

Competitive Fortaleza




Municipality of
Fortaleza

Goals of the Program

- Develop an environment of innovation and creation of opportunities in the city.
- Induce the creation and growth of private companies.
- Provide the citizen and the investors a favorable and agile environment that will help them overcome the challenges involved in opening and maintaining a new business.





Lines of Action

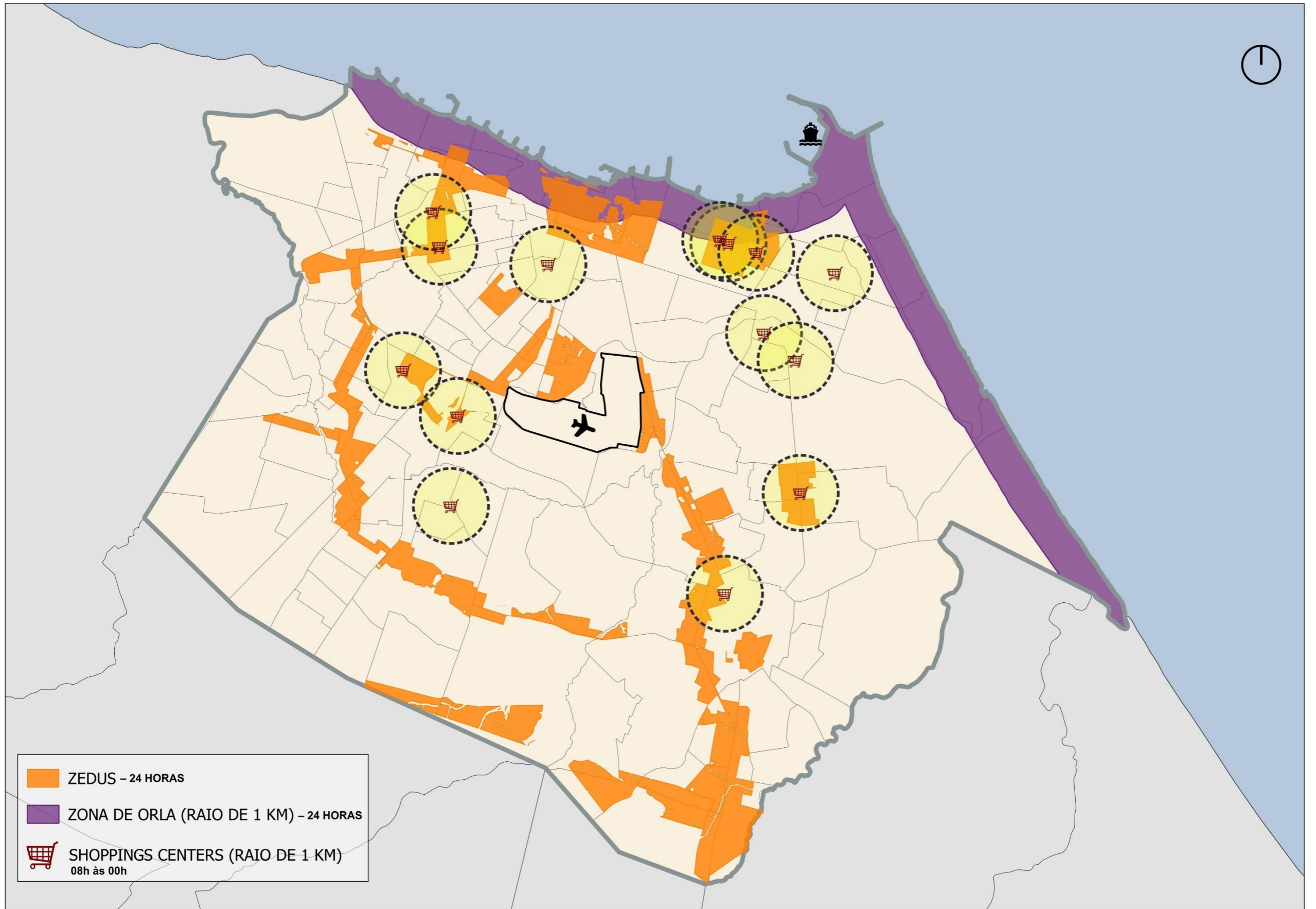
- Incentives and regulations
- Public-Private arrangements
- Debureaucratization
- Labor marketplace



Incentives and Regulations

- Tax incentive programs of the Municipality of Fortaleza (PRODEFOR | PARQFOR) – Service Tax (ISSQN), Urban Property Tax (IPTU), Real Estate Transfer Tax (ITBI)
- Fortaleza: A city of trade and services. Establishments may operate from 8 am to midnight or operate 24 (twenty-four) hours a day.
- Land Use and Occupation Law: the Special Zones of Urban and Socioeconomic Revitalization (ZEDUS)
- City Code: Encourages innovative economic activities, Establishes environmental certifications for constructions and sustainable economic activities, Allows economic activities in single family and multifamily residences, Establishes the Municipal Single Licensing.
- New Master Plan of Fortaleza (2019-2029).





