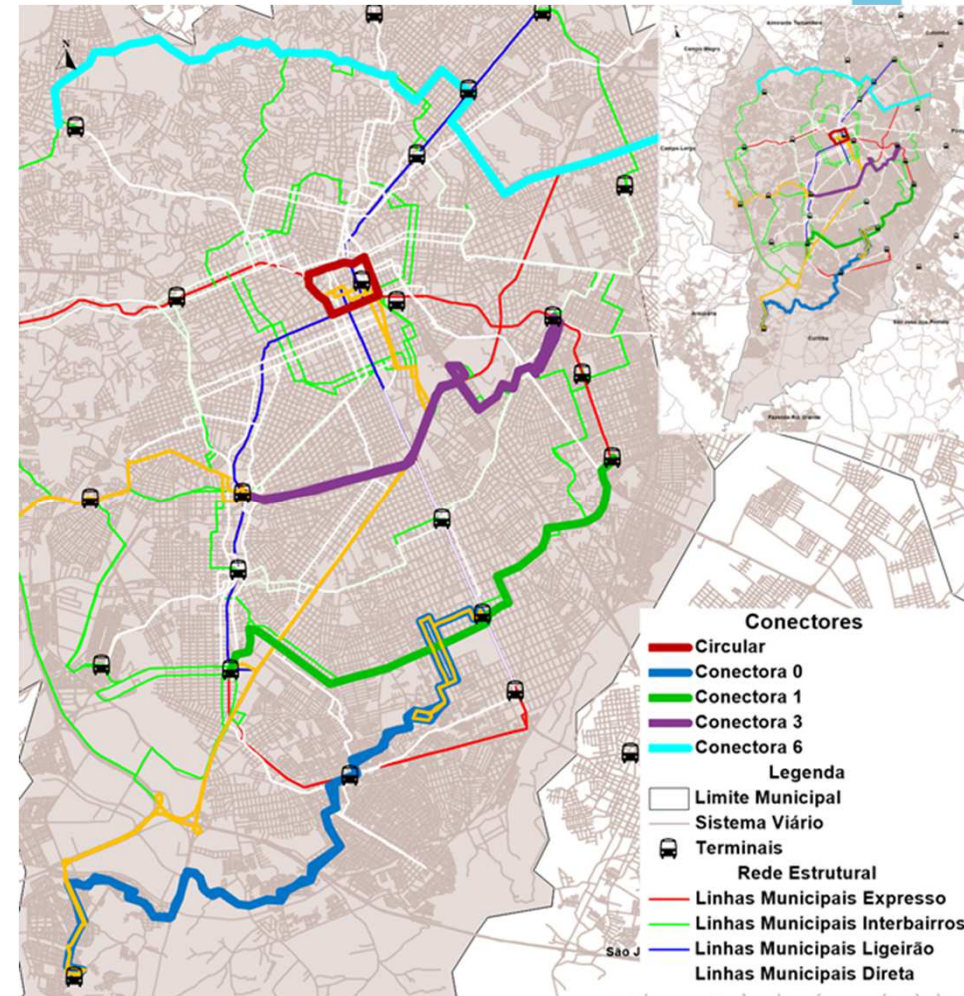
New bus lines

Future implementation of CONNECTOR lines that will provide services between regional systems

- Tatuquara Terminal – Carmo Terminal
- Pinheirinho Terminal–Centenário Terminal
- Portão Terminal–Capão da Imbuia Terminal
- Santa Felicidade Terminal - Bairro Alto Terminal
- Circular Centro

Expansion of direct service options for users in internal trips to regional systems and between neighboring regional systems.

Allow new service options between the various regions of the city.



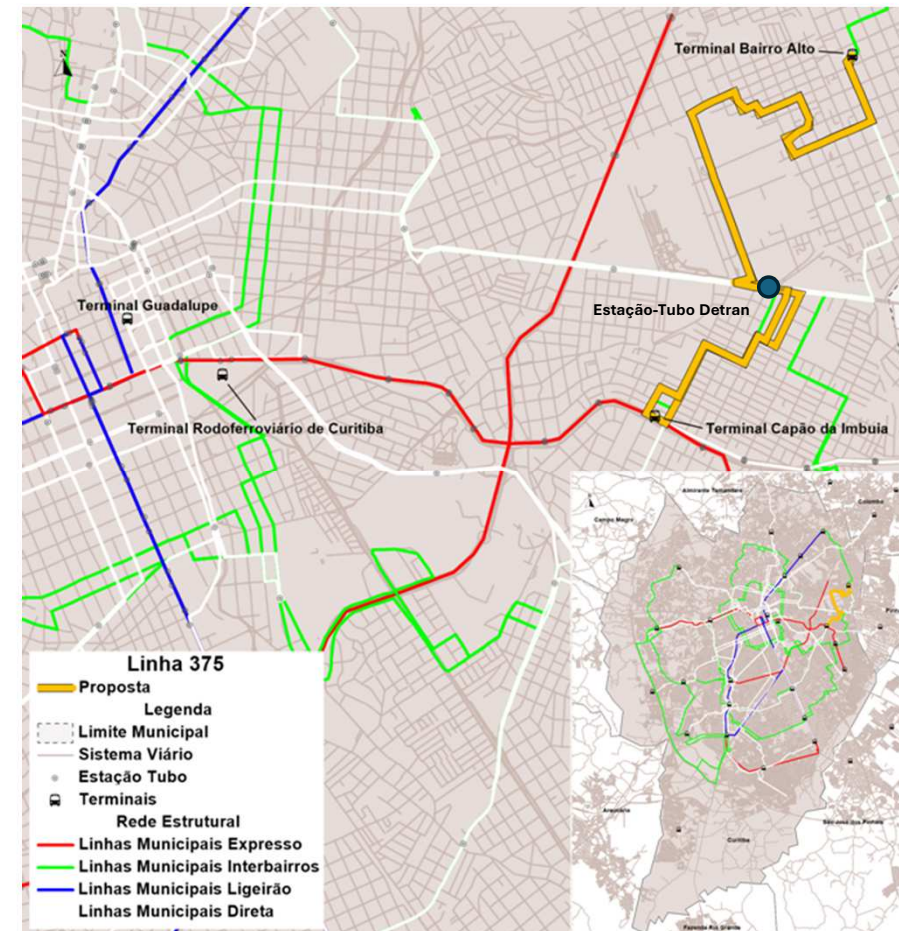
Review of the network of conventional and local lines

Review of 26 lines that have a lower supply of trips and low demands, with adaptation of routes, prioritizing the connection with RIT* through the resources of temporal integration

- Provide integration for users of conventional lines
- Rationalize services, with the elimination of itinerary overlaps, directing resources to reinforce the operation

*RIT: Rede Integrada de Transporte (Integrated Transportation Network)

Example: 375 – Sagrado Coração: integration at the Tubo Detran Station and the Capão da Imbuia Terminal



Expansion of the operational fleet

Expansion of 3.5% of RIT's* bus fleet and 5.4% in the number of seats offered, given that a significant portion of the buses added is of greater capacity

+ 15 bi-articulated buses

+ 30 articulated buses

- **Reduction in the occupancy of trips**, especially on the lines with the highest demand, such as the express and "Ligeirão" North/South lines.
- **Reduction in waiting time**

Public Transport on demand

Studies and pilot tests for the introduction of **Public Transport on Demand**, with the use of apps and dynamic routes in public transport to be carried out by the Municipality in conjunction with the Concessionaires of the Regional Lots.

