




Eng. José Carlos de Oliveira Lima

FIESP Vice-President


CONSIC President (Superior Council of the Construction Industry)





The **Production Chain from the construction industry**, coordinated by the Department of Civil Construction - DECONCIC, FIESP, proposes and implements actions for the development of industrial competitiveness and technological innovation in the Construction sector.

The Production Chain from the construction industry represents
12.2% of the Brazilian GDP



Construction Material
2.9%

Other Material
0.2%

**Machines and
Equipment**
0.3%

Services
0.5%
Projects (engineering and
architecture)
Real Estate Activities
Property maintenance

Construction
8.3%
Buildings
Heavy construction

Source: LCA Consultores

BRAZIL 2022 – Planning, Construction, Growth

CONSTRUBUSINESS 2010 – BRAZILIAN CONSTRUCTION CONFERENCE

- State Plan – Sustainable Development of the Sector
- Special Edition: with technical studies from Consultancies LCA e FGV – themes: Housing and Infrastructure
- Date: November 29th, 2010 - for authorities, business leaders and journalists
- Goal: Analyze current situation, identify barriers and investments propositions
- Forecast until 2022 : position Brazil with the 5 largest economies worldwide

Main Participating Authorities



Michel Temer
Brazil Vice-President



Guido Mantega
Minister of Finance



Miriam Belchior
Minister of Planning

Forum to debate socioeconomic development

MACROECONOMIC SITUATION

1999

10 YEARS AGO

2011

TODAY

2022

Future needs require
action today

- Asia and Russian crises contaminate emerging markets
- Brazil: Fixed exchange rate system is unsustainable
- Uncertainty
- Investment environment risky in Brazil

- High international liquidity
- International reserves equivalent to total external debt
- Government stimulates internal demand
- Internal consumption is a factor in sustained growth

- Large demand in housing and all infrastructure sectors
- Transport
- Sanitation and Solid Waste
- Urban transport
- Energy
- Telecommunications

OPPORTUNITIES

RESOURCES

- Resource Availability
 - Large opportunities in investment (economic growth, 2014 World Cup & 2016 Olympics)