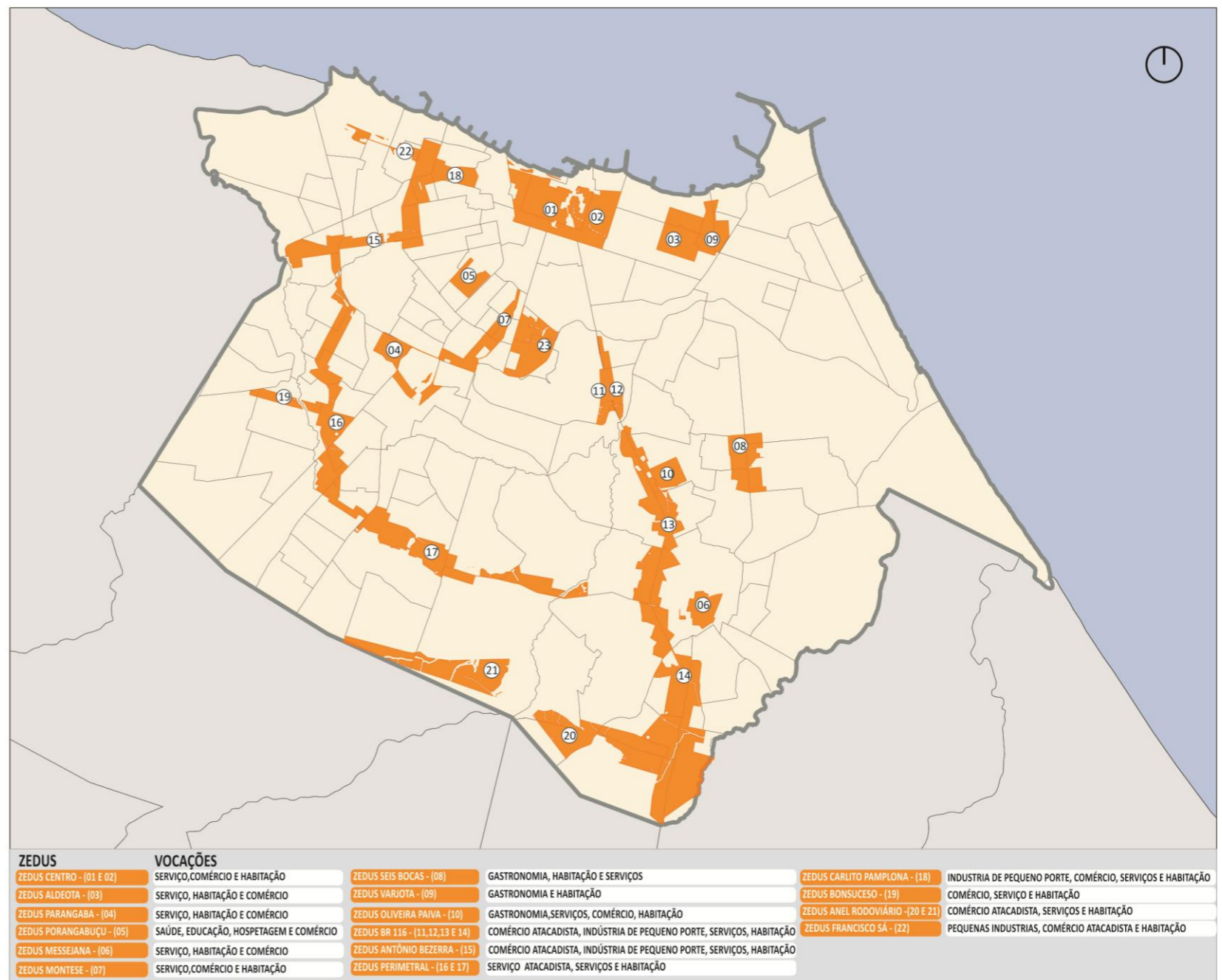
New commerce working hours in Fortaleza

Incentives and Regulations

Strategic urban planning tools aimed to improve the city's competitiveness

THE LAND ALLOTMENT, USE LAND OCCUPATION ACT

Special Urban and Socioeconomic Promotion Areas (ZEDUS) in Fortaleza

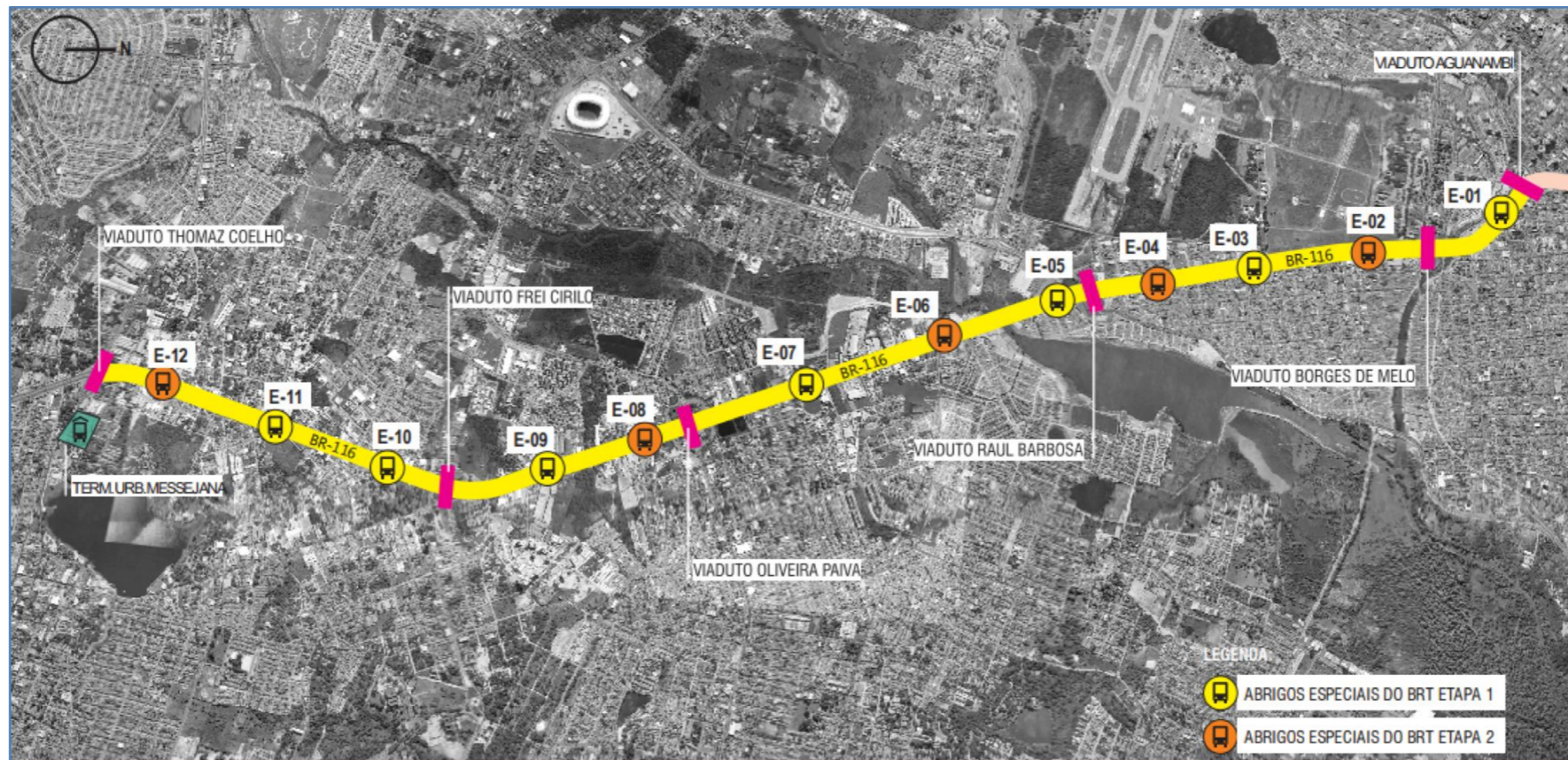


Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

BUS RAPID TRANSIT (BRT) - PUBLIC TRANSPORT CORRIDOR - BR-116 HIGHWAY

Construction and operation of Section 2 of the BRT (Bus Rapid Transit) system. It is an exclusive bus corridor system providing a faster passenger transportation alternative. The private entity will be responsible for the construction, operation and maintenance of the BRT system.