- **Flexibility for users**
- **Meeting dispersed demands**
- **Attraction of non-habitual users of public transport**
- **Expansion of the use of public transport**

New Concession – Main Changes for the Population

More sustainable fleet

Electric buses fleet

- Incorporation of **245 electric buses** in the first 5 years of the concession
- **1/3 of the seats offered to the population by 2031 will be on electric buses**
- Investments of **R\$ 1.5 billion**

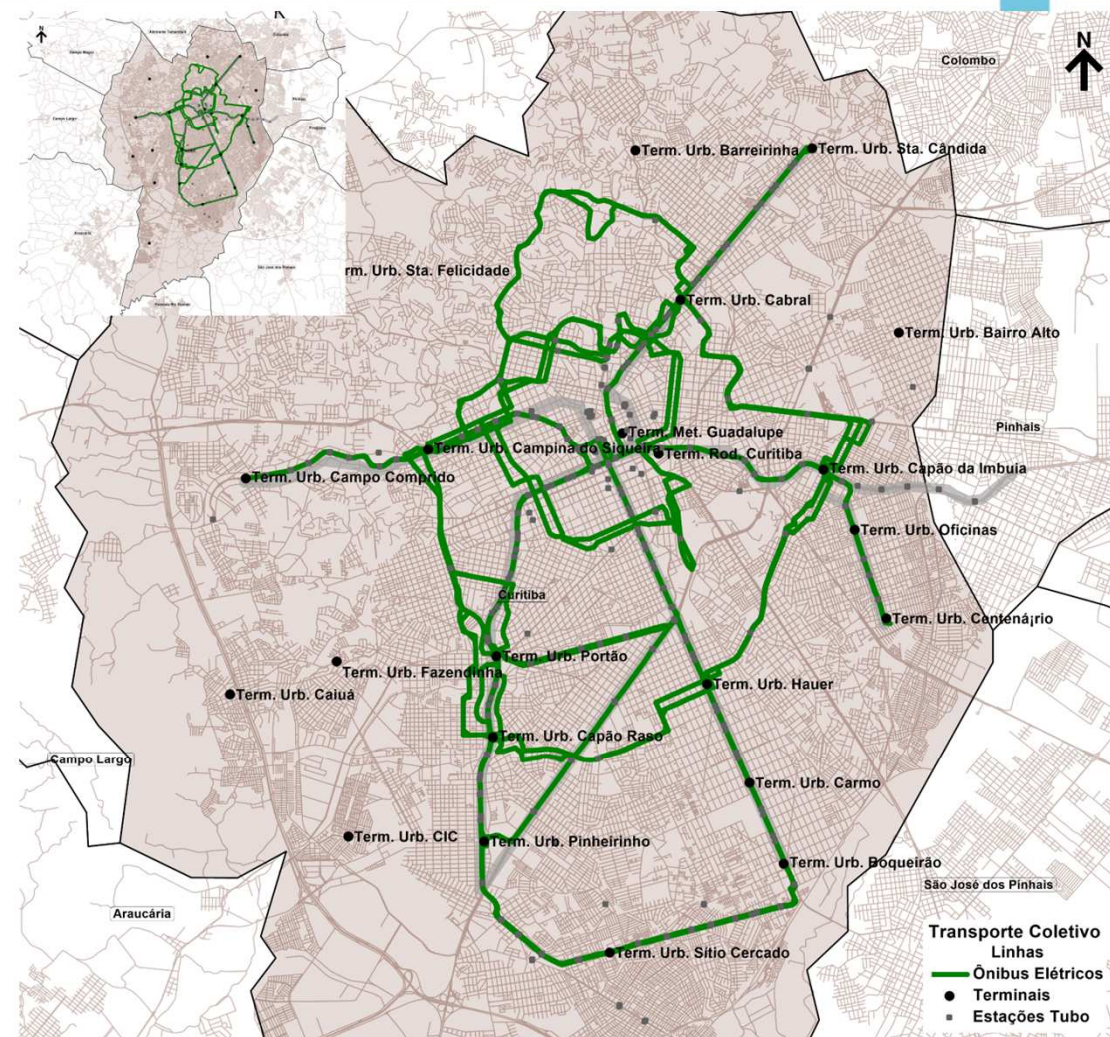
Lot	2027	2028	2029	2030	2031	Total
BRT1	27		21	32	40	120
BRT2	27		33	32		92
North	7	8				15
South		8				8
West		10				10
Total	61	26	54	64	40	245

Type	2027	2028	2029	2030	2031	Total
Bi-articulated			54	64	23	141
Articulated	54	26			17	97
Padron	7					7
Total	61	26	54	64	40	245

Electric buses fleet

14 structural lines will operate with electric buses

203	STA. CÂNDIDA / C. RASO
250	LIGEIRÃO NORTE / SUL
010	INTERBAIRROS I (HORÁRIO)
011	INTERBAIRROS I (ANTI-HORÁRIO)
020	INTERBAIRROS II (HORÁRIO)
021	INTERBAIRROS II (ANTI-HORÁRIO)
022	INTER 2 (HORÁRIO)
023	INTER 2 (ANTI-HORÁRIO)
302	CENTENÁRIO / RUI BARBOSA
303	CENTENÁRIO / C. COMPRIDO
550	LIGEIRÃO PINHEIRINHO / C. GOMES
603	PINHEIRINHO/RUI BARBOSA
502	CIRCULAR SUL (HORÁRIO)
602	CIRCULAR SUL (ANTI-HORÁRIO)



Recharge strategy

- **2 Public charging stations**

Installations for complementary recharging of the electric bus fleet in the off-peak, to optimize the daily operation

Charging Stations to be built by the concessionaires of lots BRT 1 and BRT 2, with land expropriated by the Municipality and with subsidized resources