**BRAZIL IS IN A
PARTICULARLY
POSITIVE MOMENT**





1
HOUSING

2
LABOUR

3
INFRASTRUCTURE

4
OPPORTUNITY LARGE
SPORTING EVENTS

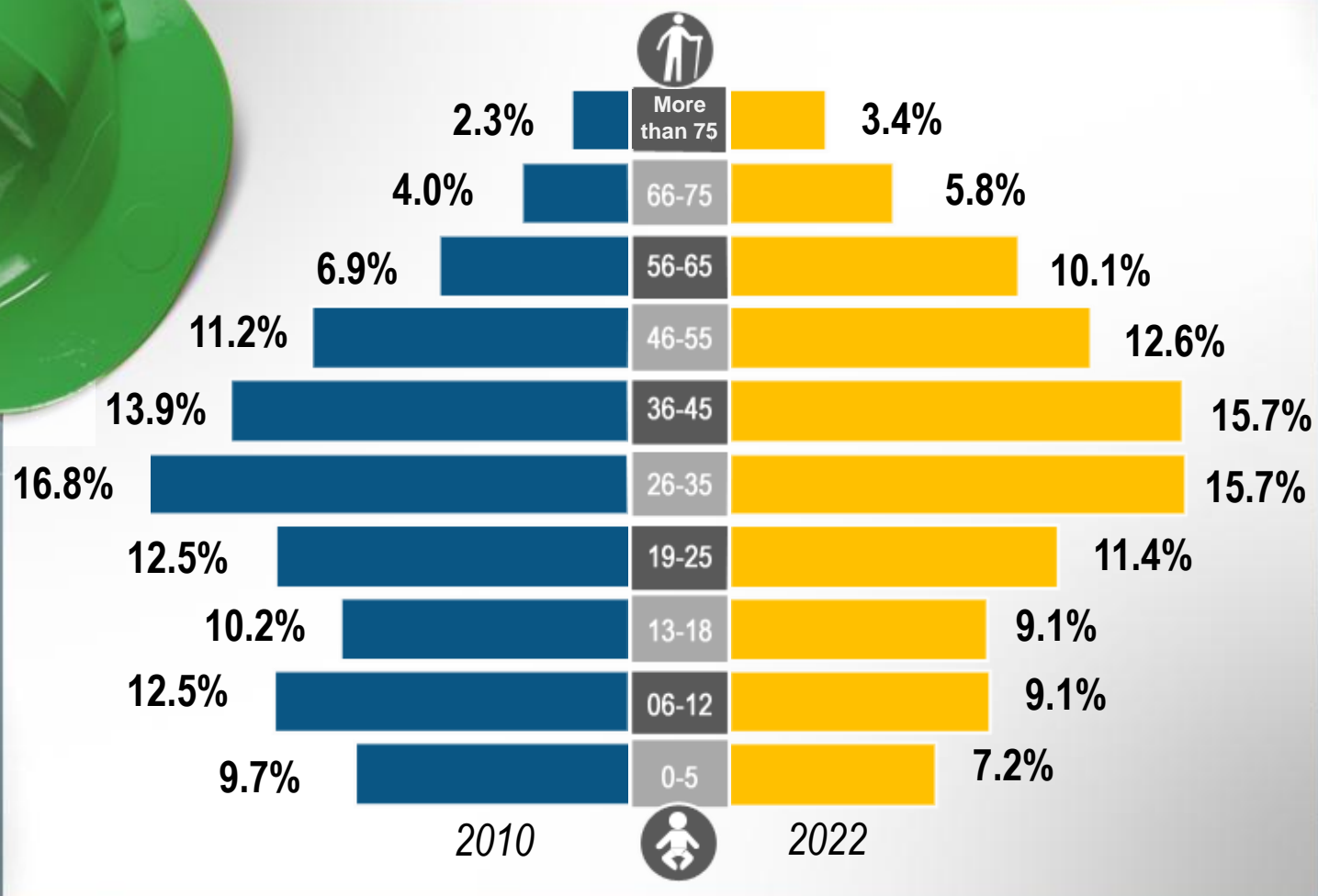
4A
2014
WORLD CUP

4B
OLYMPIC AND
PARAOLYMPIC
GAMES RIO 2016

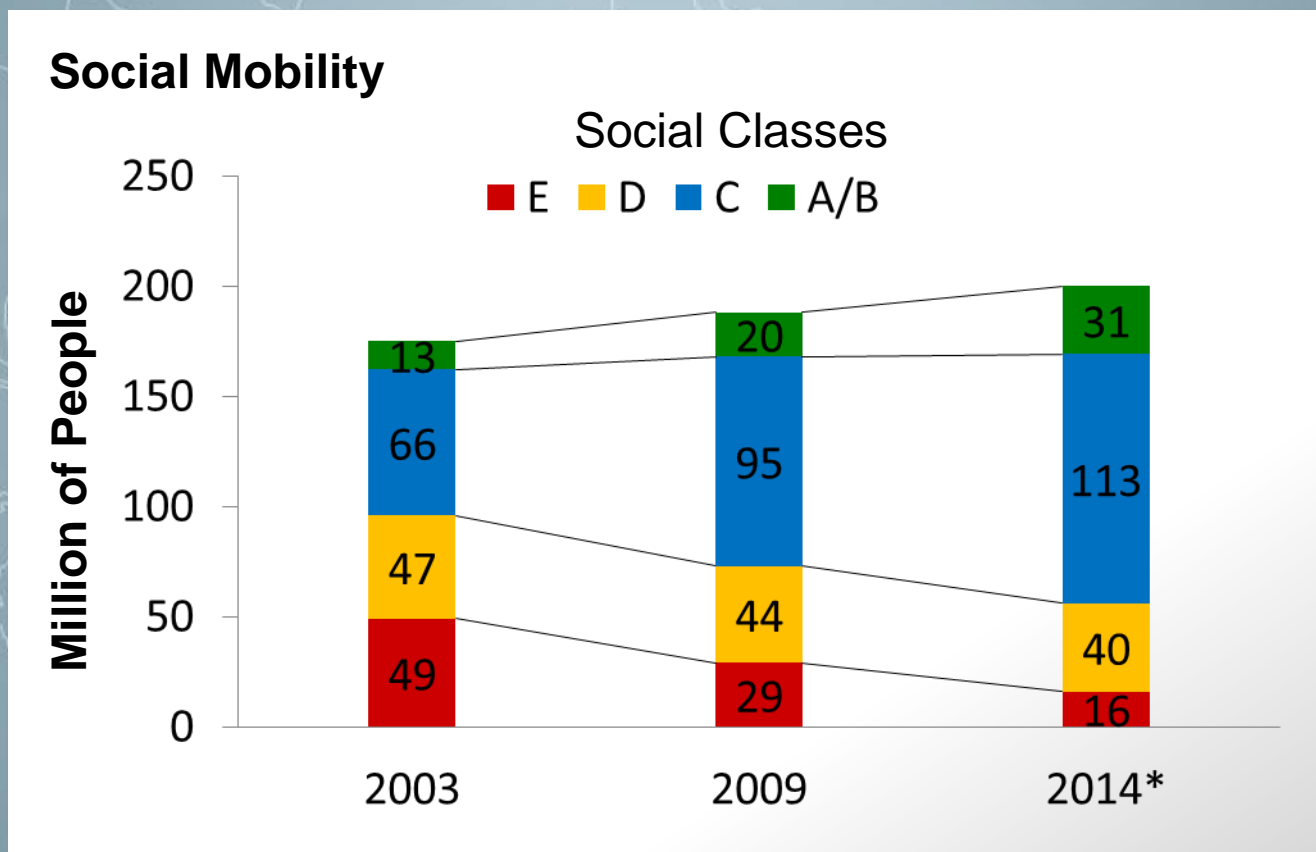
HOUSING

HOUSING – DIAGNOSIS

Brazil Age Group Pyramid, 2010 & 2022



The expansion of the classes C, B and A, in recent years should continue. The country has witnessed a very positive moment in terms of reducing inequality and increasing income.



* FGV Projection

Source: Brazilian Central Bank / FGV

HOUSING DEFICIT = 5.8 MILLION DWELLINGS

13.7%
North

34.9%
Nord-East

4.5%
Center-West

37.7%
South-West

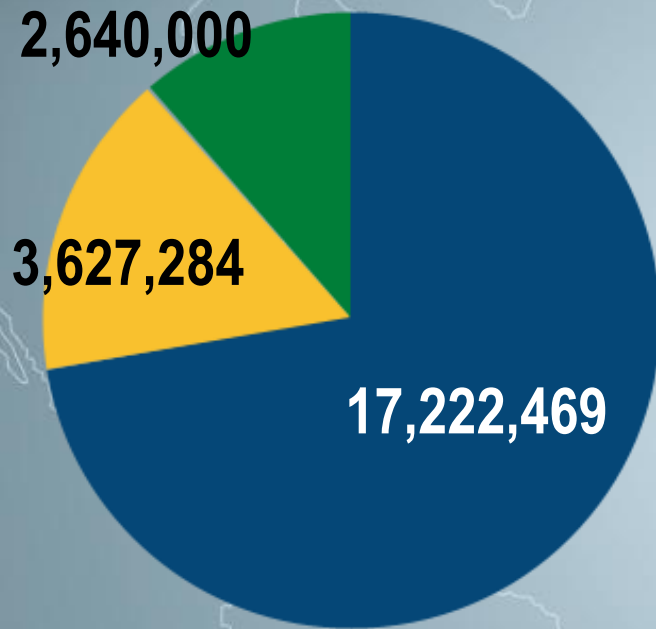
9.2%
South

Brazilian Population:
193 million people




Source: Ministério das Cidades. Data presented at the
4th National Monitoring Report. The
Millennium Development Goals - March/2010.

