

Investor's Guide



Department of Fundraising and Investment Promotion

Investor Support Center - ISC

August 2008



City of
Porto Alegre
CAPTARE

Dear Entrepreneur,

Porto Alegre is a city that represents faithfully its own name (Happy Harbor). The City is vibrant and internationally recognized by its people's generosity, by its renowned companies and, moreover, by its rich cultural History.



We want to extend our invitation so your company may participate on this journey with Porto Alegre and take part on the historic construction of development with quality of life for everyone!

The City of Porto Alegre wants to have you as a partner on this journey. We understand your investment as a vital point to the continuous development of our city and to the expansion of economic, social and environment progresses.

*José Fogaça,
Mayor of Porto Alegre*

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LAÇADOR (Roper)
Símbol of Porto Alegre

A great figure of Porto Alegre, the *Laçador* was chosen by the community of Porto Alegre, capital of Rio Grande do Sul, as a symbol of the city. His statue is located on the entrance of the city, with 4.45m height. The *Laçador* portrays the pride of all *gauchos*, as are known the state citizens. This work had as a model a recognized researcher of Rio Grande do Sul's traditions, Paixão Cortes.

The city of Porto Alegre

I. Porto Alegre, a city of quality



Porto Alegre is a privileged city. The capital of Rio Grande do Sul, the most southern state in Brazil, stands at Gauíba Lake's shores and is situated at the geographic center of Mercosur, considering the main cities of the block: São Paulo, Montevideo, Buenos Aires, Santiago and Asunción. In terms of population, it is the 10th biggest Brazilian city, with around 1,4 million inhabitants and a population density of 2.848,55 inhabitants per square kilometer.

The arrival of 60 Azorean couples, settled in Morro Santana in the end of 1751, was the beginning of Porto Alegre's history. The city's foundation date, celebrated every year with many artistic, cultural and sportive events, is March 26th, 1752. It was when came up the Clientele of São Francisco do Porto dos Casais. Some time after, German and Italian immigrants arrived to Rio

Grande do Sul's capital and, thereafter, other ethnic groups settled down in the city. Such ethnical miscegenation gave the city a diversified socio-economic and cultural environment.

The inhabitants of Porto Alegre are proud of the quality of life that the city offers them. The municipality is one of the most arborous in Brazil, outstanding for the quantity and good location of squares and parks. The Human Development Index (HDI) of Porto Alegre is among the tem best in the country and is the best if it is considered only the cities with over than 1 million inhabitants. Other indicators attest to the good quality of life: life expectancy at birth is 71.5 years, higher than national average; 100% of the population is supplied of water and 85% have sewage collection service

In the past years, Porto Alegre has consolidated itself as an important center of business tourism, not only because of the hospitality of those who live in it, but especially because of the hotel structure and spaces for great events' realization, such as

international conventions and congresses, and in the more different segments. Trade and service sector's competence fits the demands of organizers, sponsors and visitors of these calendars.

II. Geographical Location



Distance between Porto Alegre and Mercosur's Cities

Cities	Distance (Km)
Buenos Aires	1.063
Montevideu	890
São Paulo	1.109
Assunção	1.102
Santiago	2.600

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion



Distance between Porto Alegre and Brazilian Capitals Cities

City	Distance (Km)
Aracaju	3.530
Belém	4.157
Belo Horizonte	1.709
Brasília	2.027
Campo Grande	1.786
Cuiabá	2.629
Curitiba	715
Florianópolis	525
Fortaleza	4.147
Vitória	2.118
Goiânia	2.061
João Pessoa	4.037
Maceió	3.671
Natal	4.267
Porto Velho	-
Recife	3.911
Rio Branco	-
Rio de Janeiro	1.558
Salvador	3.071
São Luís	4.618
São Paulo	1.109
Teresina	4.159

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Distance between Porto Alegre and other cities in Rio Grande do Sul

City	Distance (Km)
Alvorada	30
Bento Gonçalves	109
Canoas	12
Caxias do Sul	125
Esteio	17
Gravataí	23
Novo Hamburgo	37
Passo Fundo	280
Pelotas	251
Rio Grande	317
Santa Cruz do Sul	150
Sapucaia do Sul	19
São Leopoldo	28
Triunfo	75
Viamão	10

Source: Department of Transports of Rio Grande do Sul/ DAER

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

The City and the Local Private Sector

A partnership for the city development



The City of Porto Alegre is partner with entrepreneurs and investors present in the city, and works constantly to improve the investment environment in town. The work aiming the city development includes policy integration and combined efforts of the government, the private sector, and the universities and research institutes, through a *Governance System* that intends to define, along with the business communities, a “future vision” from the city defining strategic objectives, leading the actions of all actors involved towards the same goal.