The BRT route on the BR-116 highway

Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

Modernization and operation of the City's Bus Hubs

Fortaleza has seven closed bus hubs and two open terminals (Coração de Jesus and Estação).

The private entity will take over the management and operation of these terminals, being allowed to exploit the real estate potential of the surrounding area, including the construction of buildings pursuant to the standards to be defined by the municipality.



One of Fortaleza's bus hubs

Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

PAID PARKING SPACES

Implementation of the Blue Zone (paid parking) control, including the implementation, operation, management, control and maintenance of the automated electronic system for the control and measurement of the usage and payment of parking spaces.



An example of a Blue Zone (paid parking) in Fortaleza

Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

Optimization of the use of the city's real estate assets

Concession of currently underused municipal public properties to the private sector, generating a source of income to the municipality. Renegotiation of leases earned and paid by the municipality.



One of the Municipality's properties close to the Pinto Martins Airport

Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

CONCESSION OF THE PAULO SARASATE STADIUM

Concession of the facilities of the Paulo Sarasate Stadium in return for its modernization, maintenance and operation. The aim of this contract is to provide the public a new public venue for sporting activities. The private entity will be allowed to exploit the facilities with the establishment of restaurants, events, parking and advertising.



The Paulo Sarasate Stadium

Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

Passaré Environmental Complex (plant nursery, zoo, the Passaré lagoon)

The Passaré Environmental Complex is an important urban leisure and environmental education site. It currently has a 16-hectare lagoon integrated to a plant nursery and a zoo. The private entity shall be responsible for the revitalization, operation and maintenance of the entire site and may charge access tickets.



The Passaré Environmental Complex

Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

Operation and maintenance of Fortaleza's public markets

The Municipality of Fortaleza is currently managing several public markets, which are important to the local society. These markets will be managed by a private entity that will have to renovate, operate and maintain them.



The Aerolandia Market

Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

CONSTRUCTION AND MAINTENANCE OF PUBLIC VENUES

The private entity shall perform activities such as renovation, cleaning, security and building maintenance, making it possible for the municipality to focus on improving the venue's services to the community. The program will also seek private investments for the construction of new venues.



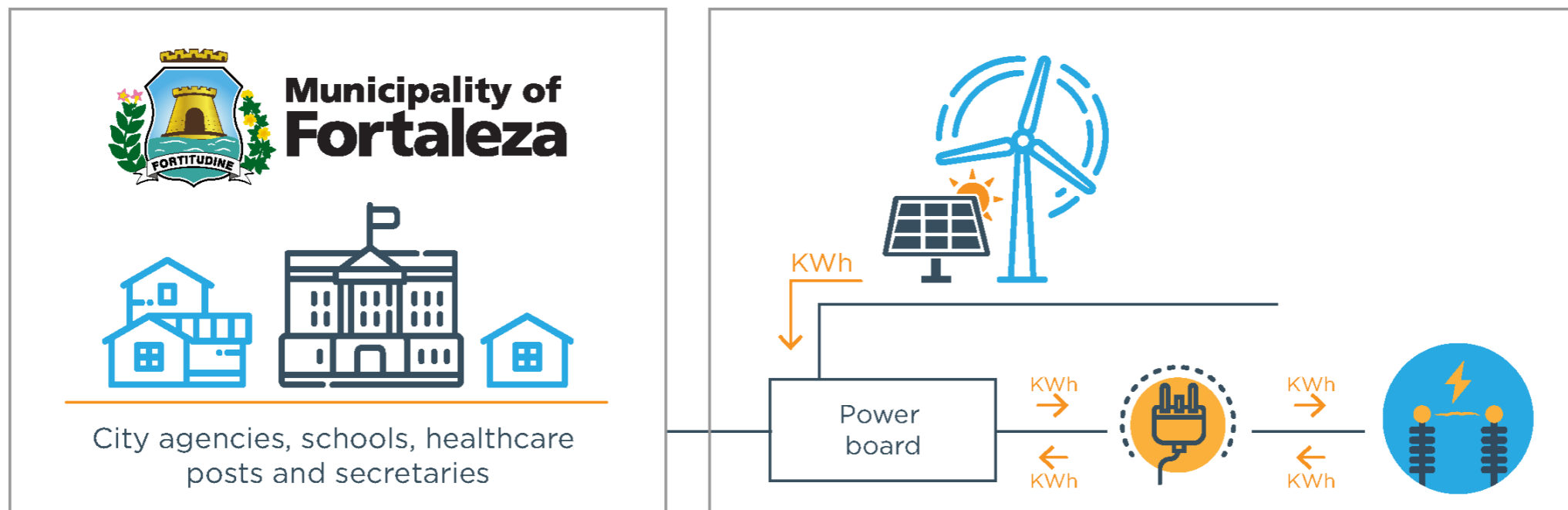
The Estoril

Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

DISTRIBUTED POWER GENERATION

Distributed power generation project under ANEEL Resolution No. 486/2012, in which the private entity will make the investment and will manage the power generation parks, aiming to reduce the municipality's expenditure with energy by up to 15%.



Schematics of a distributed power generation system

Public-Private arrangements

PUBLIC-PRIVATE PARTNERSHIPS (PPP) AND SERVICE CONCESSIONS

CONCESSION OF THE SEAFRONT JETTIES

Concession of the jetties, aiming to promote their expansion and use by the local population and tourists.



Digital representation of the proposed kiosks

Public-Private arrangements

URBAN REGENERATION: URBAN OPERATION IN CONSORTIUM (OUC)

What is a **URBAN OPERATION IN CONSORTIUM ?**

- It is an instrument made possible by the Federal Constitution, through the City Statute (Federal Law No. 10,257 / 2001)
- It is a public-private partnership aimed at social and environmental urban transformation of urban areas.

Public-Private arrangements

URBAN REGENERATION: URBAN OPERATION IN CONSORTIUM (OUC)

Benefits


Of the Operations in Consortium

Public

- Integrate and balance the urban space.
- Actions of social, environmental and urban impact.
- Possibility of short term investments.
- Shared management

Private

- Legal Security.
- Attractive Profitability.
- Possibility of short term investments.
- Perspective of business sequence in the medium and long term.