HOUSING - GOALS

Housing Needs



Source: FGV Projetos

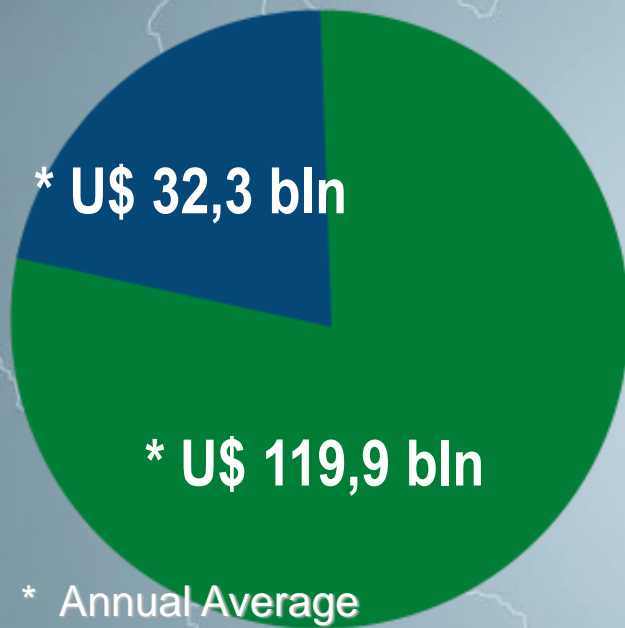
-  Dwellings to new families
-  Dwelling improvement
-  Cohabitation reduction

Goal by 2022:
Requires more than
23 million dwellings

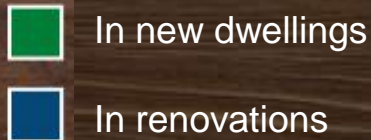
HOUSING - GOALS

Housing Needs

**Average of
5.80% of the
GDP**



* Annual Average



Goal 2022:
Requires more than
US\$ 1,8 trillion in investments

HOUSING

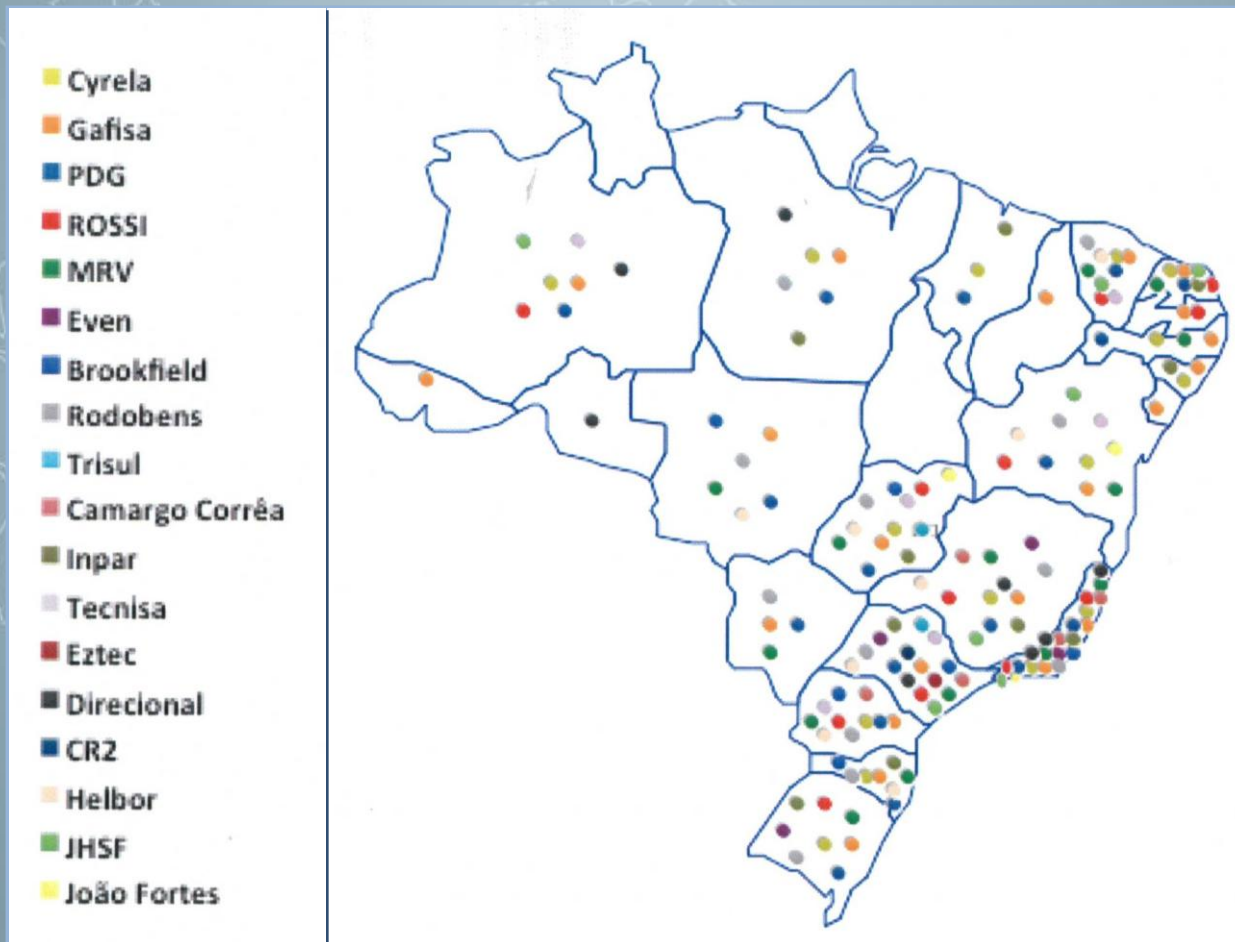
Evolution of Housing Financing

FGTS + SBPE / Savings (in R\$ billions)



