## Brazil and São Paulo

**Geography**

<table>
<thead>
<tr>
<th>2010</th>
<th>Brazil</th>
<th>São Paulo</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Territory (thousand sq. Km)</td>
<td>8.515</td>
<td>248</td>
<td>3%</td>
</tr>
<tr>
<td>Population (million)</td>
<td>191</td>
<td>41</td>
<td>22%</td>
</tr>
</tbody>
</table>

**Economics**

<table>
<thead>
<tr>
<th>2010</th>
<th>Brazil</th>
<th>São Paulo</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP - nominal (US$ bi)</td>
<td>2.089</td>
<td>685</td>
<td>33%</td>
</tr>
<tr>
<td>GDP per capita (US$)</td>
<td>10.952</td>
<td>16.604</td>
<td>1,5x</td>
</tr>
</tbody>
</table>

Sources: IBGE, Banco Central and SEADE  
Exchange rate: US$ 1 = R$ 1.76
## São Paulo State Highlights

### Revenues

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012 Expected</th>
<th>2012 Expected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>47,53</td>
<td>59,76</td>
<td>59,61</td>
<td>77,05</td>
<td>84,97</td>
<td>89,03</td>
<td>100%</td>
</tr>
<tr>
<td>Tax Revenues</td>
<td>36,73</td>
<td>46,74</td>
<td>44,73</td>
<td>58,64</td>
<td>67,73</td>
<td>69,48</td>
<td>78%</td>
</tr>
<tr>
<td>Transfers</td>
<td>4,60</td>
<td>5,40</td>
<td>5,13</td>
<td>6,61</td>
<td>7,29</td>
<td>7,38</td>
<td>8%</td>
</tr>
<tr>
<td>Others</td>
<td>6,20</td>
<td>7,61</td>
<td>9,75</td>
<td>11,80</td>
<td>9,95</td>
<td>12,18</td>
<td>14%</td>
</tr>
</tbody>
</table>

### Investments

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012 Budget</th>
<th>2012 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Investments</td>
<td>4,51</td>
<td>7,22</td>
<td>9,13</td>
<td>9,72</td>
<td>8,21</td>
<td>10,77</td>
<td>100%</td>
</tr>
<tr>
<td>Logistics and transport</td>
<td>1,01</td>
<td>2,38</td>
<td>3,38</td>
<td>3,16</td>
<td>1,99</td>
<td>2,00</td>
<td>19%</td>
</tr>
<tr>
<td>Mobility / Mass Transportation</td>
<td>1,01</td>
<td>1,47</td>
<td>1,69</td>
<td>2,26</td>
<td>1,83</td>
<td>3,30</td>
<td>31%</td>
</tr>
<tr>
<td>Housing</td>
<td>0,41</td>
<td>0,52</td>
<td>0,51</td>
<td>0,89</td>
<td>0,92</td>
<td>1,09</td>
<td>10%</td>
</tr>
<tr>
<td>Sewerage and Energy</td>
<td>0,54</td>
<td>0,84</td>
<td>1,08</td>
<td>1,03</td>
<td>1,07</td>
<td>1,51</td>
<td>14%</td>
</tr>
<tr>
<td>Defense</td>
<td>0,20</td>
<td>0,20</td>
<td>0,33</td>
<td>0,36</td>
<td>0,40</td>
<td>0,38</td>
<td>3%</td>
</tr>
<tr>
<td>Education</td>
<td>0,31</td>
<td>0,36</td>
<td>0,57</td>
<td>0,70</td>
<td>0,55</td>
<td>0,77</td>
<td>7%</td>
</tr>
<tr>
<td>Health</td>
<td>0,27</td>
<td>0,26</td>
<td>0,37</td>
<td>0,28</td>
<td>0,27</td>
<td>0,39</td>
<td>4%</td>
</tr>
<tr>
<td>Others</td>
<td>0,78</td>
<td>1,19</td>
<td>1,21</td>
<td>1,04</td>
<td>1,18</td>
<td>1,34</td>
<td>12%</td>
</tr>
</tbody>
</table>