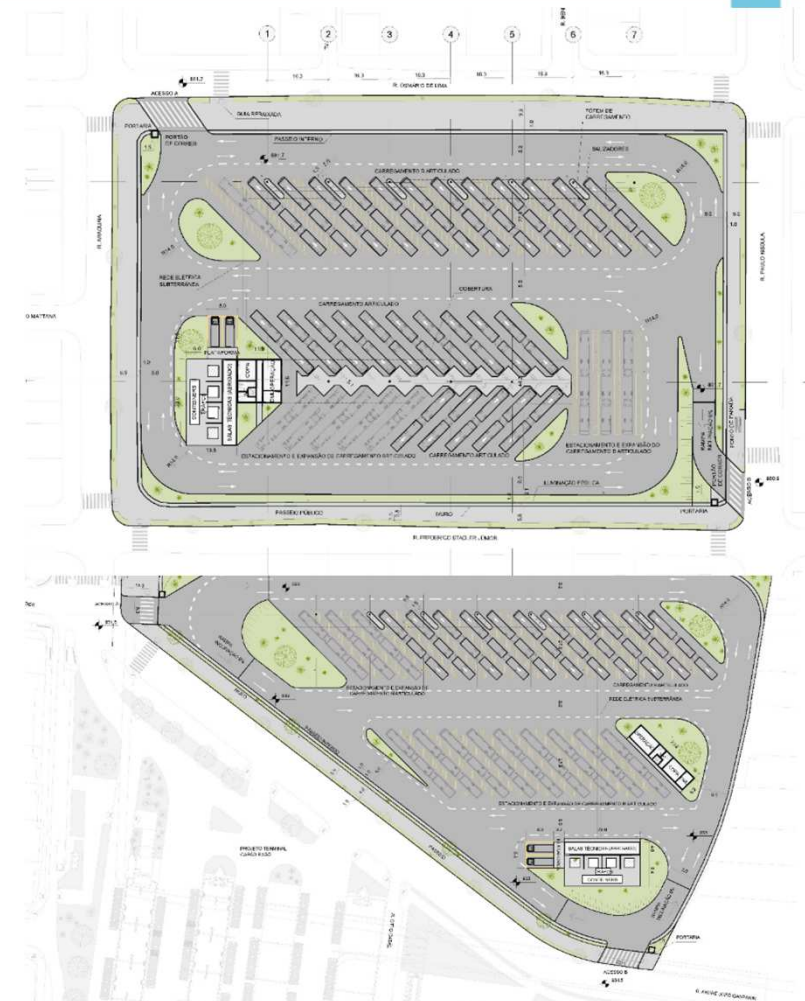
They will be shared infrastructure (for the 5 lots)

Public Charging Station: **Capão da Imbuia**

16 thousand m²
33 positions
12 chargers of 240 kWh
15 chargers of 180 kWh

Public Charging Station: **Capão Raso**

14 thousand m²
22 positions
11 chargers of 240 kWh



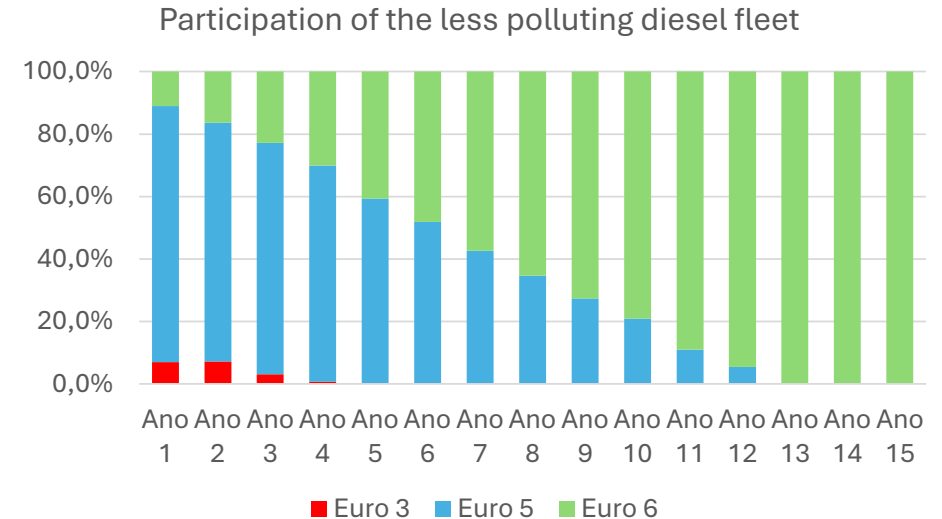
Renewal of the diesel fleet

Estimated acquisition of 1,233 new buses over the term of the concession, 150 of which will be available in the first year

- Increased comfort for users
- **Reduction of the average age of the fleet from 8.2 years current to less than 6 years**
- Environmental benefits with the entry into operation of Euro 6 buses, with lower emissions of air pollutants

Air conditioning

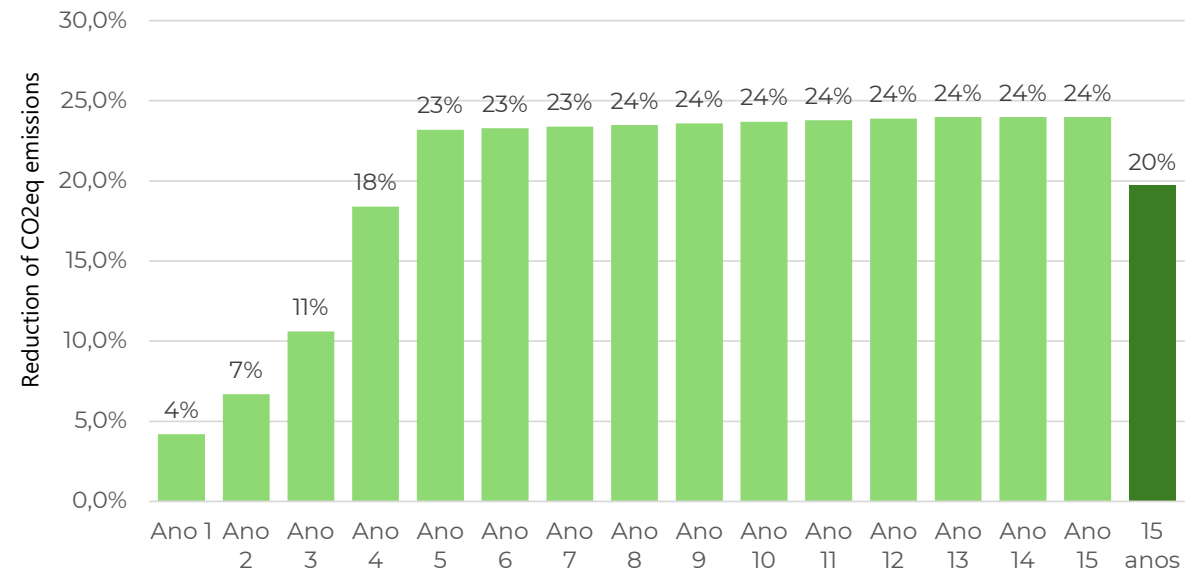
The entire fleet of electric buses and part of the diesel fleet (Articulated and Padrões) will be equipped with air conditioning



