

Our World

BRAZIL

Goiás and Brasília

Dual forces driving Latin America’s biggest economy

The Midwest region is one of the fastest-growing in Brazil, and provides an ideal logistical launch pad into Latin American markets

On entering office as Brazil’s first female leader on January 1, 2011, President Dilma Rousseff pledged to build on the progressive socio-economic policies put in place by her predecessor Luiz Inacio Lula da Silva that have transformed the country into one of the most promising investment destinations in the world.

In terms of foreign direct investment (FDI), the *World Investment Report 2011* of the United Nations Conference on Trade and Development (UNCTAD) shows Brazil leapt from 15th to fifth place among major destinations of FDI, rising from US\$25.9 billion in 2009 to US\$48.4 billion in 2010.

çThe combination of a very serious economic policy with sound fundamentals and a consistent strategy of social inclusion has made our country one of the most dynamic markets of the worldé said President Rousseff in a speech she delivered during President Barack Obama’s visit to the Palácio do Planalto in Brasília in March.

A continent in itself
Covering almost 3.3 million square miles and with more than 203 million inhabitants, geographically Brazil is the fifth largest country in the world and the fifth most populous. Its sheer size means Brazil offers a diverse array of opportunities from both a business and tourism point of view. As such, the 26 states and the Federal District, which have considerable economic and political autonomy, all compete for foreign attentions, offering favorable tax breaks and

inducements to attract FDI and the jobs and socio-economic benefits it brings. One of the country’s fastest-growing regions is the Midwest, which comprises the states of Mato Grosso, Mato Grosso do Sul, Goiás and the Federal District, and offers a springboard to Latin American commerce.

Federal District
Although home to the country’s 51-year-old planned capital city Brasília, the Federal District, which is located in the State of Goiás, has more than just politics to offer. The services sector contributes to more than 90% of the local economy, however the State Government is changing the district from being just an administrative city to one that is a center of human development and a technological hub within Brazil, as well as a

promising destination for clean industries (IT, R&D and pharmaceuticals). According to Governor Agnelo Queiroz: çThere are a number of initiatives under way, such as the science and technology cluster we are launching here. A digital park is being implemented, for which we are attracting business. Brasília has the largest number of college students and the most Internet users per million inhabitants, and the most purchasers of such productsé



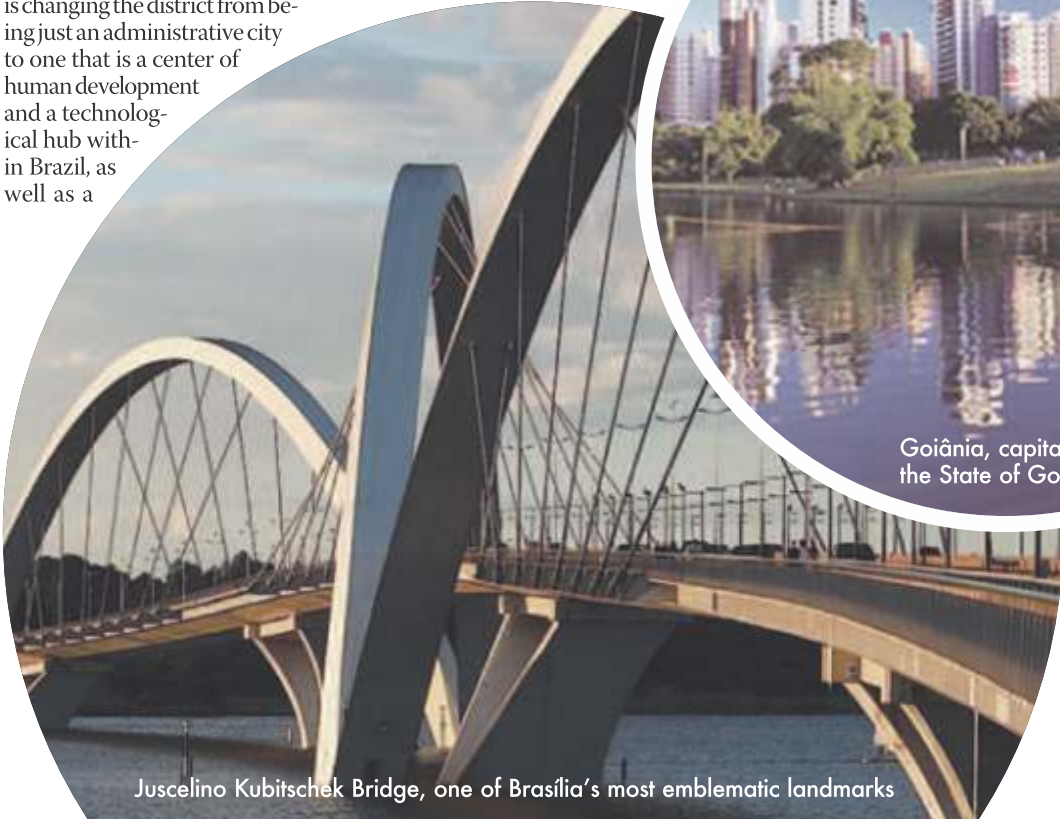
Goiás

The increasingly industrial heart of the country can be found in the State of Goiás. According to State Governor Marconi Perillo: çBrazil is very diverse, whether it be culturally, geographically, economically or ethnically. It is an extraordinary country,

and is benefitting from the positive groundwork laid in the 1990sé And the state’s own economic mix is no less varied. Goiás has a large industrial and commercial sector, and is a natural logistical center in Brazil. It has huge deposits of minerals and this, coupled with the fact that the capital Goiânia is just 130 miles southwest of Brasília is increasingly attracting foreign set-ups and breaking investment records.

U.S. relations

The U.S. and Brazil maintain one of the strongest commercial relationships in the world, with the U.S. being the second destination for Brazilian exports (after China) and the main source of imports. In March, President Obama highlighted the close links and commented: çToday, the United States and Brazil are the hemisphere’s two largest democracies and the two largest economies. Brazil is a regional leader promoting greater cooperation across the Americas and, increasingly, Brazil is a global leader... pointing the way to a world without nuclear weapons and being in the forefront of global efforts to confront climate changeé



Juscelino Kubitschek Bridge, one of Brasília’s most emblematic landmarks

Goiânia, capital of the State of Goiás





Brasília, a forward-thinking, knowledge-based economy

First envisioned by former Brazilian President Juscelino Kubitschek over 50 years ago as Brazil’s most futuristic city, today Brasília aims to become a world-class center of human and technological development

Though services and tourism are Brasília’s leading sectors, current development is also prioritizing the area of science and technology focused on creating an intelligence industry. “We have a small territory compared to other states in Brazil and our main asset is human resources,” says Agnelo Queiroz, Governor of Brasília. The Government believes the Federal District’s population is predisposed towards knowledge-based industries ranging from IT and

biotechnology, to pharmaceuticals and civil engineering. The State Government’s most notable initiative to position Brasília as a technological hub is the creation of the Digital Technological Park (Parque Tecnológico Capital Digital), a center of excellence focused on R&D that will cover 23 hectares. Staikos Tzemos, President of Methabio Farmaceutica is excited by the plan. “Today, there are research development funds that are not only limited to technological

development, but even target the pharmaceutical sector, as in the case of the Digital Park.” The project is expected to generate 80,000 direct and indirect jobs with the establishment of 10 anchor companies. Five multinationals have already expressed interest in the project (Oracle, Microsoft, IBM, Cisco and Banco do Brasil). Bearing in mind that Brazil is currently the 13th country worldwide in terms of scientific production (and according to estimates will soon be 10th), and 47th in terms of patent registration, the Federal District aims to take a leading role to reposition Brazil in the international arena in terms of R&D.

The main reason for attracting leading international players such as Microsoft is to stimulate the transfer of technology and knowledge into Brazil’s workforce. Having a qualified workforce is of paramount importance, as Antonio Rocha da Silva, President of FIBRA observes: “Without qualified people, we will not have sustainable growth, as despite all the technological advancement which exists in the world, human capital is irreplaceable.” From an economic perspective, 53% of the Federal District’s economy is related to the public administration (namely, the Federal Government). The re-

maining 47% is shared between the services sector, industry and commerce. Despite having the highest GDP per capita, Brasília also has one of the highest levels of inequality in the country. With this in mind, and in view of the forthcoming soccer World Cup 2014, where Brasília will take center stage as a hosting city, the State Government – fully aligned with the Federal Government in terms of public policy – has formulated an investment attraction policy which is expected to draw socio-economic development led in the most part by the private sector.

They say...