**Fortaleza is the city with
highest number of
Consortium Urban
Operations in progress
in Brazil.**

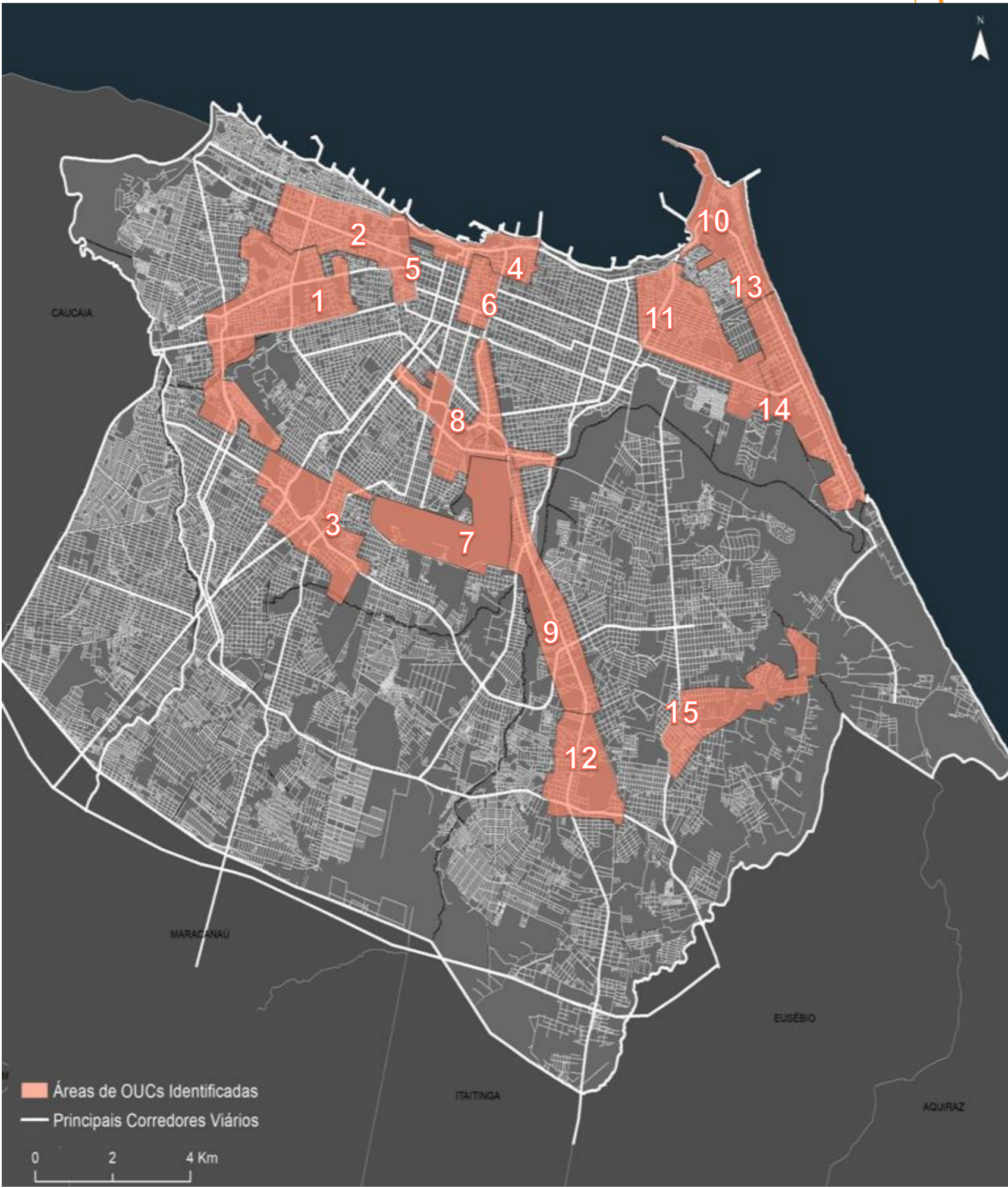




OUCs

Public Criteria defined the perimeters of new OUCs

perimeters of new OUCs



WEST

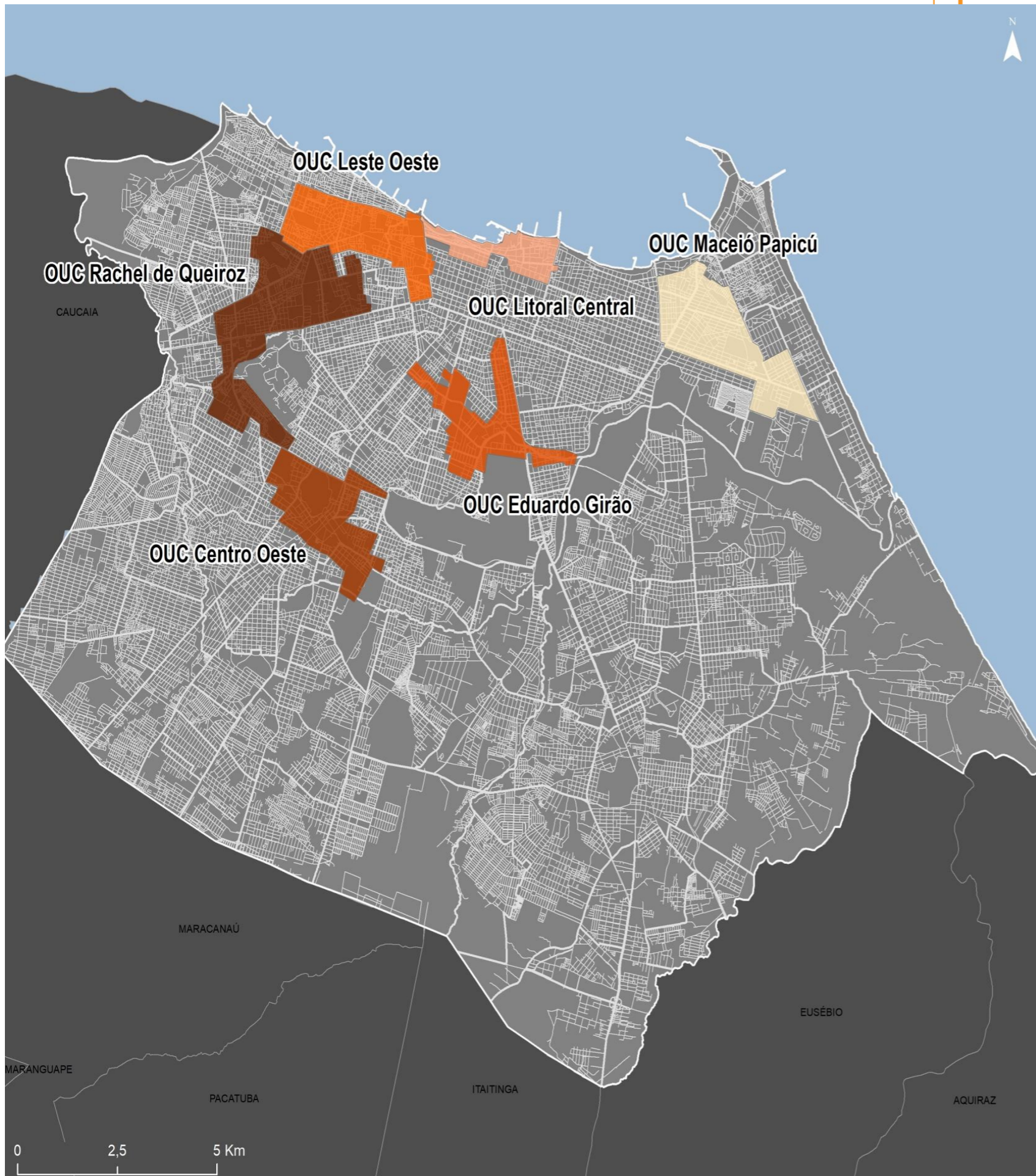
- 1. Raquel de Queiroz Park
- 2. Francisco Sá
- 3. Parangaba

