



NORTH EAST BRAZIL

Business Progress Report



Fortaleza - Host city for the
SOCCER WORLD CUP

For the Game. For



No other sport in Brazil can compare in popularity to soccer, where it is called "futebol". **Brazil will host the 2014 Soccer World Cup and has been described by FIFA**, the governing body, as the perfect country to host the event due to the enthusiasm of the people and love of the sport.

On 31st May 2009 it was **officially announced that Fortaleza will be one of the host cities of the World Cup.**

Hosting a major tournament like the Olympic Games or the Soccer

World Cup encourages urban regeneration and is historically accompanied by an improvement in facilities, transport links and overall infrastructure.

Property prices in Athens, Sydney, Atlanta, and Barcelona, all got a boost as new transport and sporting facilities spurred regeneration plans and pushed them ahead of rival cities. On average, these four Olympic cities outperformed the national market by 19 percentage points in the five years leading up to the games, but in Barcelona the impact was even greater. Prices there raced ahead by 131% compared with 83% nationally to open up a 49% price gap over other Spanish cities.

In Sydney the differential was 11%, in Athens 9%, and in Atlanta 6%. The Barcelona growth was an example of how cities with the greatest need for infrastructure

improvements receive the greatest capital growth in property prices and this is true of Fortaleza and the state of Ceara.



Property prices escalated by as much as 60% during the run up to the 2002 World Cup in France. Property in some cities made astronomical gains where apartments increased in value by over 110%.

Investment Plan of the FIFA World Cup Brazil 2014

On June 04th 2009 Governor Cid Gomes detailed, in the Legislative Assembly, the Investment Plan that will be implemented in Fortaleza for the FIFA World Cup 2014. The plan will require investment of around R\$ 9.4 billion.

Cid Gomes concluded that "The movement of wealth that an event like this can bring to our region is undoubtedly a landmark in our history," he said.

Investment plan details:

Stadia:

- Expansion of the Castelão Stadium parking area for 4,200 places - **\$ 100 million** (Public-Private-Partnership-PPP)
- Modernization and expansion of the structure of the framework of the Estadio Castelão to meet the terms of FIFA - **R \$ 297,451 million** (PPP)
- Upgrading the President Vargas stadium to 19,500 seats - **R \$ 54,509 million**



Environment & Sanitation:

- Revitalization of the River Coco - **R \$ 244,221 million**
- Revitalization of the River Maranguapinho - **R \$ 439,033 million**
- Sanitary project II (12.7% increase in the coverage of the network of drainage of Fortaleza) - **R \$ 408,117 million**
- Expansion of the sanitation system of the basin of the Rio Coco environment Castelão - **R \$ 94,892 million**
- Deployment of the system of the water treatment plant west-Caucaia- **R \$ 145,492 million**
- Preurbis - Urban Upgrading Program in Social Inclusion - **R \$ 198 million**

- Balneabilidade de Lagoas (monitoring of 13 lakes in Fortaleza)- **R \$ 507.82 million**
- Bioparque Passaro - recreation of Biomes - **R \$ 21,448 million**
- Charter Acoustics - monitoring and evaluation of urban noise - **R \$ 330 thousand**
- Reorganization of the former landfill Jangurussu - **US \$ 1.5 million**
- Expansion and clearing of urban drainage network of Fortaleza - **R \$ 132,877 million**
- Program for Environmental Control (control and monitoring of air quality) - **R \$ 6,225 million**
- Biodiversity Program (PROBIO)-conservation and improvement of the main urban areas of Fortaleza- **R \$ 11,692 million**
- Improvement of water supply systems in Fortaleza - **R \$ 35,060 million**
- Control of erosion of the sea coast - **R \$ 25,184 million**

⇒ Overall value: **R \$ 1,764,583.09 (in thousands)**

⇒ Amount received: **US \$ 1,493,662.34 (in thousands)**





Transportation:

- Duplication Ring road (Trecho - 040 Ce / Br 222) - **R \$ 162.8 million**
 - Expansion and improvement of parts 1 and 2 BR 222 - **US \$ 114 million**
 - Completion of the BR 116 (excerpt Itaitinga - Horizonte) - **R \$ 40 million**
 - Restoration of BR 116 - Trecho km 0 to km 12 - **R \$ 60,312 million**
 - Duplication of the Passenger Terminal Airport Pinto Martins - **R \$ 517.5 million**
 - Cargo Terminal Airport Pinto Martins **US \$ 39 million**
 - Extension of runway Pinto Martins Airport - **US \$ 6 million**
 - Control Tower Airport Pinto Martins- **US \$ 27 million**
 - Implementation of the Passenger Terminal of the Port of Mucuripe - **R \$ 120 million**
 - Completion of the bridge over the Rio Coco - **R \$ 9.7 million**
 - Expansion and improvement of the EC 040 - entrocamento Beberibe with the EC 453 - **US \$ 86 million**
 - Expansion and improvement of the EC 040 towards Beberibe / Lagoa do Uruaú and Fortim / Aracati - **R \$ 46.8 million**
 - Deployment of Aracati Airport - **R \$ 17.1 million**
 - Road access to the village of Praia Bela, from Aquiraz - **R \$ 10.3 million**
 - Enlargement of the EC 453 mesh with Iguape - **R \$ 10 million**
 - Expansion and improvement of the EC 025 - Maestro Lisbon to Rio Package - **US \$ 27 million**
 - Connecting the bridge over the River Coco / C 040 / metropolitan ring road - **US \$ 62.5 million**
 - Implementation of the West Line of Metro Atlanta - **R \$ 847,653 million**
 - Accessibility of the stations of Metro Atlanta - **R \$ 107.049 million**
 - Deployment system integration bus-subway - **R \$ 70 million**
 - Branch railway Mucuripe / Airport / Parangaba / HIV - **R \$ 565,650 million**
 - Implementation of the South Line of Metro Atlanta - **R \$ 1.806 billion**
 - Upgrading of road network in Fortaleza - **R \$ 182.5 million**
 - Airport connection with the BR 222- **R \$ 30,616 million**
 - Coastal east-west link with Fortaleza- **R \$ 18 million**
 - North-South expressway (complementary) - **R \$ 98 million**
 - Extension of Avenida Alberto Craveiro- **R \$ 37,725 million**
 - Enlargement of Dede Avenida Brasil- **R \$ 41,592 million**
 - Deployment of processing - **R \$ 400 million**
 - Extension of Avenida Paulino Rocha - **R \$ 24,290 million**
 - Connection with the Paulino Rocha José Américo - **R \$ 7,752 million**
 - Link Ministry of Av with Av Maestro José Américo Lisboa - **R \$ 2,474 million**
 - Extension of Avenida Gal. Bittencourt- **R \$ 10,387 million**
 - Extension of Avenue de Paiva Osório- **R \$ 26 million**
 - Implementation of the viaduct of the expressway / Santos Dumont - **R \$ 8 million**
 - Deployment of the tunnel expressway / Pe. Antônio Tomás - **R \$ 7.5 million**
 - Implementation of the viaduct of the expressway / Av Alberto Sá - **R \$ 8 million**
 - Implementation of the first ring road east-west axis - **R \$ 148 million**
 - Improved access via Airport (Via avenue Raul Barbosa) - **R \$ 53,595 million**
 - Retro fitting of the transport system- **US \$ 30 million**
 - Deployment of Signaling and tourist traffic - **R \$ 12,768 million**
 - Promob - **R \$ 14,970 million**
 - Purchase of Vehicles for Traffic AMC / PMF - **R \$ 14.1 million**
 - Acquisition of equipment for transit AMC / PMF - **R \$ 15,955 million**
 - Expansion of the Traffic Control Project - **US \$ 39,760 million**
 - Acquisition of equipment - **US \$ 4,190 million**
- ⇒ Overall value: **R \$ 5,985,027.17 (in thousands)**

Safety:

- Purchase of vehicles for the Department of Public Safety - **R \$ 34,743 million**
- Purchase of vehicles for Guarda Municipal - **R \$ 8,776 million**
- Restructuring and acquisition of equipment - **US \$ 32,572 million**
- Restructuring and acquisition of IT equipment - **US \$ 1.082 million**
- Modernization of instrumental support for Guarda Municipal - **R \$ 12,016 million**
- Ciops - **R \$ 25,513 million**

⇒ Overall value: **R \$ 114,702.84 (in thousands)**

⇒ Amount received: **US \$ 14,598.69 (in thousands)**



Health:

- Expansion of Mobile Service Emergency (SAMU) - **R \$ 4,561 million**
- Expansion of the Emergency Mobile Service in the Metropolitan Region of Fortaleza - **R \$ 1,535 million**
- Extension of the ICU beds - **R \$ 24 million**
- Expansion of beds in public hospitals- **R \$ 76 million**
- Reequipping of emergencies tertiary (HGF, IJF and Hospital of Messejana)- **R \$ 4,884 million**
- Expansion of the emergency - **R \$ 7.6 million**
- Purchase of ambulances - **R \$ 5.1 million**
- Implementation of the Hospital's emergency Perimetral Avenue - **R \$ 15 million**

⇒ Overall value: **R \$ 248,680.68 (in thousands)**

Energy / Telecommunications:

- Broadband in the stadium Castelão - **R \$ 8,924 million**
- Supply of 22 MVA of load in HIV and surroundings - **R \$ 21,055 million**
- Deployment of wind energy turbines- **R \$ 12,710 million**

⇒ Total value: **US \$ 42,689.73 (in thousands)**

Tourism:

- Events Center - **R \$ 297,580 million**
- Aquarium of Ceará - **US \$ 250 million**
- Regeneration of Praia de Iracema- **R \$ 54,226 million**
- Urbanization of Beira - Mar - **US \$ 35 million**
- Completion of Project Village Sea- **R \$ 148,637 million**
- Upgrading of the area Dragao do Mar - **R \$ 18.7 million**
- Restoration of João Felipe Station- **R \$ 34,754 million**
- Project of accessibility and urban mobility at the Center - **R \$ 7,270 million**
- Basic infrastructure of the Morro de Santa Terezinha - **US \$ 5 million**

⇒ Overall value: **R \$ 851,208.34 (in thousands)**



Total Investment by area:

Transportation and transit - R \$ 5.985 billion (63.3%)
+ Security - R \$ 114,702 million (1.2%)
+ Health - R \$ 248.68 million (2.6%)
+ Energy / Telecom - R \$ 42,689 million (0.5%)
+ Tourism - U.S. \$ 851,208 million (9%)
+ Stadiums - R \$ 451,961 million (4.8%)
+ Environment / sanitation - R \$ 1.764 billion (18.7%)

⇒ **Grand Total - R \$ 9.4 billion**

*Experienced investors understand the gains to be had from investing in Fortaleza and **benefitting from the extraordinary growth that this bustling city and surrounding areas will undergo during the next 5 years. Prices are certain to increase along with tourist numbers as the world's attention focuses on Fortaleza, host city of the 2014 Soccer World Cup!***