“BRAZIL IS A REGIONAL LEADER PROMOTING GREATER COOPERATION ACROSS THE AMERICAS, AND INCREASINGLY A WORLD LEADER”

BARACK OBAMA,
President of the United States

“A VERY SERIOUS ECONOMIC POLICY WITH SOUND FUNDAMENTALS HAS MADE OUR COUNTRY ONE OF THE WORLD’S MOST DYNAMIC MARKETS”

DILMA ROUSSEFF,
President of Brazil

“GOIÁS HAS GROWN AT A RATE THAT IS AT LEAST TWICE THAT OF THE NATIONAL AVERAGE, AND IT IS EXPECTED TO GROW EVEN MORE”

MARCONI PERILLO,
Governor of Goiás State

“THERE ARE A NUMBER OF INITIATIVES UNDER WAY IN BRASÍLIA, SUCH AS THE DIGITAL PARK AND SCIENCE AND TECHNOLOGY CLUSTER WE ARE LAUNCHING”

AGNELO QUEIROZ,
Governor of the Federal District

The capital steps toward green industries

Brasília is actively promoting environmentally-friendly investments



ANTONIO ROCHA DA SILVA, President of FIBRA

Planning for the future now, Brasília is promoting economic development in a sustainable way. Aware of the importance of environmental issues, the Federation of Industries of the Federal District of Brazil (FIBRA) is constantly looking for ways to integrate economy and ecology. Since its creation 37 years ago, FIBRA has acted as one of the main driving forces behind the economic and social development of the Brazilian capital, and is committed to implementing environmentally friendly practices to industries. FIBRA is currently focused on its important role in the development of a digital technological park, Parque Tecnológico Capital Digital (PTCD), Federal District’s most important economic project yet. PTCD is sure to place Brazil in the eye of global scientific and technological innovation and FIBRA will ensure

competitiveness is maintained, always in an environmentally sustainable manner. This project is expected to create 80,000 new jobs and generate exports of information technology and communication products worth US\$100 million per year, raising US\$1 billion in investments and increasing revenues in this sector from the current US\$2.5 billion to US\$5 billion by 2014. FIBRA leads the industrial class of the Distrito Federal, seeking growth while maintaining a level of competitiveness. It has the participation of 10 industrial Unions which together represent 10.2 percent of Gross Domestic Product (GDP) of Distrito Federal. The goal is to reach 2014 with a share of 14 percent. Three branches make up FIBRA’s main structure. Serviço Social da (SESI/DF) heads social responsibility and promotes

education, health, sports and culture. Serviço Nacional de Aprendizagem Industrial (SENAI/DF) is responsible for professional training among the local work force. The third, Instituto Euvaldo Lodi (IEL/DF), is responsible for developing relations between universities and industries. “In 2010 we trained more than 11,000 students, skilled in all industrial sectors and who are all already working,” says Antonio Rocha da Silva, President of FIBRA. Furthermore, FIBRA works on missions abroad and promotes the meeting of business delegations at the Federation. The major innovation industries are from the United States. What I consider important is that these American entrepreneurs have an opportunity to establish their companies here in the Federal District,” explains Antonio Rocha.

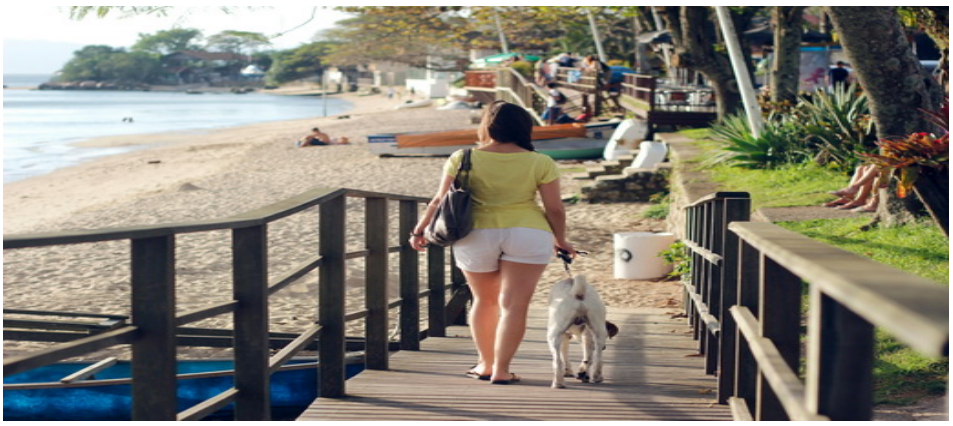
The new pharma business model for Latin America

Methabio is helping make Brasília a leader in pharmaceuticals

Brasília’s location makes it one of the country’s logistical hubs, with regular international flights from Europe and North America bringing in pharmaceutical products. Brasília also receives 80 percent of the flights connecting the South to the North of the country, allowing for a widespread distribution of the finished product. Methabio is a Brazilian pharmaceutical company established in Brasília that serves as a gateway for foreign companies wanting to invest and distribute within Brazil and Latin America. Working jointly with a customs

precinct, ‘Porto Seco’ of Brasília, Methabio is authorized to import, export and distribute all health-related products regulated by Anvisa (The National Health Surveillance Agency) and to operate as an industrial warehouse in Brazil. Staikos Tzemos, President of Methabio says, “The great challenge in the pharmaceutical sector today is finding new ways of offering innovative services to get an edge, not directly in terms of price competitiveness but, rather, in the way the product is introduced into the country. For example, we have partners

that can provide us with their product in bulk, rather than with the finished product, and we finish the product before taxes are applied. By doing so, we are not only able to cater to the Brazilian market, but to the whole of South America.” Looking to the future, Methabio is now working in partnership with American companies to bring in products in the area of biologics. “My dream is to see Brasília become a major capital with productive, servicing and selling capacity. I am sure we are on the right track,” says Mr. Tzemos.



According to a statement by Standard and Poor's (S&P): çThe Rousseff administration of Brazil has demonstrated its commitment to meeting fiscal targets, thereby enlarging the scope for using monetary tools to influence the domestic economy." The ratings agency also affirms that guarded economic policies and continued growth will allow Brazil to çmoderate the impact of potential external shocks and sustain long-term growth prospects."

On receiving an upgrade (while other countries' ratings were reduced), Brazil's Finance Ministry commented that the action by S&P was ça recogni-

tion that Brazilian economic policies are going in the right direction and that economic fundamentals are sound!"

The Government is emphasizing the importance of private participation in its country's economy, to the point of bringing what it considers outstand-

ing private sector figures to the public sector in an attempt to attract more companies and increase business deals: Goiás' Governor Marconi Perillo, made business guru Alexandre Baldy his Secretary of Industry and Commerce, and is reaping the benefits of this appointment.

In view of the upcoming World Cup 2014, infrastructure renovation and construction are expected to receive investments totalling R\$47 billion (approximately US\$29.4 billion). The private sector is expected to participate in the modernization of soccer stadi-

ums, telecommunications, professional training, security, urban mobility, energy and health. Furthermore, concessions are being considered for five airports including Brasília's.

Due to the proximity between Goiás and Brasília, a host city, businesses of the region

are preparing for tourist influx. According to the Federal Government, the sporting event should have an indirect impact of approximately R\$185 billion (US\$115.5 billion).

By the end of October 2011, the region had received R\$10 billion (US\$5 billion) from private initiatives. On a national level, between January and September of this year foreign direct investment reached US\$50.4 billion, the highest number ever recorded in Brazilian history, representing an increase of 123% over the same period last year. For 2011, the Central Bank of Brazil foresees a foreign direct investment of over US\$60 billion.

Clínica Villas Boas pioneers digital imaging

Founded 38 years ago in three small rooms and with modest equipment, Clínica Villas Boas invested in skilled professionals and advanced technology to pioneer diagnostic imaging across Midwest Brazil

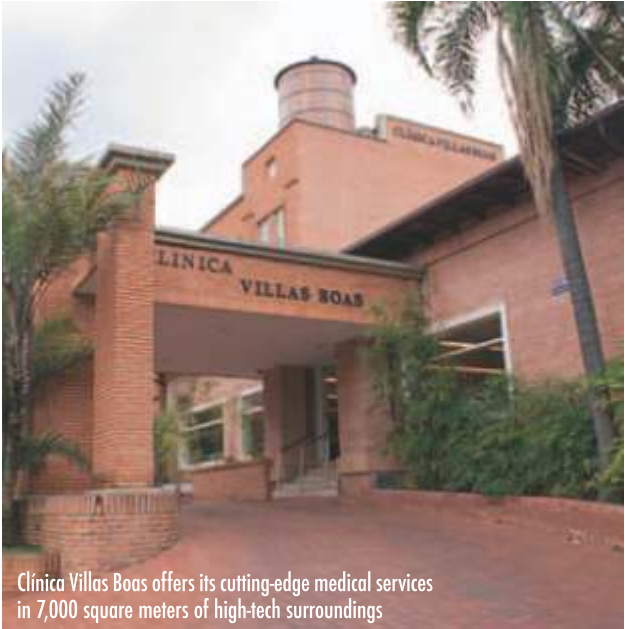


Several years ago, PET-CT scans – the most effective method of detecting the recurrence of cancer – were unavailable in Brasília. The equipment was expensive and the federal government had a monopoly on the production of FDG, the radiopharmaceutical used, producing it at only two facilities in the country – one in Rio de Janeiro and the other in São Paulo.

Clínica Villas Boas took the initiative to change the situation by installing the first private cyclotron in the country in Brazil's capital city, thus allowing the manufacture of FDG-18 and paving the way for PET-CTs to be available across Brazil. The development was considered a major boon as new PET-CT equipment is installed every day in cities previously thought to be beyond the reach of this type of examination.