Environmental benefits

- **210 million liters of diesel oil will no longer be used (30% reduction).**
- **Reduction of 287 thousand tons in Greenhouse Gas emissions in 15 years**
- **Equivalent to 380 thousand trees or a park with 1.6 times the area of Barigui Park**
- **Reduction of 291 thousand tons of polluting gases and particulate matter, harmful to health. Among them, the 88% reduction in particulate matter (PM) emissions**

Reduction of GHG emissions (with and without the concession)



New Concession – Main Changes for the Population

Quality management system, customer relations

New Quality Management System

Expansion of quality indicators, including the conduct of semiannual surveys with users

Creation of a Global Quality Score for each concessionaire (score from 0 to 10)

The score will be used to calculate remuneration (discount up to 3%)

Obligation of concessionaires to develop and implement improvement plans for the recovery of indicators with low evaluation

QI	Name	Group
IQ1	Complaints	Passenger view
IQ2	Passenger satisfaction	
IQ3	Traffic and Operation Claims	Concessionaire Processes
IQ4	Fleet reliability	
IQ5	Irregularities of the operation (Fines)	
IQ6	Fleet inspection	
IQ7	Fulfillment of Trips	Provision of the service
IQ8	Fleet Profile Fulfillment	
IQ9	Delegated infrastructure status	Resources

Score interval	Concessionaire Remuneration Discount
0 to 5	3%
Between 5 and 9	% linear proportion (3% to 0%)
9 to 10	0%

Social and Environmental Responsibility

Presentation of the **Social, Environmental and Governance Responsibility Plan (PRSG)** by the concessionaires **before the start of operation and annual updates** including the history of actions carried out in the previous year or that are in progress

Improvement of work processes, innovation, transparency, care for the environment, communication and relationship with society.

Environment	<ul style="list-style-type: none"> • Reduced emissions and noise • Waste management • Energy conservation and use of renewable sources • Water conservation and reuse • Wastewater management • Prevention of soil contamination
Social	<ul style="list-style-type: none"> • Relationship with employees and service providers • Inclusion and diversity • Relationship with society • Quality of services
Governance	<ul style="list-style-type: none"> • Relationship with the GRANTING AUTHORITY • Ethics/integrity • Transparency • Risk Exposure and Management • Stakeholder Relations

Relationship with users

Incorporation into the concession contract of a set of guidelines (good practices) to be observed in the provision of services and in the relationship with users, which will be the basis for the training and continuing education of professionals.

- **Improvement of the relationship with users, with greater reception and care**
- **Quality improvement**
- **Increased security**

Key guidelines

Rights and Liability of Users

USERS' Rights

Responsibilities of USERS

Conduct of professionals in direct contact with the public

Procedures related to the operation

Cautions when driving buses

Procedures for embarking and disembarking passengers

Procedures in passenger service

Procedures in the care of people with disabilities

Procedures in case of incidents inside the bus

Procedures in the event of traffic accidents

Maintenance-related procedures

Passenger conduct

New Concession

Concessionaire Remuneration Model

Remuneration for the provision of services

Separation of Fare Collection from Remuneration of Services

Fare Collection: collection of the **Public Fare** defined by the Municipality



EQUIVALENT PASSENGERS x PUBLIC FARE

Remuneration of the Concessionaire: payment of the components of the costs necessary for the adequate provision of services and remuneration of investments



CALCULATED REMUNERATION x DISCOUNT PROPOSED IN THE BIDDING x INCIDENCE OF QUALITY

The ancillary revenues, to be defined jointly with the Granting Authority, on a case-by-case basis, will be allocated to the promotion of low fares

Public payment: Remuneration for Services

FARE COMPONENT INFRASTRUCTURE
(Remuneration for the infrastructure)

- Charging infrastructure: (a) Investment in garage chargers and (b) Operation of charging stations
- Mobility infrastructure: (a) Investment in station works; (b) Operation of bus stations and terminal platforms

FARE COMPONENT OF CAPITAL COSTS
(Remuneration for investments)

- Remuneration of investments in the acquisition of the diesel bus fleet
- Remuneration of investments in the acquisition of the fleet of electric buses that are not subsidized by the Municipality

FARE COMPONENT VARIABLE COSTS
(Remuneration per Km)

- Costs with: (a) diesel fuel, (b) electricity, (c) lubricants, (d) ARLA 32, (e) tires, (f) retreading; (g) parts and accessories. Function of the number of kilometers traveled by the fleet, including idle mileage, limited to 6% of the operating mileage.

FARE COMPONENT DRIVER
(Compensation for hours worked)

- Cost of paying drivers as a function of the number of hours operated by the fleet

FARE COMPONENT OF FIXED COSTS
(Remuneration by patrimonial fleet)

- Costs of: (a) maintenance materials, services and personnel; (b) Cleaning of the fleet; (c) Expenses and Administrative Personnel; (d) Garage rental;

COMPLEMENTARY COMPONENTS

- Operating margin on subsidized or made available goods
- Other costs

New Concession

Expected Investments, Operating Costs and Remuneration

CAPEX (15 years)

Fleet:..... R\$ 3.6 billion

Infrastructure:.... R\$ 116 million

Investments by Lot
(values of June/2025)

Public Grants

Financing with the German Bank kfW and BNDES, with lower interest rates due to the application of resources in fleet decarbonization solutions.