CENTER

- 4. Central Coast- Praia de Iracema
- 5. Central West - Jacarecanga
- 6. Central East- Riacho Pajeú
- 7. Airport
- 8. Fátima
- 9. BRT - Aguanambi/BR 116

EAST

- 10. Portuary Zone
- 11. Maceió - Papicu
- 12. Messejana
- 13. Praia do Futuro I
- 14. Praia do Futuro II
- 15. Sapiranga



OUCs Priority

- Central Coast OUC
- Raquel de Queiroz OUC
- Eduardo Girão OUC
- Central West OUC
- East- West OUC
- Maceió-Papicú OUC



Central East OUC

Potentials:

- Cultural, entertainment and leisure equipment;
- Tourism value chain with potential for hotel developments;
- Presence of built and cultural heritage that values the history of the city;
- Landscape importance of seafront.



Iracema Beach

Litoral Central OUC

Benefits (in 10 years)

Public

- Urban transformations and tourist valuation (socioeconomic and environmental development).
- Creation of approximately 53 thousand new jobs.
- Addition of US\$ 180 million of salary mass.
- About US\$ 210 million in new taxes collected.

Private

- Possibility of new business in the tourist and hotel sector.
- Incentive for new activities (creative economy).
- Increase in current market values.
- Change in land use and occupation with incentives through urban indexes.

Scenarios-

Without OUC*: US\$ 633 millions (in 10 years)  With OUC*: US\$ 2,2 billions (in 10 years)

* Estimated values referring to the real estate market.

US\$1.4 billions
(in 30 years)

US\$ 5.2 billions
(in 30 years)



Raquel de Queiroz OUC

Potentials:

- Corridor of metropolitan character located in the West Zone of the city of Fortaleza;
- Connection with the Pecém Industrial Port Complex;
- Area of great real estate potential and market niches like the Pici Campus;
- Area in the process of environmental requalification through the Fortaleza Sustentável Program.



Sargento Hermínio's Leisure Pole

Raquel de Queiroz OUC

Benefits (in 10 years)

Public

- Improvements in social housing and environmental valuation.
- Creation of approximately 55 thousand new jobs.
- Addition of US\$ 188 million of salary mass.
- About US\$ 219 million in new taxes collected.

Private

- Major urban transformations with appreciation of the real estate market.
- Induction of the offer of new services to supply demand (Pici Campus).
- Increase in current market values.
- Change in land use and occupation with incentives through urban indexes.

Scenarios

- * Estimated values referring to the real estate market.

Dólar R\$ 3,62 (14/05/2018)

Without OUC*: US\$ 1.5 billions
(in 10 years)

US\$ 4.5 billions
(in 30 years)



With OUC*: US\$ 2.5 billions
(in 10 years)

US\$ 7.5 billions
(in 30 years)



Maceió – Papicu OUC

Potentials:

- Added-value recovery by Papicu Lagoon OUC
 - Strategic location with public investments urban mobility – VLT, Metrofor and Papicu bus terminal;
- Area with two mobility corridors: Via Expressa (Highway) and Santos Dumont Avenue.;
 - Area with a high land value appreciation due the presence of empty land



Papicu Lagoon

OUC Maceió – Papicu Benefits (in 10 years)

Publics

- Integration of green areas - Maceió Riot, Papicu Lagoon and Gengibre Lagoon.
- Housing improvements for areas of social interest.
- Creation of approximately 22 thousand new jobs.
- Addition of US\$ 76 million of salary mass.
- About US\$ 90 million in new taxes collected.

Private

- Strengthening of the main axes of urban mobility (Via Expressa and Santos Dumont Avenue).
- Increase in current market values.
- Change in land use and occupation with incentives through urban indexes.

Scenarios

Without OUC*: US\$ 580 millions
(in 10 years)

US\$ 2.3 billions
(in 30 years)

With OUC*: US\$ 1 billion
(in 10 years)

US\$ 4.1 billions
(in 30 years)

* Estimated values referring to the real estate market.

Dólar R\$ 3,62 (14/05/2018)