Brasília's strategic location in the center of the country guaranteed that Villa Boas Radiofarmacos, a subsidiary of the clinic, would be able to deliver FDG-18 to medical centers in almost every city in the country.

Equipment at Clínica Villas Boas today is impressive, and includes tomography consisting of 256 channels, PET-CT with 128 channels, five MRI scanners, purely digital mammograms,



Clínica Villas Boas offers its cutting-edge medical services in 7,000 square meters of high-tech surroundings

AT CLÍNICA VILLAS BOAS, THE ARTS OF MEDICINE AND TECHNOLOGY GO TOGETHER FOR THE BENEFIT OF ALL

digital Rx as well as interventional procedures and nuclear medicine (Symbian 16 channels) serving hundreds of customers every day. It is the only clinic in the Midwest region of Brazil with wide-bore MRI scanners, which makes having a scan a much less claustrophobic experience for patients.

At Clínica Villas Boas, the arts of medicine and technology go together for the benefit of all.

The clinic is committed to staying at the head of the field in diagnostic imaging, always seeking out the latest technologies in the market to set the standard higher.

Technology is part of Clínica Villas Boas' commitment to delivering the highest level of medical care, which is not exclusively restricted to private patients. Like other private medical facilities in Brazil, Clínica Villas Boas provides medical services free of charge to children and families unable to pay for good medical healthcare

Clínica Villas Boas believes in giving back to the community and is a role model when it comes to corporate social responsibility. Each year it helps hundreds of cancer patients – especially children – who are dependent on the state's healthcare system and are treated free of charge by anesthesiologists at the clinic. Deaf children requiring cochlear transplants are also helped here at no cost.

Furthermore, a little over 10 years ago, Clínica Villas Boas diversified its investments, giving birth to çVillas Boas Incorporadora", which is responsible for the construction of commercial and residential real estate, employing hundreds of workers.

For more information on medical services or potential partnerships, visit www.clinicavillasboas.com.br



Protecting the diversity of life

Committed to preserving the environment, 10 years ago the Villas Boas Group acquired approximately 4,800 hectares of virgin forest and transformed it into a private natural heritage reserve. The Pontal do Jaburu Ecological Reserve is the pride of the whole group. Located at the confluence of the Araguaia and Crixas rivers, the huge area has dozens of lakes and numerous streams running through it, giving life to an incredible mix of vegetation and wildlife typical of wetland and floodplain environments.

Throughout the reserve are examples of great ecological significance, such as rich and diverse aquatic fauna (including the arapaima and other endangered species), terrestrial fauna (which includes protected animals such as the jaguar), in addition to hundreds of bird species. Ocelots, pirarucus, toucans, storks, and hundreds of other species of animals and plants are kept fully preserved from predatory man.

In keeping with its belief that happiness is only real when it is shared", the group has pledged to protect the entire area for generations to come and has registered it with the Instituto Brasileiro de Meio Ambiente e Recursos Renováveis, the Brazilian entity responsible for the preservation of the environment to guarantee no development will ever take place in its grounds. The reserve is maintained purely by funding from the Villas Boas Group and despite numerous requests from Brazilian and foreign entities, no access has been granted to enter and disturb the area.



PUC Goiás , a global outlook for local talent

Higher education at the Pontificia Universidade Catolica de Goiás (PUC Goiás) combines a strong regional identity with enhanced international connections

PUC Goiás is one of the largest and most prestigious universities in Brazil. Founded in 1959, the private, non-profit Pontificia Universidade Catolica is the oldest higher education institution in the state., and was created to train leading professionals in the expanding Midwestern region of Brazil in key sectors such as medicine, education and law. It is spread over five campuses, four in Goiania and one in Ipameri, which provide a range of facilities for its community of 30,000 students, including four research centers, two museums and a multi-sport complex.

According to the rector Prof. Wolmir Therezio Amado, PUC Goiás combines a strong local and regional identity with a global outlook. çWe are taking steps to promote international integration," he says. çOne is the enhancement of student mobility, not just in terms of students going abroad but also students coming to study here. This is a wonderful opportunity to exchange learning and knowledge, and integrate different cultures and approach-



PROF. WOLMIR THEREZIO AMADO, Rector of PUC Goiás

es. In Goiás, such exchange is only possible at PUC Goiás and the Federal University."

The language school at PUC Goiás caters for about 800 students and offers Portuguese for foreigners and courses in English, French, Spanish, Italian and German. çInternationalization has been a significant factor for us in terms of teaching, research and expansion," says Prof. Amado. çWe have students from 17 different countries studying here, as well as from all over Brazil."

PUC Goiás is developing stronger links with American

universities and provides free English courses for students going to study in the U.S. It also participates in various international integration schemes, such as the PMM (Mercosur Mobility Program), PLI (International Bachelor's Degree Program), and Science Without Boundaries with the Ministry of Science and Technology. In addition, it is involved in literacy- building initiatives in rural areas, environmental protection research, and developing sustainable fish farming in the north.

Through its distance-learning department, CEAD, the university enables students from disadvantaged parts of Brazil to access higher education. çWe want to educate in subject areas where Goiás and Brazil are lacking," says the rector. çA good example is our undergraduate distance learning course in physics, which is offered for free via a partnership with the Federal Government and a consortium involving three universities: the State University, the Federal University and PUC Goiás."

www.pucgoias.edu.br

Café Rancheiro leads the way in coffee

The family-run business values its reputation for producing high quality products

Anápolis-based Café Rancheiro have been leading the way in the Goiás coffee production sector for more than 25 years, and looks set to expand both nationally and internationally. The business was established in 1985 by Wilson de Oliveira and is now run by his son, Ricardo Ander de Oliveira.

The company uses the most advanced coffee-farming equipment available, producing three different varieties of coffee: Arabica, Robusta and Conilon. A combination of these strains allows Café Rancheiro to produce five distinctly different coffee brands for the market. In terms

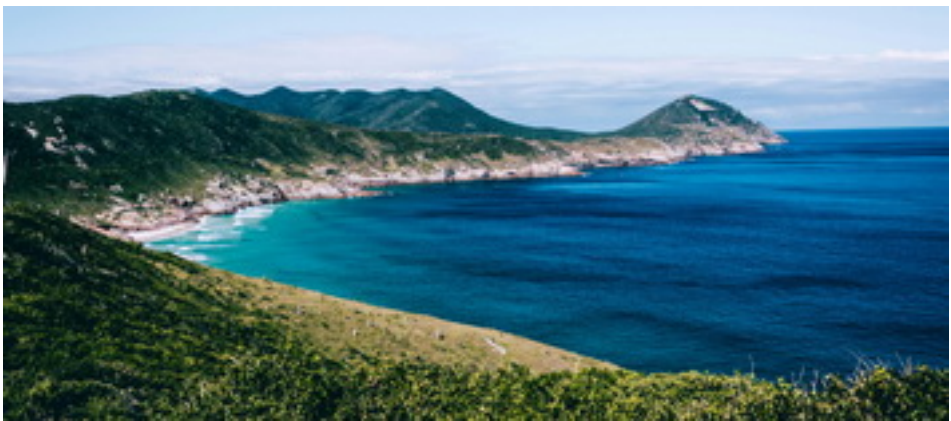
of retail, Café Rancheiro's main focus is the state of Goiás, but the company has begun targeting the Brasília market too. In other states they work directly, selling to the consumer through large companies and institutions.

The company's plan for the future is to export raw coffee at an international level, aiming at the U.S. and European markets as well as Uruguay and Argentina. The plan to export as a brand is a more long-term project, but Mr. Oliveira is confident the quality of his produce is enough to ensure success in the international market: çHere



RICARDO ANDER DE OLIVEIRA, CEO of Café Rancheiro

in Goiás, people often say: 'Café Rancheiro is expensive, but it's very good!' I would like this reputation to be maintained."





GOIÁS – the vibrant heart of modern Brazil

The State of Goiás is opening its doors to the world as a favored destination with incomparable investment opportunities

Located in the heart of the country, the State of Goiás is the most central of Brazil's 26 states (plus Federal District). Its privileged location and interstate connectivity offer companies a geostrategic logistical advantage in Brazil, which has played a major part in its remarkable transformation from relying on a rural-based economy in the 1990s, to being recognized as one of the fastest-growing industrial centers in the country today. Also, due to the proximity of Goiás and Brasília, the state expects to receive a large inflow of tourists during the 2014 FIFA World Cup as it has a lot to offer soccer fans and visitors in terms of touristic diversity and infrastructure.

Goiás has the largest cosmetic industry and second-largest pharmaceutical industry in the country. Industry and commerce have been the sectors with the strongest growth. The state capital Goiânia and neighboring Aparecida de Goiânia have become centers of industrial food processing, Anápolis a pharmaceutical factory hub, and Catalão a target for the metal-mechanical and chemical industries.

A typical snapshot of the state's expansion can be seen in the May report from the Brazilian Institute of Geography and Statistics (IBGE), which shows that Goiás' industrial sector experienced expansion of 9.8% year-on-year.