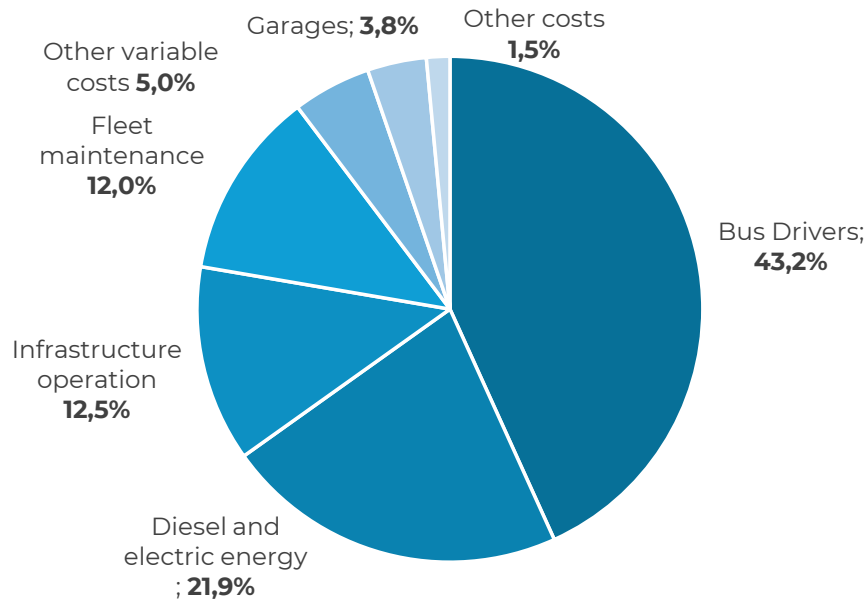
R\$ 799.49 million

Lot	Total CAPEX		Subsidies	Private Investments	
	R\$ Million	Particip.	R\$ Million	R\$ Million	Particip.
BRT1	1.276,05	34,4%	210,24	1.065,81	37%
BRT2	1.023,66	27,6%	456,98	566,68	19%
NORTH	429,28	11,6%	53,58	375,70	13%
SOUTH	437,44	11,8%	34,97	402,47	14%
WEST	547,56	14,7%	43,71	503,85	17%
Total	3.713,99	100,0%	799,48	2.914,51	100%

OPEX (15 years)

Total:..... R\$ 12 billion

Annual average: ... R\$ 804 million



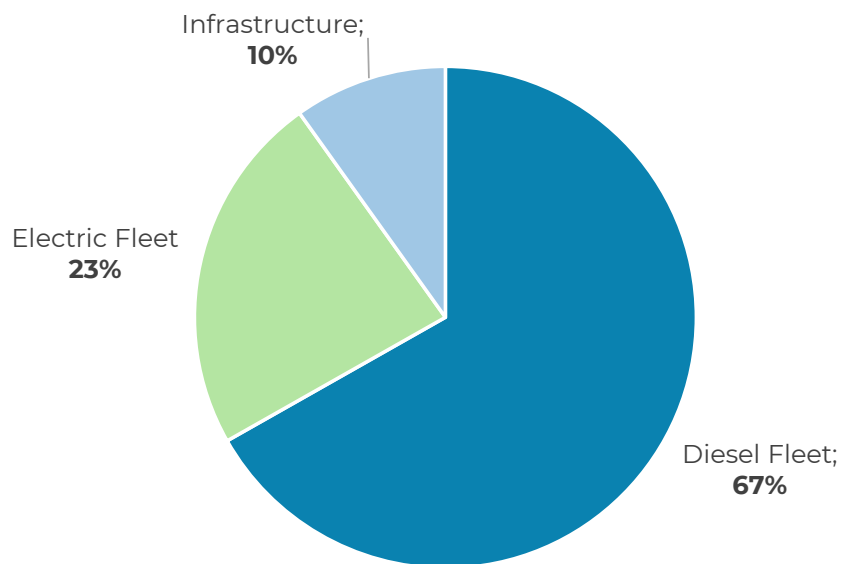
Operating Costs per Batch
(values of June/2025)

Lot	Annual Operating Expenditures	
	R\$ Million	Particip.
BRT1	167,31	20,8%
BRT2	148,27	18,4%
NORTH	147,23	18,3%
SOUTH	163,71	20,4%
WEST	177,56	22,1%
Total	804,07	100,0%

Estimated Concessionaire revenue from service provision (15 years)

Total:..... R\$ 18 billion

Annual average: ... R\$ 1.2 billion



Lot's Remuneration
(values of June/2025)

Lot	Annual Estimated Revenue	
	R\$ Million	Particip.
BRT1	321,1	26,7%
BRT2	229,5	19,1%
NORTH	196,0	16,3%
SOUTH	216,0	18,0%
WEST	240,2	20,0%
Total	1.202,8	100,0%

Estimated public system costs (concessionaire revenue from service provision) per kilometer and per passenger (First 5 years)

Costs per kilometer and per passenger
(values of June/2025)

	Portion	Current (Sep/25)	Year 1	Year 2	Year 3	Year 4	Year 5
Cost per km	Operation cost	R\$ 13,43	R\$ 13,93	R\$ 13,66	R\$ 13,85	R\$ 14,37	R\$ 14,78
	Cost of debt service	R\$ 0,00	R\$ 0,00	R\$ 0,21	R\$ 0,28	R\$ 0,45	R\$ 0,55
	Total Cost	R\$ 13,43	R\$ 13,93	R\$ 13,87	R\$ 14,13	R\$ 14,82	R\$ 15,33
Cost per equivalent passenger	Operation cost	R\$ 7,68	R\$ 7,89	R\$ 7,71	R\$ 7,81	R\$ 8,15	R\$ 8,59
	Cost of debt service	R\$ 0,00	R\$ 0,00	R\$ 0,12	R\$ 0,16	R\$ 0,25	R\$ 0,32
	Total Cost	R\$ 7,68	R\$ 7,89	R\$ 7,83	R\$ 7,97	R\$ 8,40	R\$ 8,91

New Concession

Bidding auction rules



Modality: Common Concession



Time Frame: 15 years



Bid criterion: Highest discount on the remuneration for service provision:

Lot	Estimated Average Annual Remuneration	Estimated Total Remuneration
	R\$ Million	R\$ Billion
BRT1	321,09	4,82
BRT2	229,53	3,44
NORTH	196,00	2,94
SOUTH	216,00	3,24
WEST	240,15	3,60

New Concession

Concession Agreement Key Components

Contract Provisions

- **Scope:** Concession for the provision of urban public passenger transportation services by bus, within the scope of the Rede Integrada de Transporte (RIT, Integrated Transportation Network) in Curitiba, in accordance with each of the respective Bid Lots.
- **Parties:** URBS – Urbanização de Curitiba S.A. (Granting Authority) and the Concessionaire.
- **Term:** The Concession Term shall be fifteen (15) years, counted from the Date of Assumption, defined as the date on which the transition period ends, and the Concessionaire fully assumes the concession.
- **Operational Transition** – Twelve (12) months from the **Commencement Date**, based on the **Transition Plan**.
 - **Transition Plan:** A plan to be prepared by the Concessionaire and approved by URBS, governing the transition of the services.
 - **Operation Plan:** To be submitted by the Concessionaire within six (6) months from the **Effective Date**, understood as the date of execution of the Concession Agreement.
 - The current concessionaires shall remain responsible for the operation throughout the entire transition period.
- **Integration with the Metropolitan System** - The Concessionaire shall comply with the operational specifications of the RIT, which may be adjusted by the Granting Authority to meet the needs of expansion and improvement of the integration of the RIT.
- **Concession Assets:** As of the Date of Assumption (the date on which the Concessionaire commences operations), the Concession Assets shall be under the full responsibility of the Concessionaire.
 - Assets acquired through direct or indirect remuneration stemming from Government Grant for Investments shall be deemed Reversible Assets.
 - All Reversible Assets shall revert in full to the FUC upon termination of the Concession.
 - The disposal of Reversible Assets shall require prior authorization from the Granting Authority. Concession Assets that do not qualify as Reversible Assets may be disposed of upon notification to the Granting Authority.