Existing Urban
Operations

OUC Maceió

Law No. 8503/2000



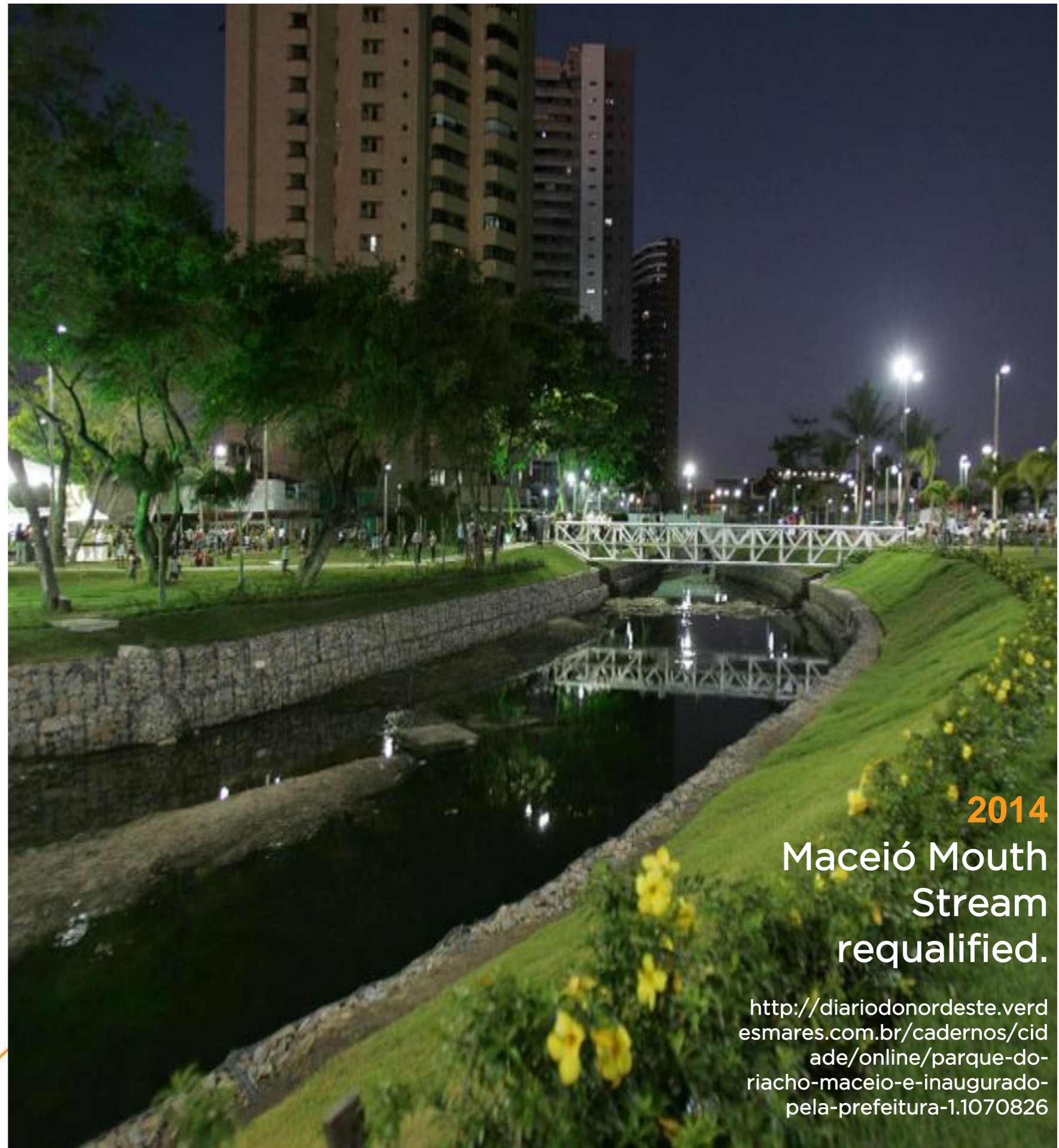
2012
Maceio
Mouth
Stream
before the
urban
operation.

<http://diariodonordeste.verdesmares.com.br/cadernos/cidade/lixo-no-riacho-maceio-prejudica-moradores-1.569113>

Existing Urban
Operations

OUC Maceió

Law No. 8503/2000



2014

**Maceió Mouth
Stream
requalified.**

<http://diariodonordeste.verdesmares.com.br/cadernos/cidade/online/parque-doriacho-maceio-e-inaugurado-pela-prefeitura-1.1070826>

Existing Urban Operations

OUC Maceió

Benefits



Public

- Redemption of a degraded area, urban improvements, environmental improvements and revenue expansion.
- Public park in the amount of US\$ 1,9 million, including macro-drainage works.
- Implantation of a road system around the Park.
- Increase in public revenue with real state taxation (IPTU, ITBI and ISS)

Private

- Requalification of the environment, generating appreciation of urban land.
- Possibility of implantation of new activities (residential multi-family; lodging).
- Change of urban parameters (building height and utilization rate)

Existing Urban
Operations

OUC Papicu

Law No. 9857/2011



2011

Brahma's Factory off.

<http://www.fortalezanobre.com.br/2011/09/fabrica-da-brahma-so-restou-saudade.html>

Existing Urban
Operations

OUC Papicu

Law No. 9857/2011



2015

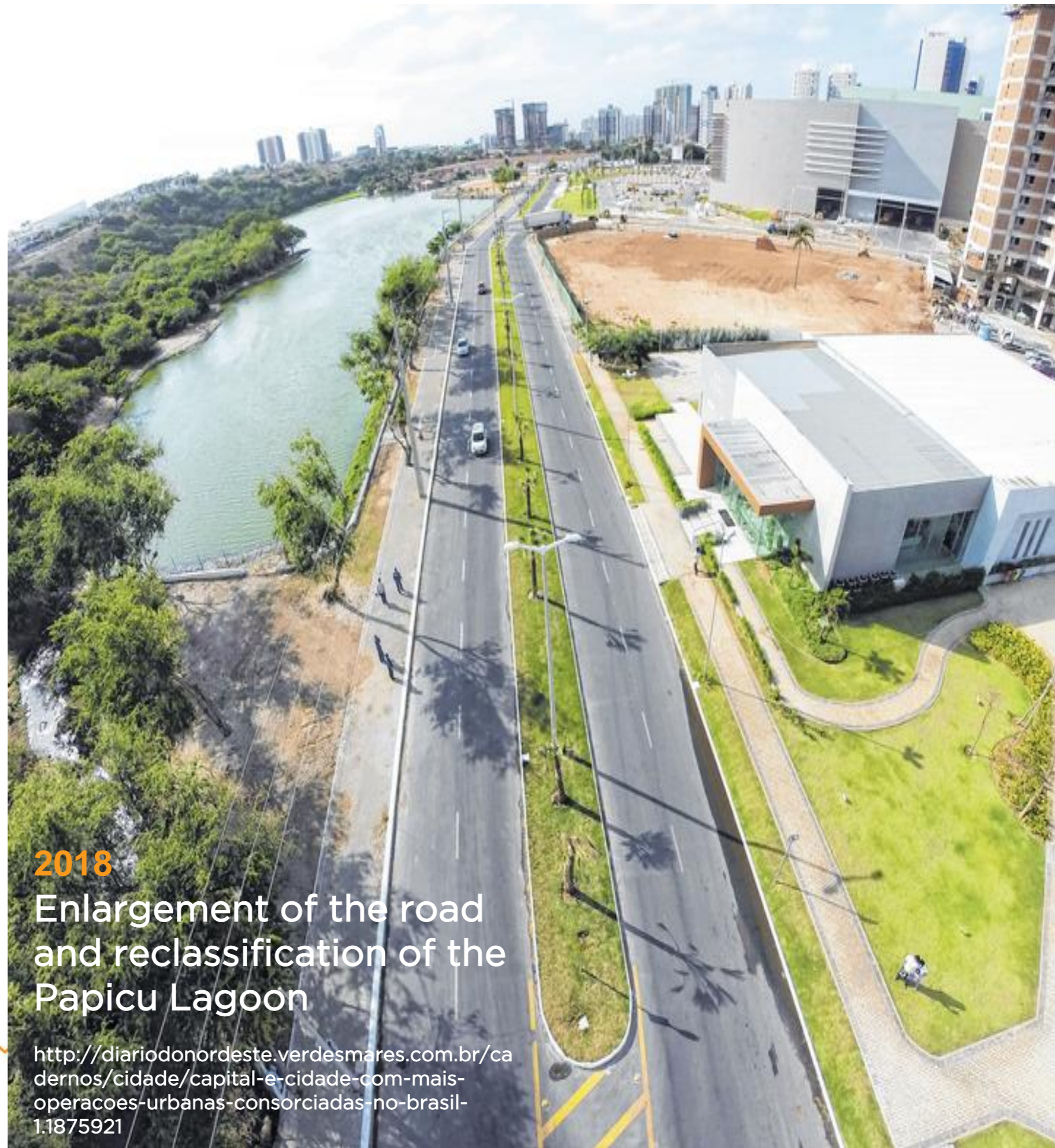
RioMar Shopping and housing complex
under construction.