Much of this growth has been spearheaded by State Governor Marconi Perillo, who is currently in his third term in office – one which he expects to be his best to date. In 1995, Mr. Perillo joined the PSDB (Brazilian Social Democratic Party), becoming the vice-leader of the party in the House of Representatives, and in 1998 he was elected Governor of the State of Goiás



“THE GOVERNMENT AIMS TO TURN GOIÁS INTO THE COUNTRY'S NEW INDUSTRIAL HUB”
MARCONI PERILLO, Governor of the State of Goiás

at the age of 35 – the youngest Brazilian Governor in history at the time – and has not lost an election since.

çIn recent years, Goiás has grown at a rate that is at least twice that of the national average, and it is expected to grow even more,é says Mr. Perillo. çIn the 1940s, we were the second-smallest economy in Brazil, and over the years our performance improved. During my first two governments (1999-2006), we climbed to ninth place in terms of na-

tional GDP, from 11th place. In the coming years, the aim is to increase wealth and prosperity even more,é

On entering his third term of office in January 2011, Mr. Perillo has made a point of tapping private-sector talent by appointing industry leaders to key public positions, such as Alexandre Baldy as the Secretary of Industry and Commerce and Jayme Rincon as the President of AGETOP, the Government agency responsible for the ex-

cution of infrastructure development.

The Governor's goal is to transform the State of Goiás into a leading Brazilian state, and also a global player in terms of investment attraction by promoting the state's competitive advantages and pushing exports of SMEs. As such, the State Government has adopted a highly proactive and ambitious approach. The investment target for 2011 was set at R\$10 billion reais (US\$5.46 billion) – which was already reached in the first 10 months – and at least twice this amount for 2012,é

Spread across 131,308 square miles, Goiás is geographically the country's seventh largest state and is just shy of covering the equivalent land area of Illinois, Indiana and Kentucky combined. Goiás is also the most populous state in the region. Over the past decade its population has increased by 20% to 6 million *Goiãnos* now living there, who have been drawn by its tropical climate, good quality of life, and burgeoning position as a center for industry and commerce.

The Government has a strong commitment to socio-economic development. The renowned Bolsa Família income-transfer program that was implemented by the Lula Government and acclaimed internationally, was first created and executed in the State of Goiás in 1999, during the initial stages of Mr. Perillo's governorship, aiming to reduce poverty and inequality throughout the state. Targets are now set on social inclusion through job creation and professional training, rather than merely income distribution, with ambitious programs such as Bolsa Futuro financing technological and professional development in the state.

TOP TEN
GOIÁS

1

IS GLOBALLY INTEGRATED
with excellent transport links and infrastructure

2

IS A MAGNET FOR INVESTMENT
attracting foreign companies and record levels of FDI

3

OFFERS SUPERB QUALITY OF LIFE
with a great climate and countless hills, valleys and lakes

4

HAS A SKILLED WORKFORCE
with above-average literacy and progressive training schemes

5

IS A TAX-FRIENDLY ECONOMY
boosted by the state's Fomentar and Produzir initiatives

6

HAS MODERN INFRASTRUCTURE
offering smooth interstate connectivity by road, rail and air

7

HAS FINANCIAL STRENGTH
with the state's GDP now ranked as Brazil's ninth highest

8

OFFERS HIGH TRANSPARENCY
and reduced red tape, making it even easier to set up shop

9

HAS A PRIVILEGED LOCATION
in the heart of the country, offering an ideal logistics base

10

IS HIGHLY COMPETITIVE
and increasingly the Brazilian state of choice for international and multinational firms

Leading international companies target Goiás

Strategically located in the heart of the country, Goiás is connected to all Brazilian states and all major ports in South America

The rapid industrialization of the State of Goiás is due in part to the continued ability of the State Government to attract foreign investment and to develop homegrown talent. Major internationals are increasingly setting up operations in Goiás, with Hyundai, John Deere and JP Morgan leading the way. Major national companies have also evolved from Goiás, including JBS, the largest producer of animal protein in the world with an annual turnover of R\$55 billion (US\$30 billion), and Hypermarcas, which is the biggest consumer goods company in Brazil with over 1,000 manufactured products

çWe want to create a great government here, transform our state definitively into a just, democratic state with major opportunities, where dialogue between government and society prevails; a state capable of providing quality and efficient services, with strong infrastructure to receive investors,é says State Governor Marconi Perillo.

Mr. Perillo's strategy to increase the state's regional and international presence is heavily backed by the Secretary of Industry and Commerce (SIC)



ALEXANDRE BALDY,
Secretary of Industry and Commerce of the State of Goiás

Alexandre Baldy. Together they have adopted a hands-on approach to bring in global companies and demonstrate what the state has to offer.

çGoiás has 33 industrial districts in 30 different municipalities. More than 400 companies benefit from a favorable environment for their business as well as complete infrastructure and a specialized technical advisory,é says Mr. Baldy.

In collaboration with the governor, Mr. Baldy has introduced various measures to cut red tape and inspire entrepreneurship, such as the Vapt-Vupt Empresarial program, which enables a

company to launch in 24 hours, when previously it could take up to 70 days. He is also a major supporter of the Fomentar (Promote) program and Produzir (Produce) initiative that encourage industry with a reduced tax rate and have a strong emphasis on income and employment generation.

The SIC's bold approach to attracting international firms entails presenting Goiás as a country, rather than a state, çseeing other Brazilian states as partners rather than competitors; Goiás' competitors are deemed other countries that also need to position themselves in a proactive manner to achieve



In May 2011, Rekkof and the Government of Goiás signed an agreement to launch the new FOKKER NG100 in Anápolis

“WE WANT TO BE ONE OF THE MOST IMPORTANT STATES IN BRAZIL, WITH A GREATER SHARE OF THE EXPORT MARKET, AND BE A ROLE MODEL IN HEALTH, EDUCATION, SECURITY, THE ENVIRONMENT AND SUSTAINABILITY.”

ALEXANDRE BALDY,
Secretary of Industry and Commerce of the State of Goiás

sustainable development,é according to Mr. Baldy.

In addition to receiving delegations from China and Spain this year, governmental trips have targeted strategic companies in key markets such as the U.S., Europe and China.

Successful investments in the state in 2011 include Suzuki opening its first Brazilian factory in Goiás with an estimated outlay of R\$100 million (US\$54.6 million); Mitsubishi pouring R\$1.2 billion into a new car production plant; Dutch aeronautical high-flier Rekkof (formerly Fokker) investing around R\$1.2 billion on an aircraft development facility; and Canadian mining

specialist Yamaha Gold plowing an estimated R\$600 million into four mining projects. The Government is also looking into developing partnerships with UPS and FedEx to enhance the state's logistical appeal.

çWe want to be one of the most important states in Brazil, gaining more and more of a share of the external market for exportation and be a role model in areas such as health, education, security, the environment and sustainability,é says Mr. Perillo. çFurthermore, we want Goiás to become a leading example in research and technological and scientific development,é

An investment magnet doing business with 157 countries

During the first semester of 2011, Goiás exported US\$2.8 billion and imported US\$2.5 billion, involving over 600 different products

In November 2011, Alexandre Baldy, Secretary of Industry and Commerce announced that the State of Goiás had established a record-breaking investment level for the state, attracting R\$10 billion (US\$5.6 billion) in just 10 months.

This historic record was achieved through the establishment of over 1,000 companies, including acquisitions, and protocols of intent that have already begun activities in the state.

There are 42 companies surpassing R\$4.5 million in terms of investments; the rest comprise SMEs in various areas (industrial, rural and commercial sectors). Most of these companies are Brazilian, though the foreign presence involves Dutch, Japanese, Korean and American investment, among others.