CONSTRUCTION operating at BOVESPA

Geographic Extension of Activities





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LABOUR



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INFRASTRUCTURE

INFRASTRUCTURE

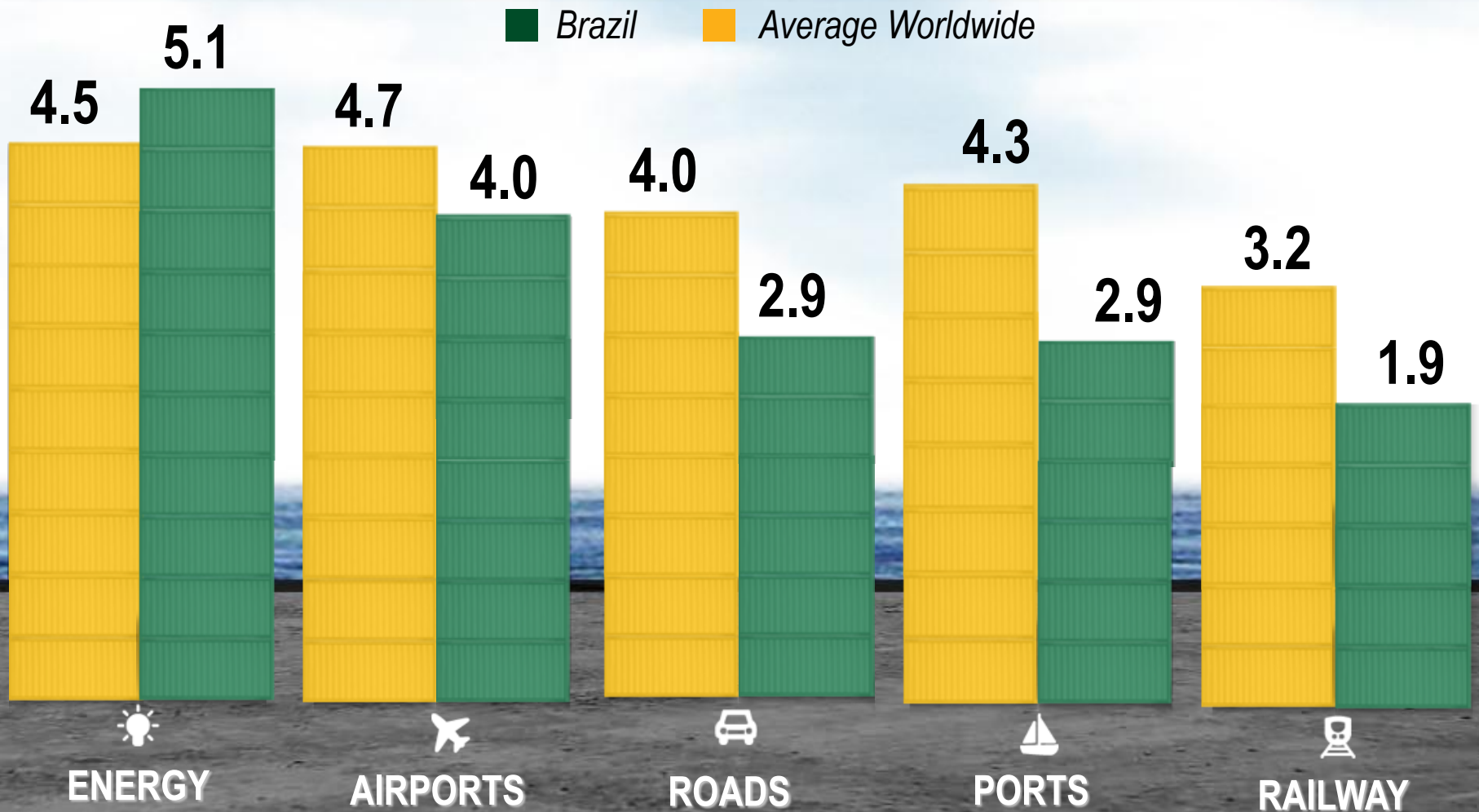
Brazil's worldwide position from 139 countries

41°	Logistics
76°	Cellular phones
82°	Customs Regulations
87°	Railway
93°	Airports
105°	Roads
123°	Ports