http://www.jcpm.com.br/riomar.php?id_pai=3

Existing Urban
Operations

OUC Papicu

Law No. 9857/2011



2018

Enlargement of the road
and reclassification of the
Papicu Lagoon

<http://diariodonordeste.verdesmares.com.br/cadernos/cidade/capital-e-cidade-com-mais-operacoes-urbanas-consorciadas-no-brasil-1.1875921>

Existing
Urban Operations
OUC Papicu
Benefits



Public

- Urbanization of the Papicu Lagoon and implementation of road system infrastructure estimated at US\$ 11 million.
- Training of 2,000 residents in the surrounding area and generation of 11,000 jobs, of which 4,000 were permanent after the mall was established.
- Increase in public revenue with real state taxation (IPTU, ITBI and ISS). Square meter value can be US\$ 2.200,00


Private

- Requalification of the environment, generating appreciation of urban land.
- Possibility of implementation of new activities (Shopping Center).
- Alteration of urban parameters (maximum block).

Debureaucratization

Fortaleza Online

The **Fortaleza Online Program**, service is intended to provide the citizen with:

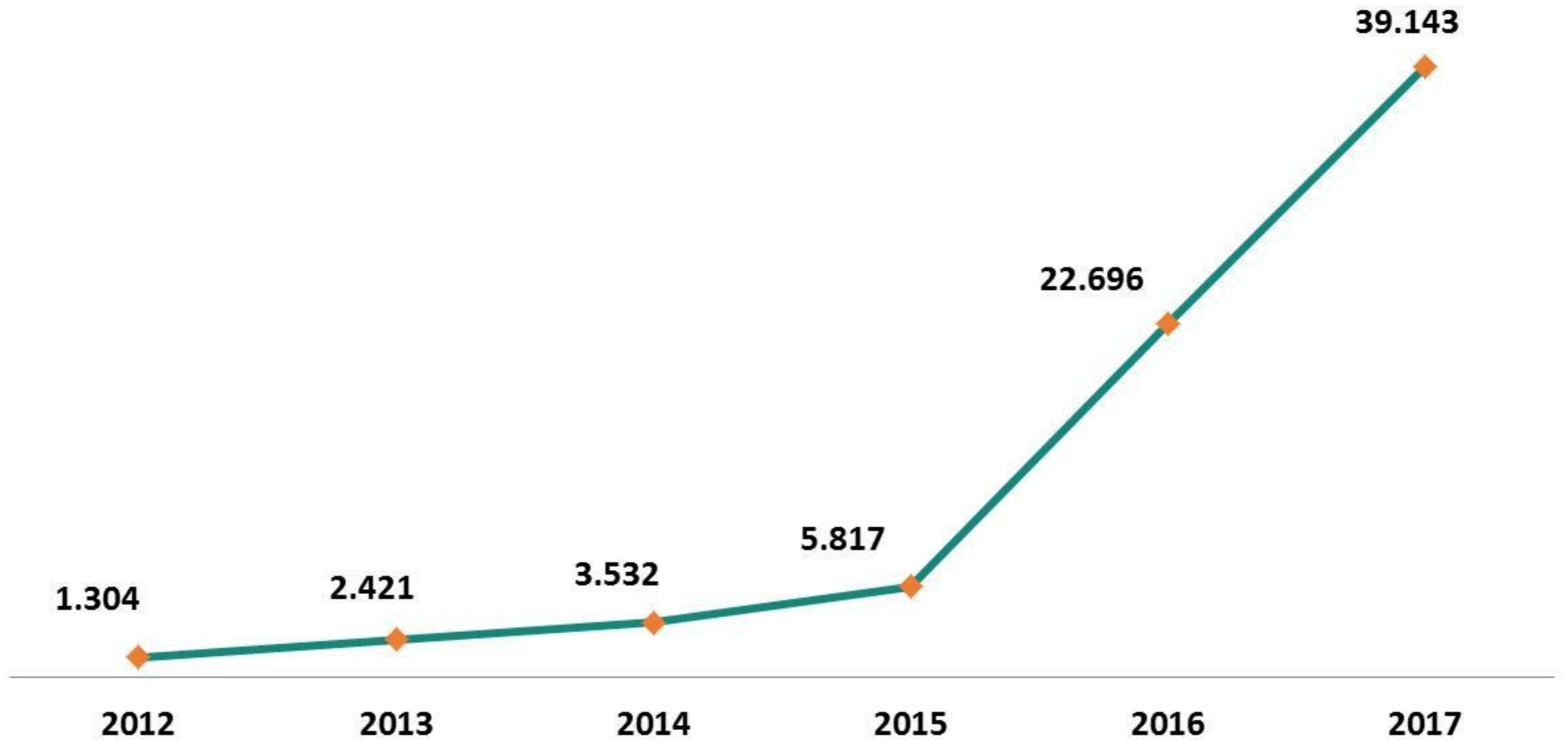
- **Mobility:** The Municipality of Fortaleza together with the citizen, at all times and everywhere.
 - **Accessibility:** An easy way to register a business.
 - **Credibility:** Municipality of Fortaleza believes in the information provided by the citizen.. Informative Licensing
 - **Agility:** Licenses and permits are issued immediately or within 48 hours.
 - **Shared responsibility:** Everyone involved are co-responsible.
 - **Transparency:** Permits and licenses are available for all citizens to see.
- 