Monthly Average exchange rate - Bacen: 1,95, 1,83, 2,00, 1,76, 1,67, 1,76

![Historical Revenues and Investments Graph](image-url)

In US$ bi  
Sources: SIAFEM / SP
State Investment Plan, including PPP potential

Projected investment 2012-2015:
US$ 65 billion
PPP potential 2012-2015: R$ 16.88 billion  (US$ 9.59 billion)

Main Areas 2012-2015

- SOCIAL HOUSING
  US$ 4.4 billion

- LOGISTICS AND TRANSPORTS
  (Highway Ring, Rail Ring, Waterway, Port, Highways)
  US$ 12.2 billion

- SANITATION AND HIDRIC RESOURCES
  US$ 5.5 billion

- SECRETARIAT OF METROPOLITAN TRANSPORTS
  (Subway, Trains)
  US$ 17.7 billion

Source: State Secretariat for Planning and Regional Development
Exchange rate: US$ 1 = R$ 1.80

* Submitted to State Legislature
Public Private Partnerships - Applicability

- Financially self-sustaining projects
- Projects requiring government resources
- Traditional public projects

Private Projects of interest to the Government

Coordination, induction and stimulation

Regular Concession

PPP Sponsored Concession

PPP Administrative Concession or Procurement of Public Works

Capacity to generate revenue
The flow of approval for PPP projects

1. Preliminary Proposal
   - Secretariats
   - PPP Unit
   - CPP
   - Executive Secretariat

2. Financial Monitoring Commission

3. Manifestation CPP

4. Manifestation PPP Unit

5. PPP Steering Board

6. Technical Studies

7. Financial Monitoring Commission

8. Contract
   - Public Bidding

9. PED Steering Board

10. Concession Unit

11. PPP Unit

12. CPP

13. Sectoral supervision
Innovative Fast Track for PPP Projects

- State Decree 57.289 dated August 30, 2011 allows interested investors to present proposals for PPP Projects.
Portfolio of Projects (USD=R$1,80)

**MOBILITY** (9 projects)
- Subway (3)
- Metropolitan Train (1)
- Express Train (3)
- Monorail (2)

**LOGISTICS AND TRANSPORTATION** (5 projects)
- Highways (2)
- Railways
- Port (1)
- Airports (1)
- Ferry (1)

**WATER, SEWAGE AND FLOOD CONTROL** (9 projects)
- Water Production (3)
- Sanitation (3)
- Reservoirs (1)
- Tietê Channel (1)
- Lowland (Varzea) (1)

**SOCIAL HOUSING** (1 project/2 lots)
- Central Area SP
- Coastal Risk Area

**PUBLIC SECURITY AND PRISON ADMINISTRATION** (1 project)
- Prison Complex

**WATER, SEWAGE AND FLOOD CONTROL** (9 projects)
- Water Production (3)
- Sanitation (3)
- Reservoirs (1)
- Tietê Channel (1)
- Lowland (Varzea) (1)

**HEALTH** (2 projects)
- Drug Plant (FURP)
- Construction and Renovation of Hospitals

**EDUCATION** (2 projects)
- Digital Content for Public Schools
- Pró-Creches (Day Care Centers)

**PLANNING AND ECONOMIC DEVELOPMENT**
- Technology Parks
- Recycling Centers

**MANAGEMENT IMPROVEMENT** (3 projects)
- Cars
- Courthouses -Forum
- Clearing House
# Sao Paulo – Subway Line 4

## Yellow

**Current Stage**

- Vila Sônia – Luz
  - Provision of trains and signaling system; full operation and maintenance services

**Planned Actions**

- Civil works by the public sector (metro SP) – now in phase II
  + **SPONSORED PPP** (from Nov 2006)

**Term**

- **32 years**

**Investment**

- **Civil Works** U$ 2.6 billion
  - **PPP** U$ 555 million

**Bidding**

- Lowest public contribution

---

**Object of PPP**

**Business Model**

**Modeling Parameters**
## Metropolitan rail (Line 8)

**DIAMOND - CPTM**

### MOBILITY

<table>
<thead>
<tr>
<th>Logistics and Transportation</th>
<th>Water, Sewerage and Flood Control</th>
<th>Social Housing</th>
<th>Public Security and Prison Administration</th>
</tr>
</thead>
</table>