Fleet Made Available and Impact of the Metropolitan Express VLT

Mobilization of a Dedicated Fleet for Operational Start-Up

- The current high-capacity fleet, with unique characteristics, shall be assigned by the Municipality and made available to the new Concessionaires of Lots BRT1 and BRT2 for the operations.
- Deployment of up to 219 buses
 - 166 bi-articulated buses
 - 53 articulated buses
- Expropriation of the Fleet by the Municipality.

Economic-Financial Rebalancing of Lot BRT 1 due to the Veículo Leve sobre Trilhos (VLT, Light Rail Transit):

In the event the VLT is implemented:

Any direct and verifiable personnel demobilization cost

- **If the implementation of the VLT does not materialize (or is delayed),** as provided

Additional investments shall be required for the renewal of the Boqueirão BRT fleet (which is aged and for which fleet renewal was not contemplated in the modeling)

- **Adjustment, Regular Review, and Extraordinary Review**

- **Adjustment**: Annual frequency, for updating cost components (which make up the remuneration installments). Updates based on parametric indices (IPCA, etc.)
- **Regular Review**: Triennial frequency, during which the following may be reviewed: (i) the tariff components of the Technical Tariff; (ii) the quality indicators; and (iii) the performance targets. Updates based on the actual variations in input prices (without the use of parametric indices).
 - **Note**: The outcome of the Regular Review process may trigger the economic-financial rebalancing of the Contract.
- **Extraordinary Review**: At any time, in accordance with events listed in the risk matrix. The materiality criterion for imbalance events must be at least 5% of the average gross revenue over the previous three years.

- **Economic-Financial Rebalancing Due to Demand Risk**

The Contract is not subject to demand risk

- **Expropriations and Evictions:**

It is the responsibility of the Granting Authority to carry out the expropriations, evictions, or administrative easements necessary for the construction and implementation of the EV Charging Station.

Public Guarantees



Public Transport System Funding → FUC

- Fare Revenue (Primary)
- Government Subsidy from the Municipality
- Government Subsidy from the State of Paraná
- Own Resources (fines, other revenues)



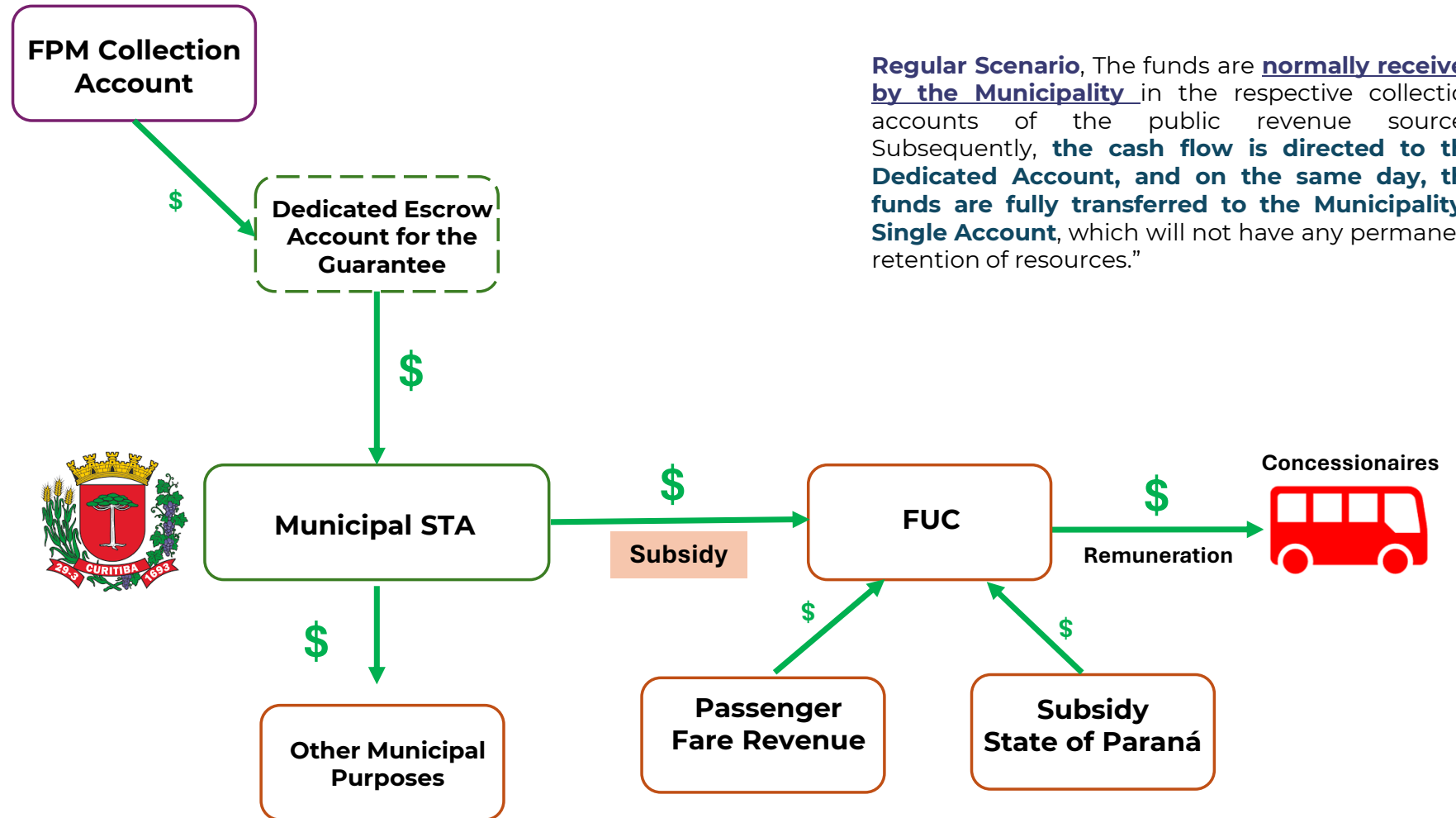
Public Guarantees

- Predictability in Revenue Flow
- Facilitates operators' access to credit and long-term financing
- Encourages better bids in the tender process