Source: *World Economic Forum*

INFRASTRUCTURE- DIAGNOSIS

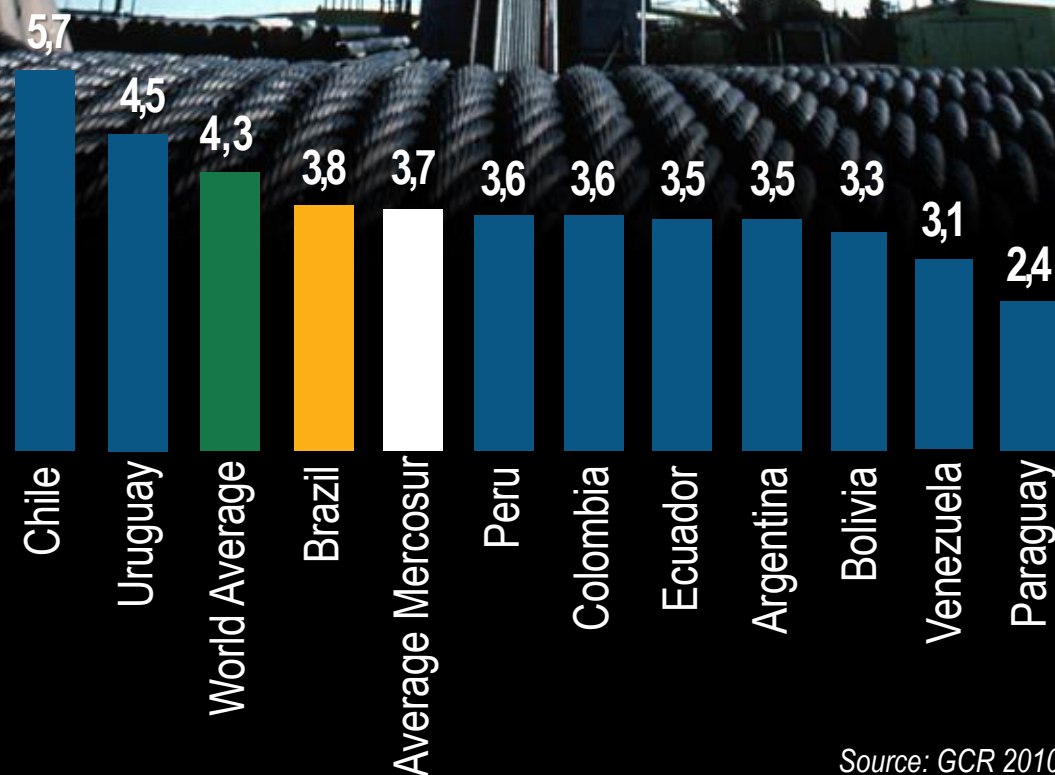
General Infrastructure Quality



Source: GCR World Economic Forum – 2010 - 2011

INFRASTRUCTURE - DIAGNOSIS

General Infrastructure Quality



Between 1 and 7.