### CURRENT STAGE

**Provision of 36 new trains (8 cars each) and maintenance services**

**Administrative Concession** *(from March/2010)*

### PLANNED ACTIONS

- **Term**
  - 20 years

- **Investment**
  - U$ 520 million

- **Bidding:** lowest public payment

### OBJECT OF PPP

- Mobility
- Logistics and Transportation
- Water, Sewerage and Flood Control
- Social Housing
- Public Security and Prison Administration

### BUSINESS MODEL

- **Term**
  - 20 years

- **Investment**
  - U$ 520 million

### MODELING PARAMETERS

- Provision of 36 new trains (8 cars each) and maintenance services
- Administrative Concession *(from March/2010)*

- **Term**
  - 20 years

- **Investment**
  - U$ 520 million

- **Bidding:** lowest public payment
**SUBWAY LINE 6**  
**ORANGE**

<table>
<thead>
<tr>
<th>CURRENT STAGE</th>
<th>MOBILITY</th>
<th>LOGISTICS AND TRANSPORTATION</th>
<th>WATER, SEWERAGE AND FLOOD CONTROL</th>
<th>SOCIAL HOUSING</th>
<th>PUBLIC SECURITY AND PRISON ADMINISTRATION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HEALTH</td>
<td>EDUCATION</td>
<td>PLANNING AND ECONOMIC DEVELOPMENT</td>
<td></td>
<td>MANAGEMENT IMPROVEMENT</td>
</tr>
</tbody>
</table>

**PRIVATE PROPOSAL**

**PLANNED ACTIONS**

- **Extension:**
  - 12.8 km
  - 14 stations
  - 24 trains (6 cars each)
  - 600 thousand passengers/day

**PPP SPONSORED CONCESSION**

(proposals received from the private sector under analysis)

**Term**

- 35 years

**Investment**

- U$ 3.8 billion  
  (USD=R$1.80)

**PUBLIC PROPOSAL**
### MOBILITY

<table>
<thead>
<tr>
<th>Logistics and Transportation</th>
<th>Water, Sewerage and Flood Control</th>
<th>Social Housing</th>
<th>Public Security and Prison Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health</td>
<td>Education</td>
<td>Planning and Economic Development</td>
<td>Management Improvement</td>
</tr>
</tbody>
</table>

#### CURRENT STAGE

- **Extension:**
  - 20 km
  - 18 stations
  - 25 trains
  - 400 thousand passengers/day

- **PPP Sponsored Concession**
  - (Private sector invited to submit proposals under government guidelines)

#### PLANNED ACTIONS

- **Term**
  - 25 years

- **Investment**
  - U$ 2.5 billion

#### OBJECT OF PPP

- **Business Model**

#### MODELING PARAMETERS

- **Public Proposal**

---

**SUBWAY LINE 18 BRONZE**

**MONORAIL SÃO PAULO - SÃO BERNARDO DO CAMPO**

**PRIVATE PROPOSAL**

**CURRENT STAGE**

- Extension:
  - 20 km
  - 18 stations
  - 25 trains
  - 400 thousand passengers/day

**PLANNED ACTIONS**

- **Term**
  - 25 years

- **Investment**
  - U$ 2.5 billion

**PPP SPONSORED CONCESSION**

- (Private sector invited to submit proposals under government guidelines)
## Metropolitan rail - ABC EXPRESS

**LINE 10 TURQUOISE - CPTM**

### Current Stage

- **Objective:** New Line providing express service between ABC region and Sao Paulo city (25 km from Maua to Luz)
- **Passengers:** 400 thousand passengers / day

### Planned Actions

- **PPP Sponsored Concession:** (line construction, trains, operation)
- **Term:** • 30 years
- **Investment:** • U$ 830 million

### Business Model

- **Object of PPP**
- **Public Security and Prison Administration**
- **Health**
- **Education**
- **Planning and Economic Development**
- **Logistics and Transportation**
- **Water, Sewerage and Flood Control**
- **Social Housing**
- **Management Improvement**
- **Private Proposal**
- **Public Proposal**
TAMOIOS HIGHWAY AND CARAGUATATUBA AND SÃO SEBASTIÃO SECTIONS