Infrastructure – Relevant investments on infrastructure and human resources are being implemented in several areas in the city. Important enterprises and universities are already partners of de Municipality for this work, which has

higher international acknowledgement every time.

Incentives – New incentives are implemented, with tax reduction on services for strategic sectors, and the refund of the acquisition value for areas inside de Restinga Industrial Park.

Sector Development – The high-tech sector development and its impact on the development of all other local productive sectors, has created the possibility for the arrival of a growing number of local, national and foreign companies, technological parks, universities, personnel and technological infrastructure research and formation centers. All these policies, actions and projects were elaborated and implemented, articulately between the public power

and the local civil society, with the fundamental participation of the Municipal Council of Science and Technology.

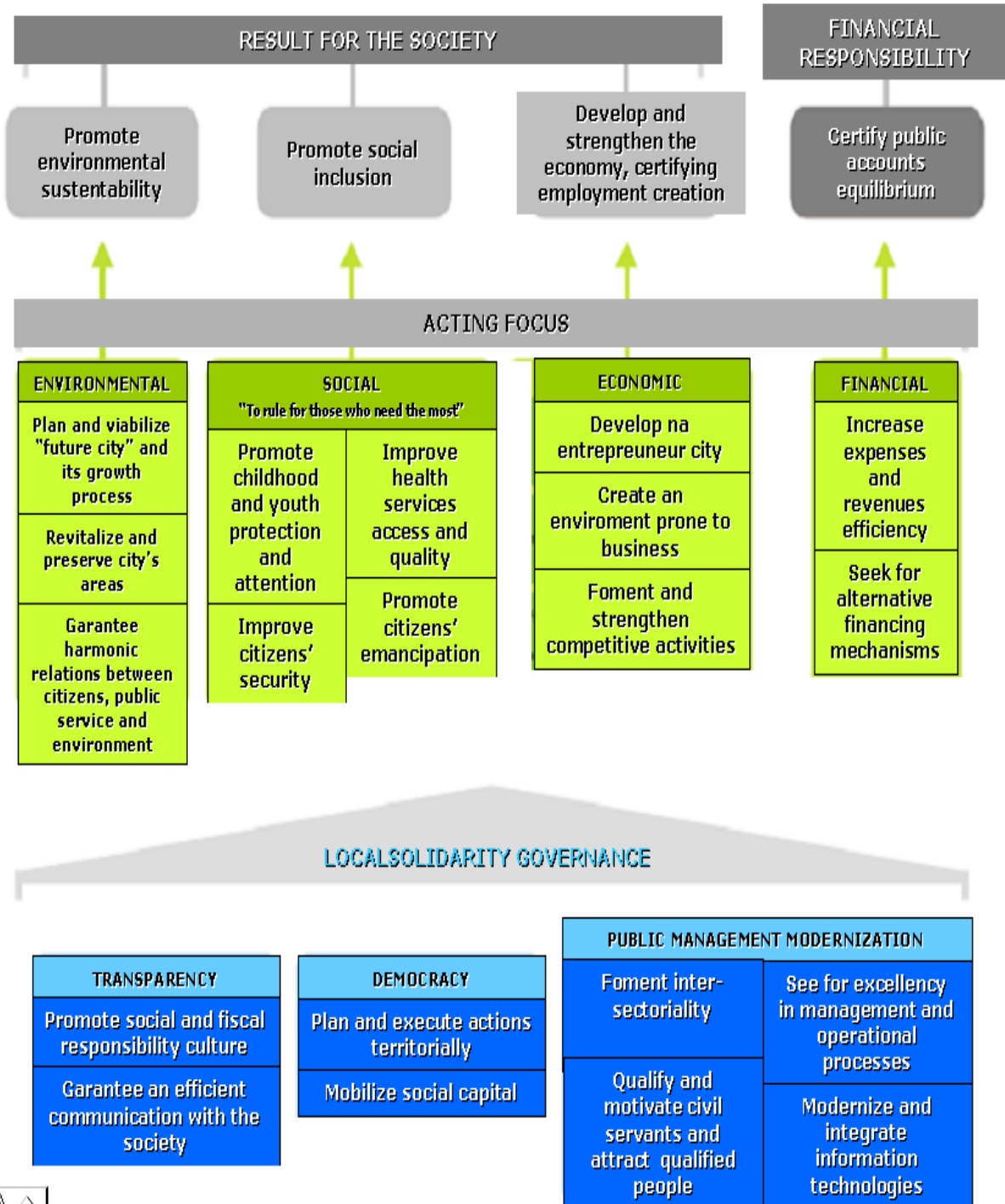
Public Private Partnership – Porto Alegre was also one of the first cities in Brazil to pass a bill that regulated de Public-Private Partnerships, an important instrument for the implementation of relevant necessary projects for the local development.