Source: GCR 2010-2011 – World Economic Forum

Source: GCR World Economic Forum – 2010 - 2011

FIESP

INFRASTRUCTURE - GOALS

US\$



241
BILLION

Transport




226
BILLION

Energy

562
BILLION

Oil & Gas



59
BILLION

Telecommunication



121
BILLION

Sanitation

INFRASTRUCTURE - GOALS

Total investment

MORE THAN 1,176 TRILLION DOLLARS

Transport

Energy

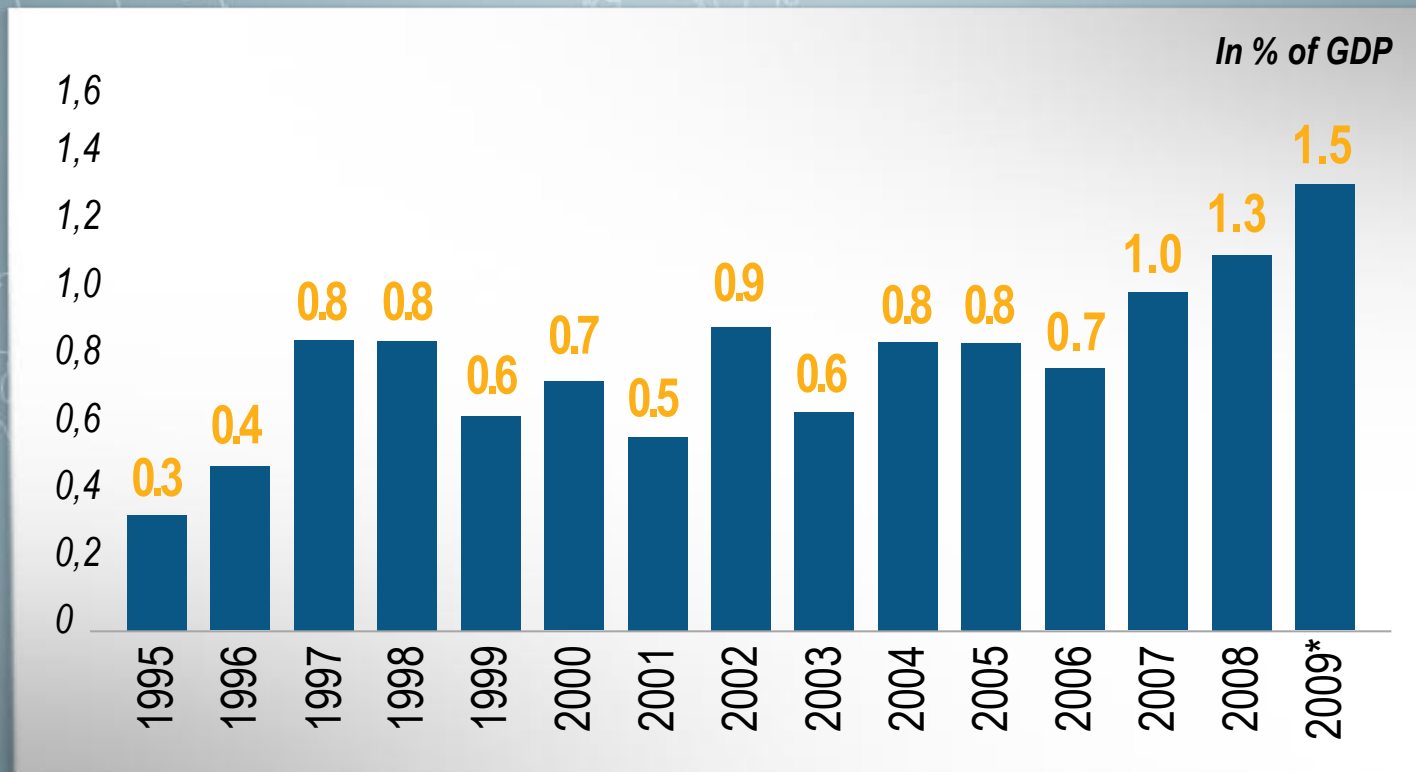
Oil & Gas

Telecommunication

Sanitation

BNDES DISBURSEMENT OF INVESTMENT IN INFRASTRUCTURE

BNDES Disbursement in infrastructure



**12 months terminates in November*

Source: BNDES & IBGE. Elaboration: LCA



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OPORTUNITY

LARGE SPORTING EVENTS



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2014 WORLD CUP



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Rio2016



RIO 2016

OLYMPIC AND PARAOLYMPIC GAMES

FIESP

TRANSPORT

By 2022, investment into transport should
reach more than US\$ 410 billion



2010 - 2014

Public	50,769
Private and Mixed	41,991

2010 - 2018

Public	58,176
Private and Mixed	108,792

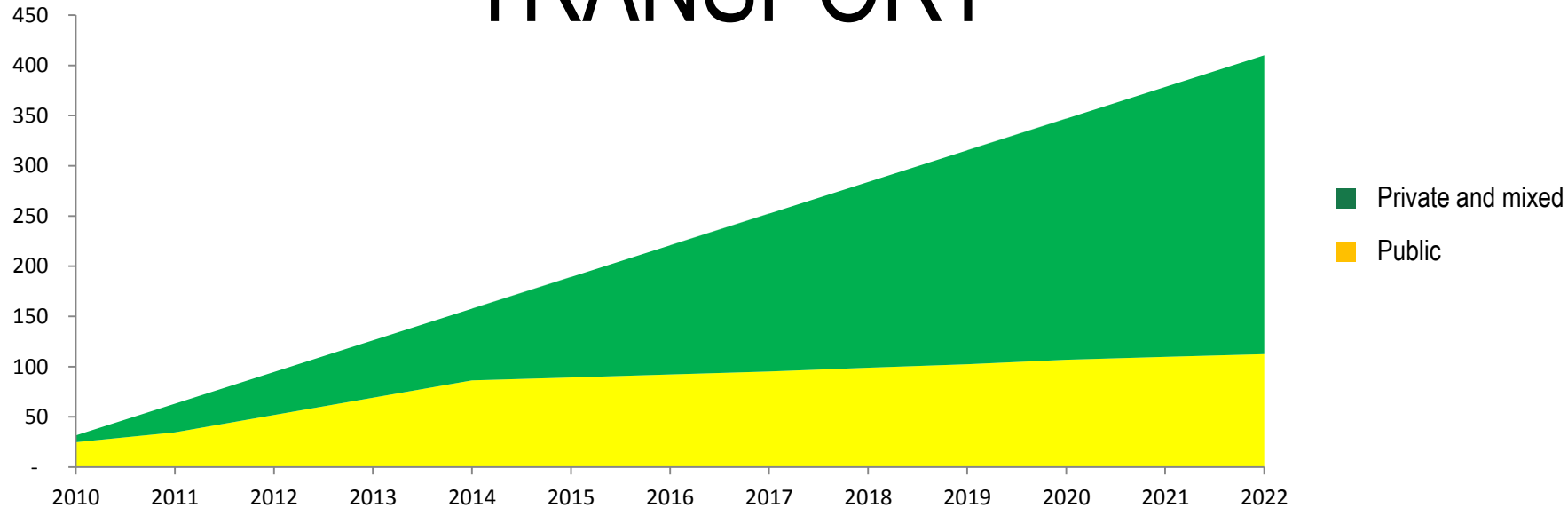
2010 - 2022

Public	66,123
Private and Mixed	175,052

In million of Dollars

Annual average of investment:
US\$ 18,8 billion

TRANSPORT



Today, for every **US\$ 1.00** of public investment, there is **US\$ 0.28** of investment from private and mixed sources.

By 2022, this will reach: for every **US\$ 1.00** public investment, there is **US\$ 3.35** of investment from private and mixed sources.

POWER

Expansion through stimulation of energy efficiency



2010 - 2014

Total **87,104**



2010 - 2018

Total **156,787**

2010 - 2022

Total **226,470**

In million of Dollars

Average Annual Investment
US\$ 18,9 billion

Total accumulation 2010-2022
US\$ 226 billion

A ENERGIA BRASILEIRA É UMA DAS MAIS CARAS DO MUNDO, QUANDO TEM TUDO PARA SER A MAIS BARATA.

ISSO PODE MUDAR. ISSO TEM QUE MUDAR.

Exija seus direitos. Assine o manifesto no site, cobre, discuta o problema pela internet. Se ninguém fizer nada, tudo vai continuar como está: poucos ganhando e o Brasil perdendo.

fiesp.com.br/energiaaprecojusto



FIESP

Federação das Indústrias do Estado de São Paulo

The Brazilian energy is one of the most expensive in the world, when it has everything to be the cheapest.

This can change. That must change.

Demand your rights. Subscribe to the manifest at the website, demand, discuss the problem on the internet.

If nobody does anything, everything will continue as it is: few winning and Brazil losing

FIESP

OIL & GAS

Pre-salt requires large resources



2010 - 2014

Total **216,038**



2010 - 2018

Total **388,914**

2010 - 2022

Total **561,764**

In million of Dollars

Average Annual Investment

US\$ 44 billion

Total accumulation 2010-2022

US\$ 561,7 billion

TELECOMMUNICATION

Modernization and expansion of user services



2010 - 2014

Total **42,367**

2010 - 2018

Total **50,015**

2010 - 2022

Total **58,823**

In million of Dollars

Average Annual Investment
US\$ 7,7 billion

Total accumulation 2010-2022
US\$ 100 billion

SANITATION

Universal access as a realistic goal



2010 - 2014

Own Funds Operators	13,2
Financing	13,2
Fed. Gov. Budget	11,6
Others	2,2

2010 - 2018

Own Funds Operators	26,5
Financing	26,5
Fed. Gov. Budget	23,3
Others	4,5

2010 - 2022

Own Funds Operators	39,7
Financing	39,7
Fed. Gov. Budget	34,9
Others	6,7

Average Annual Investment
US\$ 10,1 billion

Total accumulation 2010-2022
US\$ 121,1 billion

WORLD CUP OPPORTUNITIES

Mobility and urban infrastructure

CONSOLIDATED IMPACTS FROM THE WORLD CUP

a) Impact on total demand

(Brazil spending related to the World Cup)

US\$ 17,4 billion

▪ Investment

US\$ 13,21 billion

▪ Operational expenses

US\$ 0,69 billion

▪ Visitor spending

US\$ 3,49 billion

b) Impact on domestic production of goods and services

US\$ 66,34 billion

c) Impact on income

(income generated from item A)

US\$ 37,34 billion

d) Impact on jobs

(occupation-year from item A)

US\$ 2,13 million

e) Impact on tax collection

US\$ 10,66 billion

SECTORS THAT WILL BENEFIT THE MOST

(ECONOMIC ACTIVITIES WITH THE GREATEST INCREASE IN PRODUCTION)