<table>
<thead>
<tr>
<th>MOBILITY</th>
<th>LOGISTICS AND TRANSPORTATION</th>
<th>WATER, SEWERAGE AND FLOOD CONTROL</th>
<th>SOCIAL HOUSING</th>
<th>PUBLIC SECURITY AND PRISON ADMINISTRATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEALTH</td>
<td>EDUCATION</td>
<td>PLANNING AND ECONOMIC DEVELOPMENT</td>
<td>MANAGEMENT IMPROVEMENT</td>
<td></td>
</tr>
</tbody>
</table>

**CURRENT STAGE**

Duplication of Tamoios Highway (mountain range) and construction of Caraguatatuba and São Sebastião sections + operation and maintenance services

**PLANNED ACTIONS**

Phase I of civil works - public sector + PPP SPONSORED CONCESSION (Phase II investment and services)

**PRIVATE PROPOSAL**

- Term
  - 30/35 years
- Total Investment U$ 2.6 billion

**PUBLIC PROPOSAL**

OBJECT OF PPP

BUSINESS MODEL

MODELING PARAMETERS
### Water Treatment Station - TAIAÇUPEBA

<table>
<thead>
<tr>
<th>MOBILITY</th>
<th>LOGISTICS AND TRANSPORTATION</th>
<th>WATER, SEWERAGE AND FLOOD CONTROL</th>
<th>SOCIAL HOUSING</th>
<th>PUBLIC SECURITY AND PRISON ADMINISTRATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEALTH</td>
<td>EDUCATION</td>
<td>PLANNING AND ECONOMIC DEVELOPMENT</td>
<td>MANAGEMENT IMPROVEMENT</td>
<td></td>
</tr>
</tbody>
</table>

#### Current Stage

**Expansion of existing Water Treatment Station from 10 m³/s to 15 m³/s; construction of a sludge treatment system**

#### Planned Actions

**PPP ADMINISTRATIVE CONCESSION SABESP**

*(from jun/2008)*

- **Term**
  - 15 years

- **Investment**
  - U$ 172 million

- **Bidding**
  - Lowest public payment

---

**Object of PPP**

**Business Model**

**Modeling Parameters**

---
<table>
<thead>
<tr>
<th>MOBILITY</th>
<th>LOGISTICS AND TRANSPORTATION</th>
<th>WATER, SEWERAGE AND FLOOD CONTROL</th>
<th>SOCIAL HOUSING</th>
<th>PUBLIC SECURITY AND PRISON ADMINISTRATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEALTH</td>
<td>EDUCATION</td>
<td>PLANNING AND ECONOMIC DEVELOPMENT</td>
<td>MANAGEMENT IMPROVEMENT</td>
<td></td>
</tr>
</tbody>
</table>

**CURRENT STAGE**

Construction of Sao Lourenço Water Supply and Distribution System and maintenance services – Sao Paulo Metropolitan Area

**PLANNED ACTIONS**

**PPP ADMINISTRATIVE CONCESSION**

SABESP
(final review of documents)

**Term**
- 25 years

**Investment**
- U$ 865 million
**RESERVOIRS FOR FLOOD CONTROL SYSTEM – SÃO PAULO METROPOLITAN AREA**

<table>
<thead>
<tr>
<th>MOBILITY</th>
<th>LOGISTICS AND TRANSPORTATION</th>
<th>WATER, SEWERAGE AND FLOOD CONTROL</th>
<th>SOCIAL HOUSING</th>
<th>PUBLIC SECURITY AND PRISON ADMINISTRATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEALTH</td>
<td>EDUCATION</td>
<td>PLANNING AND ECONOMIC DEVELOPMENT</td>
<td>MANAGEMENT IMPROVEMENT</td>
<td></td>
</tr>
</tbody>
</table>

### Current Stage

Expansion (26 new reservoirs), Recovery (30), Maintenance and Operation (73) of the reservoirs for flood control network