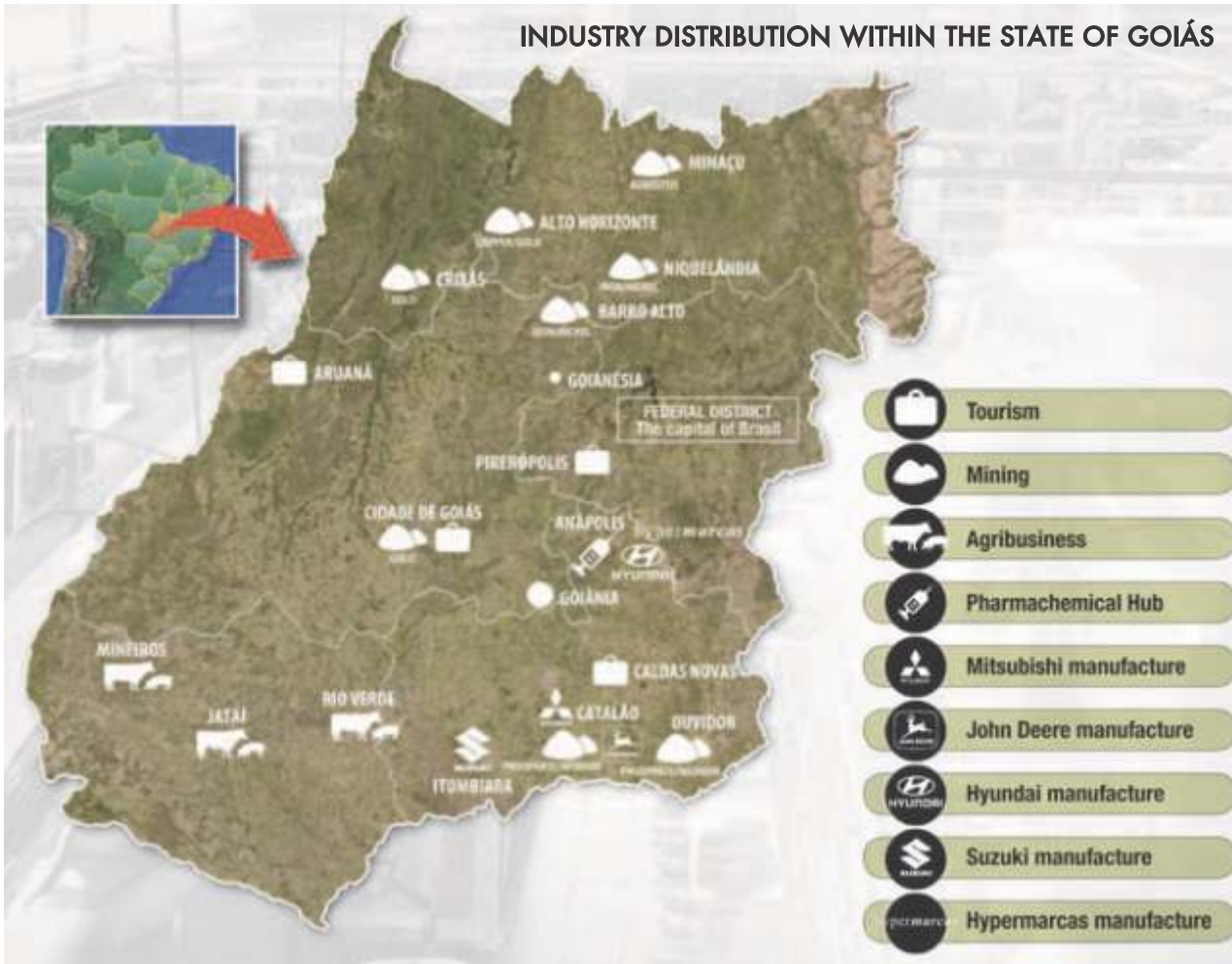
Goiás' success is due to the Government's initiatives to promote the region's potential and richness, reflected in 8% yearly growth, based on 2008 figures

issued by the Institute of Geography and Statistics (IBGE).

çGoiás presents great competitive advantages within the Brazilian market, which position it as a priority market for companies that plan to produce within the country. We have a strategic location, diversified transport infrastructure, tax incentive policies, an excellent business climate, and availability of credité says Mr. Baldy.

It is not surprising that many companies interested in investing are now looking to Goiás to establish their businesses. The state offers an attractive alternative to major cities such as São Paulo, where mobilization costs are high, aeronautic operations stressful, complications with trade unions common, and labor costs 150% greater.

Mr. Baldy is especially committed to supporting the success of entrepreneurs and small businesses through programs such as çCresce e Apareceé (Grow and Appear) and coop-



Both the size and location of Goiás make it a highly appealing location for international players

eration with çBanco do Povoé (Bank of the People), which lends small entrepreneurs sums ranging from R\$100 to R\$4,000.

According to Mr. Baldy, this record-breaking investment will generate approximately 100,000 direct and indirect jobs upon maturity.

In terms of location, the main municipalities receiving these investments are Anápolis and

Catalão (both responsible for 8.2%), while 13.2% will be directed towards the metropolitan area of Goiânia.

The south and southeast are responsible for a high amount of the investment in terms of food and renewable energies, and the northern area is targeted mainly for mining and energy. Goiás' exports have reached US\$5 billion and, to-

date, the state has commercial relations with 157 countries, maintaining an overall positive trade balance.

For every R\$1 billion exported, 50,000 direct and indirect jobs are generated. Key exports include soy, meat, minerals, sugar, gold, automobiles, cotton, organic chemical products, coffee, fertilizers, pharmaceutical products, and plastics.

However, the State of Goiás has no plans to rest on its laurels.

As Mr. Baldy concludes: çOur next challenges have already been set. We have no intention of ending our strategies to attract new business. Goiás is on the world stage and we aim to continue improving our commercial relationship with the U.S., Europe and Asiaé

A pharma-chemical leader

Goiás is Brazil's second pharmaceutical hub, with more than 80 companies generating over 6,000 jobs

Brazil is the world's 10th largest market for pharmaceuticals and drugs, with a market worth R\$28 billion a year, according to Brazil's Ministry of Health. Goiás, strategically positioned in the middle of the country, is the nation's second pharmaceutical center; this hub is concentrated in the Agro Industrial District of Anápolis (DA-IA), located in the city of Anápolis, Goiás, at the center of the North-South Railway – an ideal location for effective distribution.

While the State of Goiás offers competitive business advantages that are attracting foreign direct investment, there are more national than international companies in Brazil's pharmaceutical sector. However, the international players have three times the turnover of their national counterparts. By the end of October 2011, the state had received R\$10 billion in investments solely from private initiatives. According to the Pharmaceutical Industry Union of

Goiás (Sindifargo), the industry alone received R\$500 million in foreign direct investment this year. Governor Marconi Perillo emphasizes the amount invested toward the consolidation of Goiás as Brazil's second pharmaceutical hub is because it is a competitive industry in the domestic market.

Brazilian companies lead the domestic market in sales and invest heavily in research, backed by the power of generic drugs – Goiás is the second-largest generic medicine producer in the country.

Hypermarcas, one of Brazil's biggest consumer goods groups, which entered the pharmaceutical industry in 2007, has become a serious competitor to foreign multinational companies operating in Brazil. It works with national and foreign capital, but all investments take place in Brazil. Its strategy of acquisition and expansion in the State of Goiás is expected to take center stage, with an annual production capacity of 50 billion tablets. The company will create the largest pharmaceutical complex in Latin America, concentrating over 80% of its operations in Goiás.



Rekkof goes for Goiás

The state becomes a preferred investment destination within all of Latin America

Impressed by the opportunities offered by the growing demand for air transport in Brazil, Dutch aeronautical company Rekkof is set to build a major plant in Anápolis, Goiás, to develop their new Fokker 100 airliner. Tax incentives and aggressive help from the state's negotiators helped convince the company to set up its base in this part of Brazil, and the Government was especially proud that Rekkof chose Goiás over other sites in Latin America – and is confident other major international companies will follow suit.

Rekkof's presence in Anápolis will generate around 2,000 jobs, and its reputation as an aviation pioneer will attract workers from all over Goiás. The company is expected to help train part of the local population, a process which will in turn provide further incentive for international companies to invest in Goiás.

Anton Lith, Director of Rekkof Industrial do Brazil, was fulsome in his praise of Goiás and its potential. çI think this state is developing

tremendously, and there are so many opportunities here for businesses that Europe, and maybe the USA, do not have at the moment. You can find opportunities on every street corner here. The Government is really helping a loté

Rekkof originally announced its plans to relaunch the Fokker F70NG and F100NG (Next Generation) in 2003, if sufficient orders were received. In March 2010, the Dutch Government granted the company a €20-million loan to help develop the aircraft, and the new F100NG is set to be the greenest airplane in its sector. Notable changes to the NG aircraft include upturned wingtips and a breakthrough engine design.

By setting up in Goiás, Rekkof expects to develop close ties with local institutions and universities, and collaborate with the new aircraft-engineering department currently being developed at the university close to the site where the factory will be built.

Rekkof is also committed to a green environment policy, and will use the most advanced cleaning equipment for the chemical treatment of parts, causing zero pollution.



REKKOF will produce an upgraded version of the Fokker F100 in Goiás

Assembling a strong automotive industry

Mitsubishi, Hyundai and Suzuki drive car production forward in Goiás

The State of Goiás has become a major automotive hub with one of the strongest motor assembling industries in the country. Previously, production was concentrated mainly in São Paulo and Minas Gerais, but in recent years Goiás has attracted the establishment of new car manufacturers.

There are currently three major automotive assemblers – Mitsubishi, Hyundai and Suzuki have helped consolidate the industry in Goiás.

Brazil is attracting massive overseas investments to the industry. The State of Goiás recently secured its fair share with considerable investments that will represent a 100% increase in local funds.

Suzuki is setting up a factory in Itumbiara. Catalão, also in Goiás, is home to a Mitsubishi manufacturing plant that accounts for 60% of the municipality's earnings.

During the Goiás Governor's recent trip to China, several companies expressed interest in building automobile factories in the state. While negotiations take place, their identities remain anonymous, but among them is a company with over 20 years of experience in the market, manufacturing 100,000 cars per year, while another exports cars to over 90 countries.

çGoiás has a strategic position in relation to other states. Our region is a center for distribution of products. We are the fifth automobile



hub of Brazil. We have big companies and we believe this partnership to be viableé says Marconi Perillo, Governor of Goiás.

Additional initiatives are helping attract investors. çThe Government of Goiás provides areas of land at subsidized prices, through the concession programs for areas of land for industrial activities. We have fiscal incentive programs which involve tax reductions, development programs to accompany the financing of enterprises, and we have training programs for entrepreneursé explains Alexandre Baldy, Secretary of Industry and Commerce of Goiás.