Civil construction

Food and beverages

Electricity, gas, water, sewage & urban cleanup

Business Services

Information services

Tourism and hotels



Economy will produce additional US\$ 83,5 billion: The World Cup will produce a cascading effect on investment in the country

WORLD CUP OPPORTUNITIES

Mobility and urban infrastructure

World Cup Investment

In million of Dollars



Media
3.829,41

Estates
2.720,26

Hotel Park
1.861,13

Reurbanization
1.669,00

Information Technology
181,76

Roads
847,66

Fan Parks
119,9

IMCs & IBC
108,53

Security
998,46

Airport
713,96

Energy
165,01



WORLD CUP OPPORTUNITIES

Mobility and urban infrastructure

Investment Map & their impact on regional GDP

Source: Ernst & Young

* Not yet defined between the phases
Mineirão, Independência and Arena do Jacaré

Current Situation: ■ Restoration ■ Construction

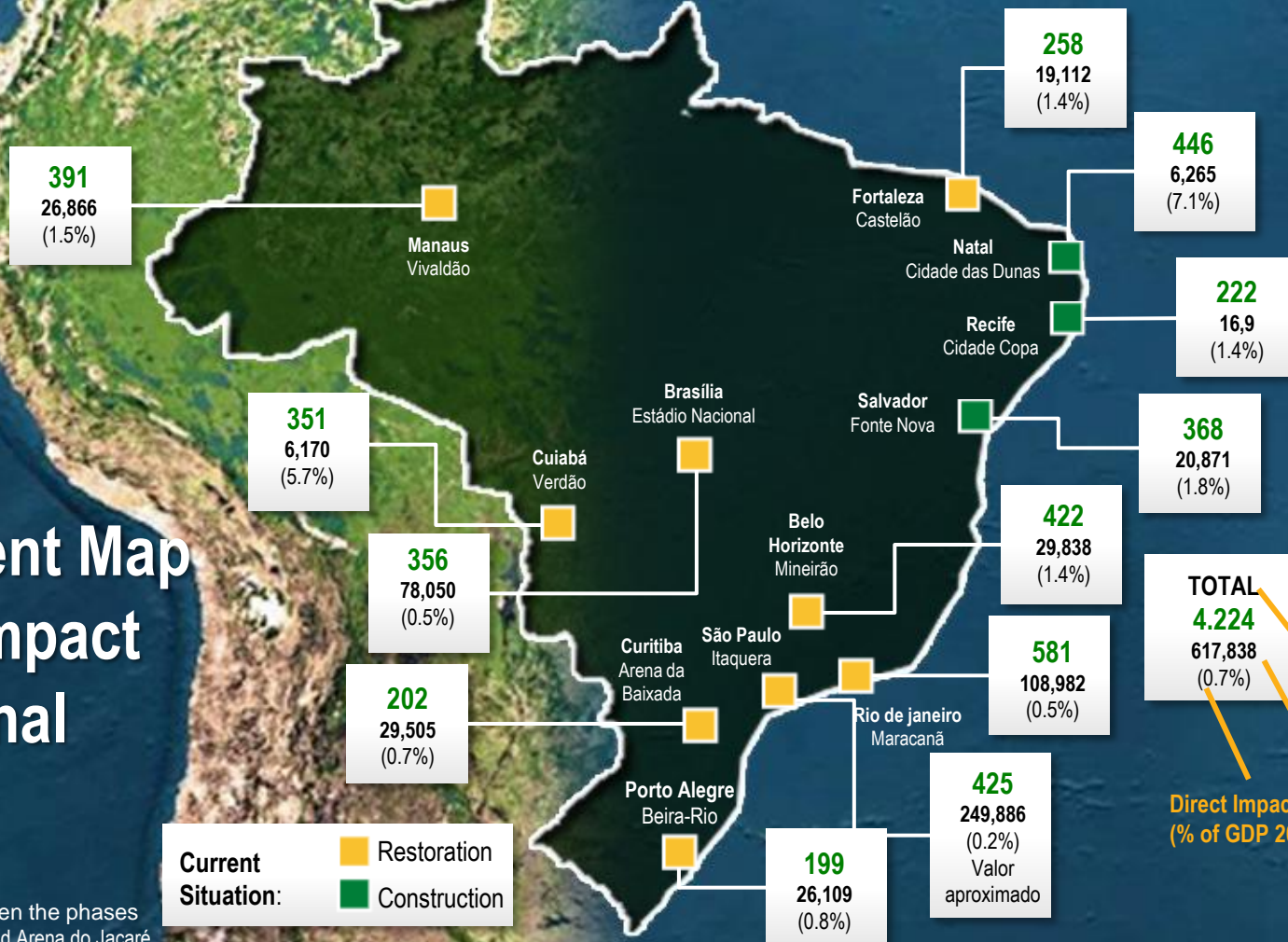


In millions

Direct Impact
on GDP

Municipal GDP
2010

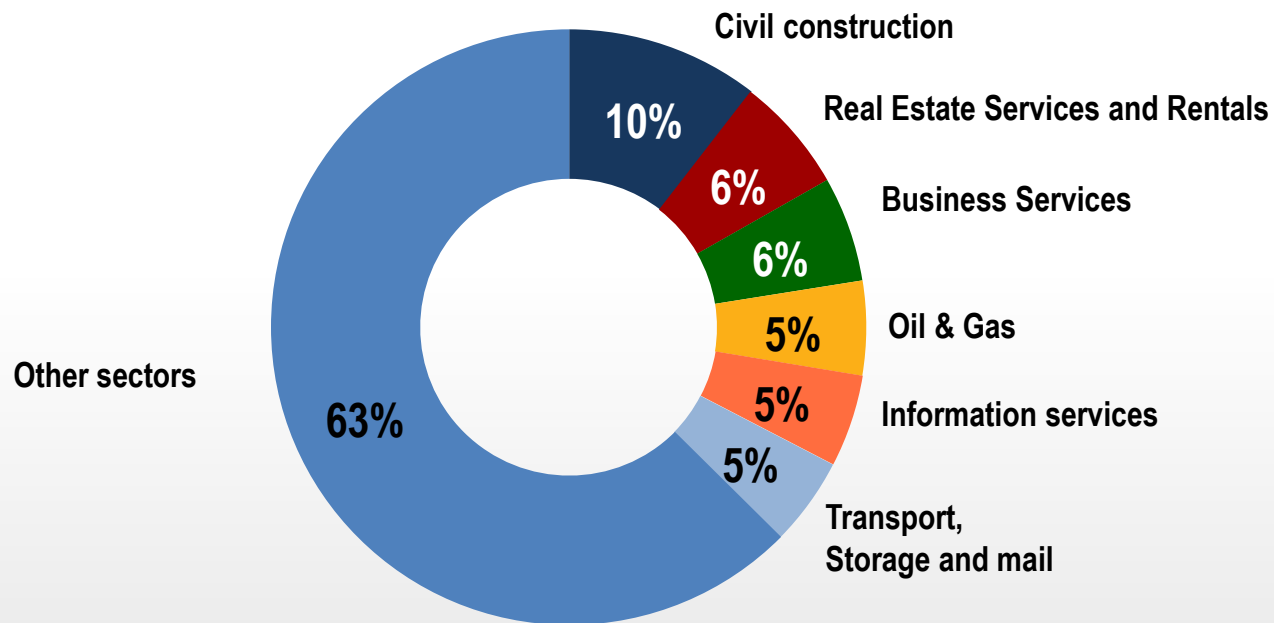
Direct Impact
(% of GDP 2010)



OLYMPIC OPPORTUNITIES 2016

Main sector benefits

Main sector benefits



INTEGRATED PRODUCTION INVESTMENT



INTEGRATED PRODUCTION INVESTMENT

CONSTRUCTION SITE - USE OF PRE-MOLDED SYSTEMS



SHOPPING CENTER



SPORTS CENTER

ROME / ITALY – JAN/11

Seminar organized by the Italian Institute for Foreign Trade (ICE)
Business Opportunities in Brazil - World Cup and Olympics



ICE / CONFINDÚSTRIA / FIESP - BRAZIL

May 16 & 17th 2011



FIESP

BATIMAT - PARIS

International Construction Exhibition – November 7 & 12th 2011



SORBONNE / PARIS

University of Paris 1 - Panthéon



Visit to the University in Paris
Jan/11



Visit to Brazil from Prof. Guillermo Hillcoat
Director of the Chair of the Americas

BERGAMO – MILAN – TORINO

Mission Business – May 8-14th 2011



Giuliano Lengo Diretor General from the Centro Estero per l'Internazionalizzazione



Tom Dealessandri
Mayor of Torino



Delivery of official Brazilian football jersey for Senator Gilberto Bonalumi and Andrea Bonalumi



CONSTRUCTION MONITORING

www.observatoriodaconstrucao.com.br