### Planned Actions

**PPP ADMINISTRATIVE CONCESSION**

(final review of documents)

### Public Proposal

- **Term**
  - 30/35 years

- **Investment**
  - U$ 980 million

---

**Object of PPP**

**Business Model**

**Modeling Parameters**

---

17
Construction, financing and maintenance of 50 thousand housing units for low income families

PROCUREMENT MODEL UNDER ANALYSIS
Phase I – Sao Paulo central area (10.000 units)

Term
• 30 years

Total Investment
• U$ 4.0 billion
PRISON COMPLEX
FOR 10,500 INTERNS

<table>
<thead>
<tr>
<th>MOBILITY</th>
<th>LOGISTICS AND TRANSPORTATION</th>
<th>WATER, SEWERAGE AND FLOOD CONTROL</th>
<th>SOCIAL HOUSING</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEALTH</td>
<td>EDUCATION</td>
<td>PLANNING AND ECONOMIC DEVELOPMENT</td>
<td>MANAGEMENT IMPROVEMENT</td>
</tr>
</tbody>
</table>

**CURRENT STAGE**

Construction, operation and maintenance of 3 prison complexes (3,500 interns each) in Sao Paulo Metropolitan area

**PRIVATE PROPOSAL**

PPP ADMINISTRATIVE CONCESSION

**PLANNED ACTIONS**

**OBJECT OF PPP**

Term
- 20/25 years

**BUSINESS MODEL**

Investment
- U$ 420 million

**MODELING PARAMETERS**
### NEW PRODUCTION PLANT OF AMÉRICO BRASILIENSE

**Current Stage**
- **Health**
- **Education**
- **Planning and Economic Development**
- **Housing**
- **Public Security and Prison Administration**
- **Logistics and Transportation**
- **Water, Sewerage and Flood Control**

**Planned Actions**
- **Mobility**
- **Public Infrastructure**
- **Water, Sewerage, and Flood Control**

### Object of PPP

**PPP Administrative Concession**

(private sector invited to submit proposals under government guidelines)

**Term**
- 20 years

**Investment**
- U$ 80 million

**Private Proposal**

**Public Proposal**

**Business Model**

**Modeling Parameters**
INTERACTIVE DIGITAL CONTENT FOR STATE SCHOOLS

<table>
<thead>
<tr>
<th>MOBILITY</th>
<th>LOGISTICS AND TRANSPORTATION</th>
<th>WATER, SEWERAGE AND FLOOD CONTROL</th>
<th>SOCIAL HOUSING</th>
<th>PUBLIC SECURITY AND PRISON ADMINISTRATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEALTH</td>
<td>EDUCATION</td>
<td>PLANNING AND ECONOMIC DEVELOPMENT</td>
<td></td>
<td>MANAGEMENT IMPROVEMENT</td>
</tr>
</tbody>
</table>

**CURRENT STAGE**

Provision of technical services for teachers use at classroom and for training, with development and implementation of interactive digital content for 5,000 state schools

**PRIVATE PROPOSAL**

PPP ADMINISTRATIVE CONCESSION

- **Term**
  - 10 years

- **Investment**
  - U$ 530 million

**OBJECT OF PPP**

**BUSINESS MODEL**

**MODELING PARAMETERS**
**CURRENT STAGE**

Construction, recovery and maintenance of 06 Courthouses: Barueri, Bauru, Guarulhos, Itaquera, Lapa and Presidente Prudente

**PLANNED ACTIONS**

**OBJECT OF PPP**

**PPP ADMINISTRATIVE CONCESSIONS**

(Private sector to submit proposals under government guidelines)

**BUSINESS MODEL**

**TERM**

- 25 years

**INVESTMENT**

- U$ 140 million

**PRIVATE PROPOSAL**

**PUBLIC PROPOSAL**

**PUBLIC SECURITY AND PRISON ADMINISTRATION**

**HEALTH**

**LOGISTICS AND TRANSPORTATION**

**WATER, SEWERAGE AND FLOOD CONTROL**

**SOCIAL HOUSING**

**MANAGEMENT IMPROVEMENT**

**PLANNING AND ECONOMIC DEVELOPMENT**