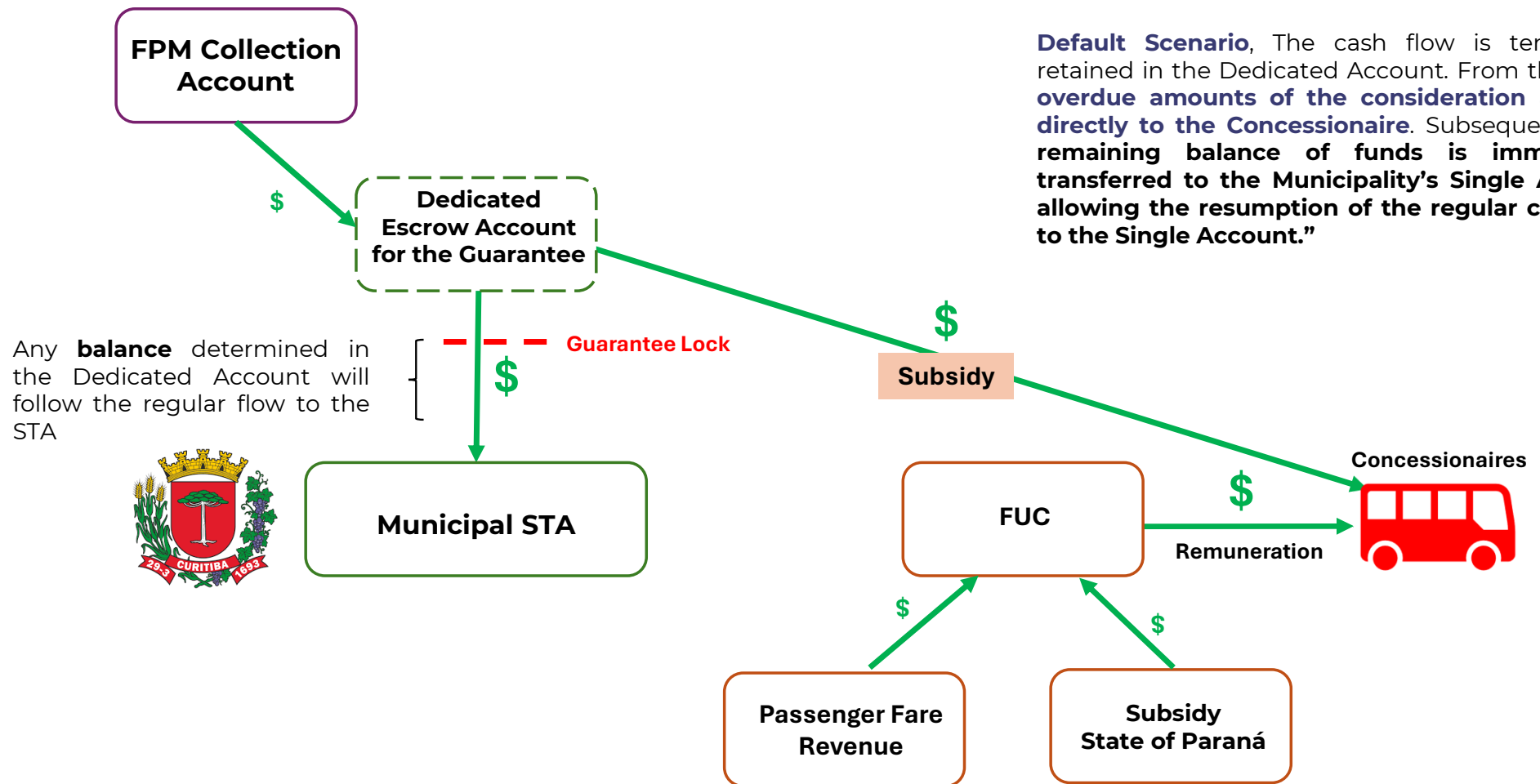
**Bill Approved
(August 2025)**

Public Guarantees



Regular Scenario, The funds are **normally received by the Municipality** in the respective collection accounts of the public revenue sources. Subsequently, **the cash flow is directed to the Dedicated Account, and on the same day, the funds are fully transferred to the Municipality's Single Account**, which will not have any permanent retention of resources."

Public Guarantees



Default Scenario, The cash flow is temporarily retained in the Dedicated Account. From there, **the overdue amounts of the consideration are paid directly to the Concessionaire**. Subsequently, **any remaining balance of funds is immediately transferred to the Municipality’s Single Account, allowing the resumption of the regular cash flow to the Single Account.**”

Contract Provisions

- **ESG: The Concessionaire must submit:**
 - **Within 12 months from the Assumption Date:** Detailed Implementation Plan for Structures for Natural Resource Management and Energy Efficiency, GHG Inventory, and Risk Analysis of Natural Disasters and Climate Change.
 - **Within 6 months from the Effective Date:** Compliance Program, Information Security Policies, Related-Party Transaction Policies, Human Resources Policies, Code of Conduct, and Program for Mapping and Mitigating Risks of Human Rights Violations Affecting Persons Impacted by the Concession and Suppliers.
- **Guarantees:**
 - **Performance Guarantee:** corresponding to 5% of the total of the estimated contract value, subject to a 40% reduction upon their completion, and to be maintained until the termination of the Concession Contract.
 - **Public Guarantee:**
 - Funds for the Government Grant for Investments shall be deposited in a dedicated current account.
 - Subsidies: guarantee through the segregation of resources from the Municipal Participation Fund (FPM)
- **Guarantees to Financiers:** The Concessionaire may pledge the rights arising from the Concession as collateral for financing, provided it is authorized by the Granting Authority and limited to the extent that such pledge does not compromise the operation and continuity of the Concession's object.
- **Remuneration:** The Concessionaire shall be remunerated through Fare Revenue + Government Subsidies
 - The public fare shall be set by the Granting Authority;;
 - The Granting Authority shall be responsible for exemptions and free-of-charge fares.
- **Ancillary Revenues:** Subject to prior authorization by the Granting Authority and a specific amendment to the Contract.

Concessionaire Risks: Except in cases expressly and specifically provided for in the Contract, the Concessionaire shall be fully and exclusively responsible for all risks related to the Concession, highlighting the main issues below:

- **Environmental Liability:** Liability of the Concessionaire, except for those that could not have been identified through an environmental audit prior to the assumption of the service.
- **Concession Assets:** construction, assembly, and implementation of the Concession assets and mandatory investments.
- **Hidden Defects:** Responsibility of the Concessionaire, except for defects in assets transferred by the Granting Authority.
- **Schedule:** Schedule delays.
- **Current Technology:** Technology employed in the provision of services.
- **IT:** Cyberattacks, security breaches, or leaks of sensitive data from operational systems.
- **Default:** Users' refusal to pay the User Fare.
- **Prices:** Mismatch of input costs between the triennial Regular Reviews.
- **Subsidized Investments:** Necessary investments that exceed the amount of Government Grant for Investments (cost variations).
- **Electricity:** Supply of electric energy for fleet operation and general service provision.
- **Civil Unrest or Strikes:** Up to 5 consecutive or non-consecutive days within each 12-month period counted from the Assumption Date, if they do not constitute Insurable Events; up to 30 days within each 12-month period if they constitute Insurable Events.
- **Fortuitous Events and Force Majeure:** Events that may be characterized as Insurable Events, as defined in the contract.
- **Taxes:** Risk borne by the Concessionaire due to changes in taxes on income, assets, or profits.
- **Evictions:** Risk to the Concessionaire arising from regular or irregular occupations after the Assumption Date.