The screenshot displays the website of the Observatório da Indústria da Construção. The header features a large banner with a construction crane and the text "observatório da indústria da construção". Below the banner, the logos of FIESP, CIESP, and DECONCIC are visible. A navigation menu on the left lists: Home, Quem somos, Indicadores, Legislação, Notícias, Estudos, Sustentabilidade, and Cursos e Eventos. The main content area includes a financial index bar at the top showing Dow Jones Industrial Average, NASDAQ-100 (DRM), and S&P 500 INDEX. The central news section features a headline "Infraestrutura do Brasil é desafio para além da Copa do Mundo e Olimpíadas" with a photo of officials at a meeting. To the right, there are sidebars for "Italy for Sport" and "Video Entrevista: José Carlos de Oliveira Lima, Vice-Presidente da FIESP". At the bottom, there are smaller images and text related to "FEICON 2011" and "Brasil será convidado de". The Dell logo is visible at the bottom center, and the FIESP logo is at the bottom left.

observatório da indústria da construção

FIESP CIESP DECONCIC

1,140% [Dow Jones Industrial Average](#) 12.120,570 ▲ +30,690 +0,250% [NASDAQ-100 \(DRM\)](#) 2.295,720 ▲ +3,410 +0,150% [S&P 500 INDEX](#) 1.294,740 ▼ -5,420 -0,42%

- ▶ Home
- ▶ Quem somos
- ▶ Indicadores
- ▶ Legislação
- ▶ Notícias
- ▶ Estudos
- ▶ Sustentabilidade
- ▶ Cursos e Eventos

16 de Maio 2011

Infraestrutura do Brasil é desafio para além da Copa do Mundo e Olimpíadas

Video Entrevista: José Carlos de Oliveira Lima, Vice-Presidente da FIESP

Construbusiness 2010

ConstruBusiness 2010

POLÍTICA DE

DELL

FIESP

ACKNOWLEDGMENT



Paulo Skaf

- President of Fiesp, Ciesp, Sesi & Senai
- Federation of Industries of the State of São Paulo
- Center of Industries of the State of São Paulo
- Industry Social Services
- National Service of Industrial Learning

COMMITTEE – DECONCIC/FIESP



Dr. Carlos Roberto Petrini

- Director of DECONCIC/FIESP
- Executive President of the Sinaprocim / Sinprocim



Dr. Pedro Rinaldi

- Associate Director of Oliveira Lima Adv.
- Official member of the Young Entrepreneurs Committee – CJE / FIESP

COMMITTEE – DECONCIC/FIESP



Claudinei Florencio

- Manager of DECONCIC / FIESP



Karina Vieira Dias

- Analyst of the Industrial Construction Planning of the DECONCIC / FIESP

Investment in construction is development for the country

Considering this positive outlook in the construction chain which we have the honour of representing in Deconcic, Fiesp, we reaffirm that government programs are not enough for the sector.

Thank you!



www.fiesp.com.br/deconcic

deconcic@fiesp.com.br

www.observatoriodaconstrucao.com.br