Fast track to the future

Goiás’ strategic location has made it into a major industrial hub and in a bid to attract new businesses the Government is constantly investing in the state’s infrastructure

Brazil is undergoing massive transformation in its infrastructure model, and Goiás in particular is recognized as one of the fastest growing states in the country, with the fastest growing industrial sector. The state’s central location in the country and its connectivity with all other areas of Brazil have made it the focal point of booming investments in an attempt to position it as the country’s industrial hub.

Currently, massive projects are being developed to add to Goiás’ already solid infrastructure: one such example is the North-South Railway, which will link the north tip of the country to its southern end. AGETOP, the transport and public works agency responsible for the executing of infrastructure development, is contributing greatly to these developments.

As Jayme Rincón, President of AGETOP, explains: “The progress emanating from the south and southeast and arriving in the north and northeast is inevitably channeled through Goiás, which represents an axis, a gateway to different regions in the country. We are currently benefitting from this strategic geographic positioné

On AGETOP’s participation in the completion of the North-South Railway, Mr. Rincón adds: “We are also putting together a project for next year, together with BNDES (Brazilian Development Bank), for the interconnection of branch North-South Railway lines to the main production and distribution centers. These projects will allow the state’s railway and highway networks to become integratedé

Investments will include expenditures of R\$1.8 billion on reconstruction, R\$1.2 billion on construction, and R\$600,000 on the integration of railways and logistics platforms.

Foreign investors have shown interest in participation. For this purpose, and in an attempt to attract foreign investment that would allow for longer-term contracts, public-private partnerships (PPPs) were developed. “This partnership works in the following way: they provide the funds for investment while we deduct this from future taxes they would have paid to the stateé says Mr. Rincón.

Goiás has an extensive road network, and in view of upcoming major sporting events

“WE ARE CONCLUDING THE BIDDING PROCESS FOR THE RECONSTRUCTION OF OVER 2000 KILOMETERS OF ROADS. THE ROADWORKS BEING CARRIED OUT HERE ARE THE BIGGEST IN THE COUNTRY.”

JAYME RINCÓN,
President of AGETOP

to take place in Brazil, with heavy presence in and around Goiás, expansion projects are improving the road infrastructure. AGETOP is also investing in these new projects.

“We are concluding the bidding process for the reconstruction of 2,081km [1,293 miles] of road. The roadworks being carried out here are the biggest in the country. Next year, we will rebuild another 2,000km. We are also concluding bidding for a totally innovative project aimed at maintaining the networké says Mr. Rincón.



Brazil’s ambitious North-South Railway will make Goiás a natural logistical hub

To date, Brazil has 2,115 miles of federal highways, 12,185 miles of state roads and 40,195 miles of country roads, totaling 54,495 miles of highways. At the current speed of development, Goiás is expected to have the best roads in the country within four years.

Roads are being developed in such a way so as to suit their usage, and even tourists who will be attending the upcoming FIFA World Cup in 2014 are being taken into account. “Paving occurs in such a way as to suit each highway, taking into ac-

count the number and types of vehicles circulating. Roads designed for tourists, for instance, do not need to have the same sort of paving as roads used to transport soya produce or livestocké adds Mr. Rincón.

When detailing the infrastructure currently being prepared for these global events, Mr. Rincón adds, “We are also completing the Center of Excellence, a space which will be devoted to amateur and Olympic sports. In light of the 2016 Olympics to be held in Rio de Janeiro, I have met with

the president of the Brazilian Olympic Committee and outlined the project we are undertaking. After Rio de Janeiro, we will have the biggest training center for athletes in Brazil. It is a very ambitious project and we will offer athletes from other states the chance to prepare themselves for the Olympicsé

With the state’s natural logistical competitive advantages and the projects currently being development, it is not a wonder that the world is looking to invest in Goiás.

An investment in people

A highly qualified workforce for the future is being trained in Goiás – for free

Modern science and technology permeates every aspect of economic and social life today, so education, research and technology – as instruments for accelerating development – should receive special attention in national planning in developing countries. This is an area in which Brazil has excelled: the Government has a very strong focus on socio-economic development, particularly in the areas of technological and professional training. One such program the Government has backed wholeheartedly is Bolsa Futuro, launched last August, which aims to train and educate half a million people over a three-and-a-half-year period.

“Goiás has a very diversified economyé explains Mauro Netto Faiaid, the Secretary of Science and Technology for Goiás. “It is an important hub for automakers and is the second-largest pharmaceutical hub in the country. Our agricultural production of soybeans, corn, and cotton is significant and we have the third-largest cattle herd in the country. However, in order to achieve sustainability and long-term growth, two factors appear to be essential: technological innovation and a qualified workforce. So with regard to training the workforce, the Government launched a professional training program called the Bolsa Futuro last August.

“With the help of this program, we will train half a million of our population, free of charge, within three-and-a-half-years. Training will be regionalized and the courses offered will meet the demands of each region. The main advantages of the program are that it is far-reaching, free, and multi-pronged. One group the program specifically targets is our most needy families, who are in income transfer programs. In addition to free courses, we also offer fi-



The Bolsa Futuro program will provide professional training to half a million people in Goiás

nancial help to individuals with similar backgrounds. Another facet is the enhancement of our technology. We inaugurated our first technology park in the Midwest region last month, in the Goiânia-Anápolis area, which is the main economic axis of Goiás. It will encompass important teaching and research institutions as well as leading companies. It is close to a dry port and is privileged with close by universities, a thriving industrial district and a strong telecommunications network. This park, together with adequate training for the workforce of Goiás via the Bolsa Futuro, will help guarantee long-term growth. Thus, the Government of Goiás is paving the way to have a qualified workforce and readily available technology in the stateé

The park has already contacted the main technology-based companies in Brazil such as Oracle, Microsoft, IBM and Cisco, all of whom have expressed huge interest in the project, ensuring a bright future for a fully trained and qualified workforce.

Digging for buried treasure

Vast mineral reserves are ripe for exploitation in Goiás

Goiás, the third biggest mineral-producing state in Brazil, is widely known for its abundant pool of minerals, and is particularly richly endowed with copper, contributing up to 30% of national production. The state is also the second-largest producer of niobium and also has substantial reserves of gold, phosphate and nickel.

Many of the minerals Goiás produces are of such high quality and rarity that major financial institutions such as J.P. Morgan have looked to the state to consolidate growth in the sector.

“We are the leaders in the production of strategic elements, such as niobiumé explains Tasso Mendoza, Cabinet Head of the Goiás Mining Administration. “We are the second-largest producer of niobium in Brazil, which we export all over the world. We also have the country’s largest mine of chrysotile asbestos; we produce gold; and we have an impressive production of phosphate that we plan to increase. In addition, we are one of the biggest nickel producers in the country. All this makes us as an important state among the producers of high quality mineralsé

As with most emerging economies with an abundance of mineral deposits, the mining sector is hugely important to the overall economical development of Goiás. To this end, the mining administration is keen to attract foreign companies to create viable commercial partnerships to further explore mining possibilities and pass any benefits on to the local communities.

“We have developed, in partnership with the Federal Government, a large aero-geo-physical umbrella program that lays out our miner-



Foreign firms can use their expertise to help exploit Goiás’ vast mineral reserves

al potentialé says Mr. Mendoza. “It is like a huge X-ray of the mines in the state. This program has mapped out the main promising areas in Goiás and has provided detailed data that can generate metallogenetic maps that will attract investments in research, exploration and mineral production in Goiásé

Mr. Mendoza adds that they are particularly keen to do business with American and Canadian companies, who have the expertise, particularly with regard to developing investment funds for mining.

“We are mostly focused on attracting these types of companies because we have great potential and need to itemize the research and evaluations of the depositsé says Mr. Mendoza.

Currently, foreign companies doing business in Goiás include Canadian firm Yamaha Gold Group; Anglo American Corporation; the Votorantim Group; Companhia Vale and local group Edem Mineração.