Granting Authority Risks: These are aspects beyond the regulatory or administrative competence of the Concessionaire, with the following cases being the exclusive responsibility of the Granting Authority:

- **Hidden Defects:** Those not identified during technical inspections and not disclosed in the Tender, identified within a deadline to be defined in the Tender.
- **Historical, Archaeological, or Paleontological Discoveries**
- **Interferences:** Interference or interfaces with other structures, provided they were not identified in the contract and its annexes and are not available in other publicly accessible databases or registries.
- **Evictions:** Those occurring prior to the Assumption Date.
- **Expropriations**
- **Environmental Liability:** Those not known and pre-existing as of the Assumption Date.
- **Exemptions and Free-of-Charge Fares**
- **Technology:** Technological innovations mandated by the Granting Authority.
- **Non-Implementation of the VLT as Planned:** Necessity to agree on new investments (fleet renewal of the Boqueirão Axis).
- **Act of Government (“Fato do Príncipe”)**
- **VLT Implementation:** Rebalancing due to additional personnel demobilization costs, not modeled in the financial projections.
- **Subsidized Investments:** Cost variations related to subsidized investments, up to the limit of the Government Grant for Investments.
- **Non-Insurable Civil Unrest or Social Protests**
- **Violent Civil Unrest, Major Social Unrest, or Actions by Armed Criminal Groups**
- **Third-Party Decisions:** Arbitral, judicial, or administrative decisions that prevent or make it impossible to comply with the Contract, except in cases where the Concessionaire caused the situation.
- **Fortuitous Events or Force Majeure:** Events that cannot be characterized as Insurable Events.
- **Tax Reform:** Risk borne by the Granting Authority, except for taxes resulting from Tax Reform that have already been approved and published by the date of submission of the economic proposal in the tender, provided that the taxable event, rate, and tax base are already in force, even if their effectiveness occurs later.

New Concession

Tender Notice - Key elements

Key Elements of the Tender Notice

- **International Tender:** Possibility for foreign companies to participate in the bidding process
- **Participation Conditions:** Business corporations, investment funds, financial institutions, and open or closed pension funds, whether Brazilian or foreign, either individually or grouped in a Consortium. A Bidder may compete for one or more lots. With respect to each lot, no Consortium Member may participate in more than one consortium.
- **Consortium:** Bidders may participate through a consortium, with no limit on the number of members, and with joint and several liability among them.
- **Bid Guarantee:** Submission of a bid guarantee is a prerequisite for participation in the tender, in an amount equivalent to 1% of the estimated contract value for the respective Lot. The guarantee must be specific to each lot in which the bidder participates.
- **Evaluation Criteria:** Highest percentage discount to be applied on the remuneration calculated monthly.
- **Legal, Economic, and Labor Qualification:** Follows the standard for similar tenders (e.g., submission of articles of incorporation, financial statements, proof of FGTS compliance, etc.).
- **Key Preconditions for Contract Signing:** BNDES and B3 payment; establishment of a Special Purpose Entity (SPE); and submission of the contract performance guarantee.

Key Elements of the Tender Notice

- 1. Experience in urban mobility services in the public passenger road transport mode:** For a minimum continuous period of 24 months, with an operating fleet corresponding to at least 50% of the estimated value for the 5th year.
- 2. Previous Experience in Investments:** In the acquisition of assets, vehicles, or in the construction, renovation, or improvement of infrastructure or public service assets, meeting the minimum values specified for the respective Lot.

Infrastructure Asset, as defined in the Bidding Documents, means a long-term project operated at the private party's own account and risk, within one of the following sectors, under a concession, permit, lease, authorization, or an equivalent foreign legal arrangement: (i) urban mobility; (ii) communications; (iii) logistics, including highways, airports, railways, and transport services, for both cargo and passengers; (iv) power generation, transmission, or distribution; (v) basic sanitation; (vi) social infrastructure, such as schools, housing, hospitals, and prisons; or (vii) public services.

- 3. Submission of a commitment statement regarding the availability of a depot**

Bid Procedure

Single Tender for the 5 Lots

Single Public Session for all Lots, to be held at B3

Stages:

- 1. Submission of 3 envelopes (bid guarantee, economic proposal, and qualification documents)**
- 2. Disclosure of the result of the Bid Guarantee analysis**
- 3. Public Bid Session, with opening of the Economic Proposals**
- 4. Preliminary Ranking:** The Economic Proposals (Envelope 2) are ranked based on the highest discount on the offered remuneration, in descending order.
- 5. Live Bid Stage:** Bidders with proposals within the range specified in the Tender Notice (to be defined) relative to the highest discount offered. In case of a tie, a tiebreaking round will be conducted, followed by adherence to the order established in Article 60 of the Brazilian Bidding Law (Law No. 14,133/2021).
- 6. Proposal Validity:** The Economic Proposal must be valid for 180 days, extendable for an equal period if necessary, under penalty of disqualification.
- 7. Opening of Envelope 3 – Qualification Documents:** Only for the first-ranked bidder. Verification of legal, technical, financial, and tax requirements.
- 8. Publication and Appeals**
- 9. Approval of the Result:** To be carried out by the decision-making authority

Auction Procedure

Note:

A. Bidders may participate in any Lot

B. Stages 3, 4, and 5 are carried out sequentially for each lot at B3 on the same day.

C. If a bidder wins more than one Lot, its qualification must consider the sum of the required investment quantities for each Lot it has won.

D. If the sum of certified quantities is insufficient for qualification in all Lots, the following prioritization criteria shall apply:

- I. The bidder will be qualified for the Lot in which its proposal is the only one submitted;
- II. The bidder will be considered qualified for the Lot in which it offered the highest discount;
- III. For the remaining Lots where the bidder has been declared the winner but does not have enough certified quantities, the bidder will be disqualified.

New Concession of Curitiba's Public Transportation System (Bus Operation)

PUBLIC HEARING

Documentation related to the upcoming public tender is available for review, allowing civil society to submit suggestions, doubts and contributions aimed at improving the concession structure.

What?

Draft Notice and Annexes, Draft Contract and Annexes, Technical Studies that supported the modeling

Where?

<https://urbs.curitiba.pr.gov.br/PORTAL/licitacaoTransporteColetivo/>

When?

From September 19 to October 17



SIm

SISTEMA INTEGRADO DE MOBILIDADE

LEARN MORE