WAITING TIMES

FORTALEZA ONLINE SERVICES	PREVIOUS WAITING TIME	FORTALEZA ONLINE WAITING TIME
Location adequacy search - Construction	120 business days	Immediate
Approval of waste management plans	60 business days	48 hours
Environmental licensing exemption	30 business days	Immediate
Small Business License	120 business days	48 hours
Operating permit for small enterprises	120 business days	48 hours
Construction permit	60 business days	48 hours
Simplified environmental license for civil construction projects	45 business days	48 hours
Automatic evaluation of municipal tax for real estate transfer	30 days	Immediate

Progress of the licensing process in Fortaleza

Construction + Enviromental Licenses

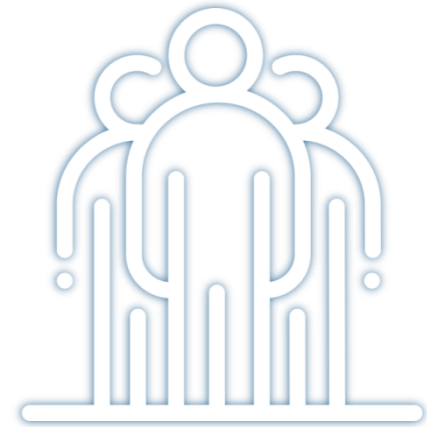


Debureaucratization

By 2020, Fortaleza will be considered the most debureaucratized city in Brazil.

Labor marketplace

For the Citizens



Altogether, 34,600 workers will benefit from the different actions conducted by the Municipality of Fortaleza, among them:

- 1 - On-the-job training according to market demand
 - 2 - Bilingual Fortaleza - A 2-month language training program focused on the services segment;
 - 3 - Software development and programming;
 - 4 - Training program aimed at attracting new companies, implemented in partnership with the private sector.
- Creation of environments aimed at the emergence of new companies (business incubators).

ACTIONS	TARGET (2018-2021)
Professional training	25,000 trained professionals
Professional training	9,600 serviced professionals

Labor marketplace

For the Companies



19,000 small entrepreneurs will benefit from the different actions conducted by the Municipality of Fortaleza, among them:

- 1 - Internationalization of companies.
- 2 - Sustainable Entrepreneurship Program - Training on management, technical consulting, The Entrepreneur Cart Project, solidarity economy.
- 3 - Start-up programs and business incubators.
- 4 - Entrepreneurial Woman Project - Line of credit.
- 5 - Small Business Fairs.
- 6 - Improvement of Public Markets in partnership with the Brazilian Micro and Small Business Support Service (SEBRAE).

ACTIONS	TARGET (2018-2021)
The Entrepreneur Cart Project	500 carts
Small Business Fairs	912 fairs and 22,882 spaces
Entrepreneurial Woman Project	600 small businesswomen
Sustainable Entrepreneurship Program	16,000 serviced entrepreneurs
Solidarity economy groups	250 groups (1,500 people)
Business incubators - Start-ups	200 start-ups

Management and control mechanisms

THE COMPETITIVE FORTALEZA FORUM

Bring together organized civil society to discuss, each month, progress of the program and to stimulate present and future actions.

THE ECONOMIC DEVELOPMENT COUNCIL OF FORTALEZA (CMDE)

- The Municipal Secretary of Economic Development – SDE;
- The Municipal Secretary of Urban Development and Environment – SEUMA;
- The Municipal Secretary of Planning, Budget and Management – SEPOG;
- The Municipal State Secretary – SEGOV;
- The Municipal Secretary of Finance – SEFIN;
- The City Attorney General – PGM;
- The Municipal Secretary of Tourism – SETFOR;
- The Municipal Secretary of Security ;
- The Fortaleza Planning Institute – IPLANFOR;
- The Public-Private Partnerships Coordination – PPPFOR.

GUARANTEE FUND FOR PUBLIC-PRIVATE PARTNERSHIPS

Timetable

ACTIONS	SHORT-TERM	MEDIUM-TERM	LONG-TERM
	2017	2018-2020	2021-2040
Economic Development Program of the Municipality of Fortaleza (Prodefor/Parqfor)	X		
Fortaleza - A city of trade	X		
The Land Allotment, Use and Occupation Act	X		
The City Code	X		
2019-2029 Fortaleza Master Plan		X	
Public-Private Partnerships and Concessions	X	X	X
Urban businesses	X	X	X
Fortaleza Online Program	X	X	X
The Labor Marketplace	X	X	X
Competitive Fortaleza Forum	X		
The Economic Development Council of the City of Fortaleza	X		
The Guarantee Fund for Public-Private Partnerships of the Municipality of Fortaleza	X		



Results

Ensure that the city is among the most competitive capitals in the generation of work and income in the country.

Formal registration of more than 10 thousand new jobs, which are mostly Micro and Small enterprises.

Reach by 2020 a Formalization Fee of 75% of the economy.

Direct and indirect impact on the economy in the scope of R\$ 2 billion (553 million USD) in GDP of Fortaleza, in a scenario considered moderate in the period of implementation of the actions of the Program.





*International
certifications
and partners*



International certifications and partners

2nd Place - Construir Nordeste

Construir Nordeste magazine

Urban mobility

(The Celina Queiroz and Reitor Martins Filho overpasses in the Cocó district)

Governarte Award 2015

THE INTER-AMERICAN
DEVELOPMENT BANK

Innovative experiences in public management in cities of Latin America and the Caribbean

IX Edition of the Sebrae Entrepreneurial Mayor Award

SEBRAE

Project: Use of Fortaleza's purchasing power together with small businesses, aiming to induce local development.

Category: Government procurement

State chapter

Green Seal and Clean Beaches Award of the Government of the State of Ceará

Government of the State of Ceará

Conservation and sustainable use of natural resources, promoting and strengthening the environmental management.

IX Edição do Prêmio Sebrae Prefeito Empreendedor

SEBRAE

Project: Sustainable Entrepreneurship Program

Category: Government procurement

State chapter

Brazil Merit Award for Public Governance and Management

The only state capital among the five Brazilian cities receiving this award for the most efficient management of public resources.

TCU - THE FEDERAL COMPTROLLER TRIBUNAL

Governance criteria: Leadership, strategy and control.

IX Edição do Prêmio Sebrae Prefeito Empreendedor

SEBRAE

Project: Sustainable Entrepreneurship Program

Winner of the Best Project of the Northeast Region category

Mention of Honor of the United Nations Human Settlements Program (UN-Habitat)

United Nations Human Settlements Program (UN-Habitat)

Innovation and creation of more inclusive environments in vulnerable areas



International certifications and partners



Thank you!

Competitive
Fortaleza



Municipality of
Fortaleza