Three heads are better than one

Cooperation is key as a trio of organisations work together to boost business in the state of Goiás

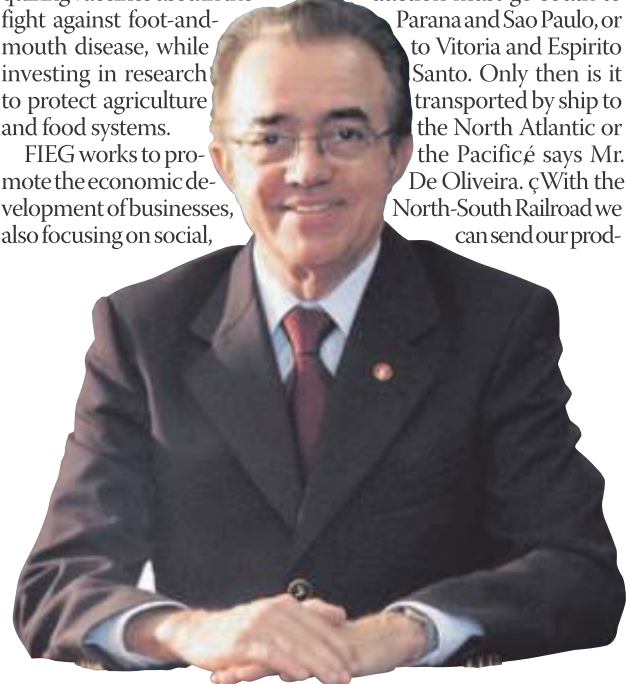
FAEG (Federacao da Agricultura e Pecuaria de Goiás), FIEG (Federacao das Industrias do Estado de Goiás), and FECOMERCIO (Federacao do Comercio do Estado de Goiás) are successfully collaborating with one another to improve economic conditions in the state of Goiás. Each entity benefits from the others' work and success: in the case of agriculture, FIEG manages the raw material, which is produced under FAEG and later commercialized under FECOMERCIO. Collaboration is the key as each organization works with different sectors of the economy and government in order to attract investment. All three make significant efforts to strengthen small, medium-sized and big businesses, to make them more productive, competitive, and competent. çThe most important thing is that the arrival of companies will generate employment and income distribution. In this regard, small and medium sized companies contribute much more than big companies. It is our dream to help make the small and medium enterprises of Goiás become internationalé says Pedro Alves de Oliveira, president of FIEG.



“IT IS ALSO SATISFYING (AND A NOVELTY FOR US) TO DEVELOP SOCIAL PROGRAMS GEARED TOWARDS HEALTH IN RURAL AREAS, WITH PROGRAMS AIMED AT SPECIFIC EDUCATION”
JOSE MARIO SCHREINER
President OF FAEG

Recently, Goiás has transformed into one of Brazil's most successful states, with a growth rate higher than the national average. Industrialization, especially in the livestock sector, is one of the areas heading this economic development. For production and distribution Goiás has strategic advantages, as it has both humid and dry seasons, and is located in the center of Brazil. çWe are more of a producer state than a consumer state. In Brazil, the main consumer markets are the South and Southeast ones. Here we mainly produce, while the consumer market is to be found in these other regions, largely for demographic reasonsé says Jose Evaristo Dos Santos, president of FECOMERCIO. Because production is so important within the state, FAEG, a sub-organization of the National Agriculture and Livestock Confederation in Brasília (CNA), is tasked with representing and protecting the interests of the state's rural producers. It looks after the economic, social, and environmental interests of the state and over 60,000 rural producers.

çIndustrialization in the state is quite advanced, and the axis of development in Brazil is run through Goiás. As long as tasks are carried out effectively, our state has the capacity to triple grain production, double livestock production, and increase milk, alcohol and sugar production without even cutting a single hectareé says Jose Mario Schreiner, president of FAEG. FAEG contributes to the education of the producers, focusing on human capital which makes quality production possible. At FAEG, the National Rural Training Service (SENAR) trains the workforce. Every year, over 100,000 producers and rural workers are qualified by SENAR. çIt is also satisfying (and a novelty for us) to develop social programs here at FAEG and SENAR that are geared towards health in rural areas, with programs aimed at specific educationé says Mr. Schreiner. FAEG also takes on a great deal of social responsibility, acquiring vaccines used in the fight against foot-and-mouth disease, while investing in research to protect agriculture and food systems. FIEG works to promote the economic development of businesses, also focusing on social,



“IT DOES NOT MATTER WHETHER THIS INVESTMENT COMES FROM BRAZIL OR ABROAD. THE OBJECTIVE IS TO SEE THE ECONOMY GROWING, CREATING PROFIT, JOBS AND SALARIES”
JOSE EVARISTO DOS SANTOS
President OF FECOMERCIO

cultural, and industrial development. It works closely with the state government to attract new business and support existing industries. The organization's work is both political and technical, and much importance is placed on investing in the training of workers through the National Industrial Apprenticeship Service (SENAI). çToday we have over 300,000 industrial jobs in the state. We also have the industrial social service, which supports the workers and their dependents by supplying educational, health, and leisure services as well as better quality of lifeé says Mr. De Oliveira. Modes and routes of transportation are also of great importance to FIEG, as new routes open up new trade opportunities in the area. The process of internationalization of Goiânia's international airport and the construction of the North-South Railroad have great potential to help the region's trade. çToday, our agricultural production must go south to Parana and Sao Paulo, or to Vitoria and Espirito Santo. Only then is it transported by ship to the North Atlantic or the Pacificé says Mr. De Oliveira. çWith the North-South Railroad we can send our prod-

ucts straight to Maranhao, and from there, to the worldé The trio see great advantages in international trade, and believe it to be crucial for development. Brazil's biggest market is now China, though the country hopes to strengthen trade ties with the USA, as they see a mutually fruitful opportunity for business. çBrazil is the most viable country in the world, and at its heart is Goiás, with all its natural and economic conditions ready for development in agriculture and industrializationé says Mr. De Oliveira. çWe can assure investors that all money invested in our state has a good returné FECOMERCIO aims to attract investment in agribusiness, goods and services, and tourism. çWe are concentrating on three sectors of the economy to achieve the objective of attracting investment, whether it be the raw materials sector, including agriculture and livestock; the transformation sector; industry; or the goods, services and tourism sectoré says Mr. Dos Santos. çIt does not matter whether this investment comes from Brazil or abroad. The objective is to see the economy growing, creating profit, jobs and salaries, thereby achieving the development the state seeksé

FECOMERCIO, through SENAC (Servico Nacional de Aprendizagem Comercial), also devotes itself to the good health, security, and education of the people of Goiás, looking to endow the state with greater confidence and heightened growth potential. For this reason, FECOMERCIO also devotes itself to help workers become qualified professionals, with SENAI and SENAR being used to train workers in the industrial and agricultural sectors respectively. çWe need to help develop all sectors harmoniously, that is to say, the primary, secondary and tertiary sectors. I mention them all because we all stand to benefit from one anotheré says Mr. Dos Santos. çWe are thus working with the aim of strengthening the other sectors because they will certainly bring benefits to commerce. We want all three sectors to grow together through our partnership, taking advantage of the location Goiás enjoys, which will eventually contribute to the development of Brazil as a wholeé



“IT IS OUR DREAM TO HELP MAKE THE SMALL AND MEDIUM ENTERPRISES OF GOIÁS BECOME INTERNATIONAL”
PEDRO ALVES DE OLIVEIRA
President OF FIEG

A booming industrial hub

Aparecida de Goiânia, conveniently located in the center of Brazil, offers easy national connectivity

Aparecida de Goiânia, the second-largest city in the state of Goiás and a thriving industrial municipality, has designs on capitalizing on its central location and to become a national reference point for logistics. The city council has numerous large transportation and infrastructure projects in the pipeline, including a new executive airport, an aeronautical center, a dry port, and a technological center, all of which guarantee companies an ideal location for local and national growth. çAparecida de Goiânia currently has four industrial hubs, comprised of logistics and industrial companies, and a fifth is under development. The city's proximity to the state capital Goiânia – just 12 miles away – in particular has attracted several important industries, such as Mabel, Pepsi Co, UPS, Merck Sharp, Unilever, Hiper-marcas, among many others, to its various industrial zones. çGeographic location is the main advantage we have, as well as the potential to set up more industrial clusters in a wide range of areasé says Luiz Alberto Maguito Vilela, Mayor of Aparecida de Goiânia. çThe biggest whole-



LUIZ ALBERTO MAGUITO VILELA, Mayor of Aparecida de Goiânia

salers in Brazil are here, and the largest companies in the country are investing in Aparecida to set up their distribution operations. Brazil has already taken note of Aparecida, now it is up to the world to do soé The city is currently undergoing major urbanization and industrialization, both of which require considerable amounts of investment and private sector participation. çImprovements to paved areas, culverts and security were – and still are – being made through partnerships between the city council and the private sector. This is in addition to collaborations with public authorities at state and federal levelsé says Mr. Vilela. çThe private sector invests on average US\$1 billion a year in the municipality. We ended 2010 with a GDP of US\$3 billion. In the last three years, the municipality has experienced exceptional growth due to the fact that we managed to address problems with our infrastructure and thus attract many companies hereé çAparecida de Goiânia's GDP went from about R\$4.5 billion in 2009 to R\$6 billion by the end of 2010. Approximately



Aparecida de Goiânia has placed industrialization as its main priority

15,000 jobs were generated and investments in industrial districts added more than 120 companies. According to the Mayor, public investment in the city has been around \$500 million over the past four years, consisting of funds from the Federal Government (70%), the municipality's own resources (20%), as well as a smaller but significant portion from the Government of Goiás. The city has secured many resources thanks to its politically strong influence. It is represented by two federal and two state congressmen and, furthermore, the Mayor has a great deal of credibility due to his achievements in his current role, which is further enhanced by his previous positions as state governor and senator.

çOurs is the best looked-after city under PAC2 (Growth Acceleration Program)é he says. çWe will end our mandate on a high, being the municipality that has paved the most over the last two and a half years, with 4.4 million square meters of paved streetsé Already the state's second biggest importer and 11th biggest exporter, the city's plans for a new airport with an attached dry port are a major part of a drive to attract large international companies and further boost exports. However, increasing interest from global companies such as Boeing and Cessna looking at setting up in Aparecida de Goiânia is not only because of improvements in its infrastructure, but also its rising quality of life.

Unstructured growth management in the past has hampered development in key areas of education and health, which are now being taken in hand. çWe are setting up schools offering vocational courses, and career development paths for teachersé says the Mayor, who adds that various new healthcare facilities are also taking shape.

For further information on investment opportunities, please contact:
Marcos Bernardo Campos,
Secretary of Industry and Commerce, Prefeitura de Aparecida de Goiânia
www.aparecida.go.gov.br

Logistics to be the driving force of growth

Aparecida de Goiânia is a logistical boon for traders and shippers, thanks to its central location and four industrial clusters

The city and municipality of Aparecida de Goiânia is conveniently situated in the center of Brazil and serves as an ideal interregional connection point just 135 miles from the national capital of Brasília. It boasts four main industrial clusters offering ideal storage and distribution points, namely the Distrito Agroindustrial de Aparecida de Goiânia (Da-iag), Distrito Industrial (Dimag), Polo Empresarial Goiás (Goiás Entrepreneurial Center) and Cidade Empresarial (Business Park). All four hubs are located along the BR-153, the north-south highway that connects the Brasília to São Paulo in the south and also to the northern port of Belem 1,250 miles from the capital, both cities in turn providing highly developed connections to all regions in the country. The Aparecida de Goiânia stretch of the BR-153, which is also known as the Rodovia Transbrasiliana (Trans-brazilian Highway), is a midway point for anyone travelling cross-country in almost any direction. The exceptional geographical position of Aparecida de Goiânia is good news for businesses competing in any market, as having a base there means companies are only a few hours or days away from the consumers in all 5,560 municipalities of the nation.

A greener future with energy from sugarcane

Goiás is a leader in producing bioethanol from sugarcane – and has vast potential for further growth

Bioethanol is a form of renewable energy which can be produced from simple crops such as potatoes, corn and sugarcane – and Goiás is the second-largest producer of bioethanol from sugarcane on the planet. Of the 15 states producing sugarcane in Brazil, Goiás is the third largest after São Paulo and Minas Gerais, and in terms of bioethanol production alone the state is second only to São Paulo. The total area occupied by sugarcane in Brazil is less than nine million hectares at present, so with an area of over 35 million hectares, Goiás has ample space for growth.

André Luiz Baptista Lins Rocha is President of SIFAE, the syndicate which brings together the ethanol producers of Goiás. He has confidence in the state's ability to create a cleaner source of energy for the whole country: "By 2015, approximately 15% of the electricity generated in the country could come from biomass. One may say that agro-energy is truly the salvation of the crop."

The American Government, according to the Environmental Protection Agency, considers ethanol as an advanced fuel. In its calculations the American agency concludes it emits 60% less CO₂ than gasoline.

çThe United States can par-

“BY 2015, APPROXIMATELY 15% OF THE ELECTRICITY GENERATED IN THE COUNTRY COULD COME FROM BIOMASS.”

ANDRÉ LUIZ BAPTISTA LINS ROCHA,
President of SIFAE

ticipate in the sector here in Brazil and take back fuel that is cleaner, more efficient, that can improve the American electric power network, which is not very clean or renewable, and help to fulfill the Kyoto and Copenhagen protocols," points out Rocha.

Another advantage is the low cost of production. The current value for ethanol production is \$0.22 per liter when the feedstock is sugar cane, but \$0.30/l, when corn and \$0.53/l when beet is used. The United States makes corn-based

ethanol and Europe uses beet. Based on these values, one can say that the alcohol produced in Brazil is the most appropriate for the consumer.

The agro-energy and biofuel sectors in Goiás also represent smarter investment opportunities because of their sustainability. Agricultural areas are maintained with very few insecticides and no poisons – wasps are used to eradicate potentially harmful cricket populations, and cane residues are recycled to provide fertilizers. The by-products left from sugarcane also serve as compost, meaning that bioethanol production is truly a cleaner, more sustainable means of producing energy.

The climate, soil and topography all make Goiás a sensible prospect for investors, while incentive programs give the state a competitive advantage over other sugarcane producing regions.

British Petroleum has recently started investing in alternative sources of renewable energy, and has two plants operating in Goiás, in Itumbiara and Edeia. The energy company has plans to double its production capacity in the Itumbiara plant.

Booming agribusiness paves the way for Goiás' development

High levels of production have Goiás poised to break records with 14% y-o-y growth in 2011

The agribusiness sector in the central state of Goiás began to boom in the late 1970s for two reasons. First was the introduction of the Brachiaria grass, which originated in Africa. The grass adapted well to local conditions and turned previously barren land into lush grazing pasture for livestock. To take advantage of this newly available land, Zebu cattle from India were imported in huge numbers. This particular breed of cow, adapted to high temperatures, thrives in Goiás and is farmed for both dairy and beef. The introduction of rice farming also had a great effect. Since the 1970s, the Brazilian Cerrado, a vast tropical savanna occupying a large portion of the state of Goiás, was increasingly exploited; its climate is ideal for rice production.

Secretary of Agriculture Antonio Flavio Camilo de Lima is responsible for maintaining agricultural policy, generating wealth through sustainable agriculture and development of the labour force. He comments: "We are committed to



Goiás' climate creates ideal conditions for growing rice and many other crops

promoting competitiveness so that importers have access to our products."

Chief among those products are soy, meats, sugar, cotton and coffee. Also, the country as a whole is the world's leading producer of industrial tomato products, and Goiás is responsible for 30% of that production, and for more than 50% of the processing carried out in the country.

Today Goiás food production has become industrialized, largely due to agricultural research and technological development led by EMBRAPA

(Empresa Brasileira de Pesquisa Agropecuária). The result is a solid knowledge of the technology required for agribusiness, which also attracts a large number of farming equipment manufacturers to the region.

The technology is vital, according to Governor of Goiás Marconi Perillo: "In recent years, agriculture and livestock farming have become strongly diversified, and livestock farming production today is far better structured, more intensive than extensive, thanks to the arrival of new technology."

A unique tourism jewel at the heart of Brazil



Goiás Velho is a UNESCO World Heritage Site

Despite being an industrial powerhouse, Goiás is also a wonderful place to visit

Situated at the very heart of Brazil, the State of Goiás offers a multitude of attractions for visitors, from its colonial architecture and world heritage sites to its abundance of natural wonders and extraordinarily diverse wildlife.

The central Brazilian state is the most populous in the region and its landscape is characterised by chapadoes, or plateaus. During the drought season from June to September the lack of rain causes the



Rio Araguaia offers beautiful beaches

Araguaia River to drop its banks, exposing over a mile of picturesque beaches which attract many tourists. The city of Caldas Novas in the south-east of the state boasts the largest hot spring on Earth, its waters generally flowing at temperatures between 68°F and 140°F. The city is located 102 miles from Goiânia and 211 miles from Brasília, while neighbouring Rio Quente is 19 miles away. Together these cities make up the "Region of Thermal Waters of the State of Goiás" and between them form the largest tourist destination in Brazil's interior. Caldas Novas alone can attract 100,000 tourists during high

season, with that number rising to 300,000 during Carnival. Nearly 2,000 people are employed in the tourism sector in Caldas Novas and the city boasts over 80 hotels and hostels.

The small colonial town of Pirenópolis in central Goiás was listed as an architectural, urbanistic, landscape and historical heritage site by IPHAN (Institute of National Historic and Artistic Heritage) in 1989, due to its abundance of eighteenth century houses and churches. The city has been restored in recent years, with attention paid to its stone paved streets and casaroes (colonial houses). A new attraction is



Pirenópolis is rich in 18th century culture

IPEC (Institute of Permaculture and Ecovillage of the Cerrado), an ecovillage and permaculture design institute, which offers foreign students study programs and allows visitors to get a first-hand account of the possibilities of sustainable living.

Goiás City itself, the former capital of the state was recognized in 2001 as a UNESCO World Heritage Site for its unique baroque architecture, its cultural traditions and exuberant natural wonders that surround it. Governor of Goiás, Marconi Perillo is determined to help continue growth in the state's tourism industry: "We will work to enhance the avail-

ability of tourist information through sites, newspapers, television and we will guarantee security and infrastructure for everybody."

Boosting the industry in coming years will be in no small part down to the FIFA World Cup 2014 being held in Brazil. The city of Goiânia will provide training grounds and host teams from around the globe, a privilege which President for Tourism Aparecido Sparapani hopes will bring more international attention to the state: "We actually hope that the state will achieve a much greater international visibility in terms of both tourism and entrepreneurship." As well



Caldas Novas features the world's largest hot spring

as improving infrastructure to surrounding cities in the run up to the event, the city is improving its hospitality industry with a focus on Castro's Park Hotel, the first and only five star hotel in Goiânia.

The hotel's General Manager Olavo de Castro is confident the facilities will impress visiting teams and give Goiás even more attention as a tourist destination: "We are working more and more to perfect customer service, as we believe that this really makes the difference. The aesthetic side of things is also important but it is the quality of the service offered that is most crucial."