Management Model – Internally, all this work is part of the Management Model that the Municipality of Porto Alegre has implemented, focusing on results. The idea is to combine efforts around major themes and subjects involving the interests of all the community. The internal objectives are the public services qualification, modernizing the administration, reaching financial

stabilization and optimizing resources utilization. The adopted model preserves the city conquests and promotes important changes. The already achieved results make this Management Model a landmark for other public institutions in the country. The development promotion is attained through three great axes – environmental; social; economic and financial -, which are opened into Strategic Programs and actions. All of them are related to the government 4-year plan, with objectives, indicators and goals.

The Management Model has the participation of the National Institute for Management Development (INDG), through a partnership with the Gaucho Program of Quality and Productivity (PGQP).

STRATEGIC MAP



Economy

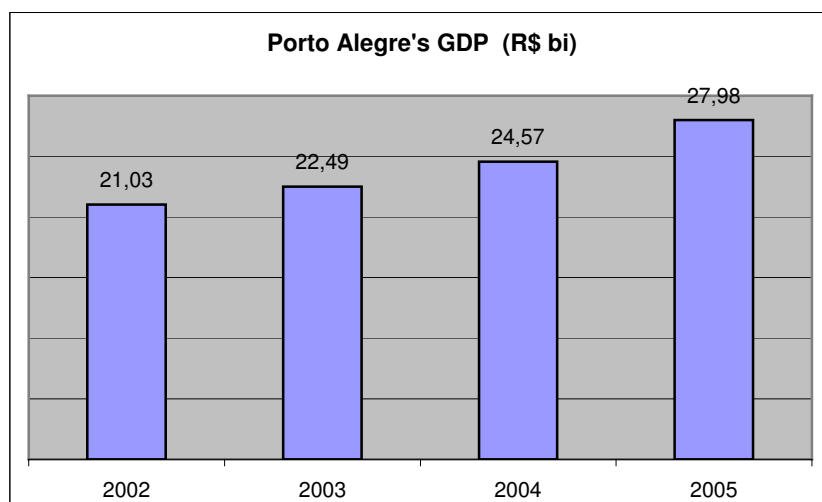
I. Well ranked economy



Porto Alegre is the sixth Brazilian capital regarding Gross Domestic Product (GDP), that registered R\$ 27.977.351,53 in 2005. In the ranking of the country's municipalities, it also occupies the 6th position. Among metropolitan cities, Porto Alegre is the leader, ahead of Canoas, Triunfo, Gravataí and Novo

Hamburgo. Rio Grande do Sul's capital also stands out in GDP per capita evaluation, showing the value of R\$ 19.582,44.

The economic activities held in Porto Alegre are quite diverse, focusing on trade and services sectors, which account for 86% of the value added of the city's economy. Industry has a participation of 14%.



Porto Alegre's Gross Domestic Product

Year	GDP (R\$ bi)
2002	21,03
2003	22,49
2004	24,56
2005	27,97

Source: FEE/ Social Accounting Department

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Porto Alegre's Gross Domestic Product Per Capita

Year	GDP per capita (R\$)
2002	15.111,44
2003	16.017,92
2004	17.344,92
2005	19.582,44

Source: FEE/ Social Accounting Department

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Top 10 Brazilian Capitals with the Greatest Participation on the GDP

Ranking	Capital	GDP (R\$ 1000)
1º	São Paulo/SP	263.177.147,74
2º	Rio de Janeiro/RJ	118.979.751,68
3º	Curitiba/PR	29.821.202,85
4º	Belo Horizonte/MG	28.386.693,88
5º	Porto Alegre/RS	27.977.351,53
6º	Manaus/AM	27.214.212,77
7º	Salvador/BA	22.145.303,28
8º	Fortaleza/CE	19.734.556,59
9º	Recife/PE	16.664.468,17
10º	Vitória/ES	14.993.649,93

Source: Ibge - 2005

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Added Value by Activity Sector in Porto Alegre

Sector	Added Value (R\$ 1,000)	Participation (%)
Agriculture and Animal Husbandry	14.641,54	0,06
Industry	3.311.820,14	14,27
Services	19.889.808,56	85,67
Total	23.216.270,24	100,00

Source: FEE/ Social Accounting Department - 2005

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Added Value by Activity Sector in Rio Grande do Sul

Sector	Added Value (R\$ 1,000)	Participation (%)
Agriculture and Animal Husbandry	8.764.507,33	7,08
Industry	37.475.448,24	30,25
Services	77.628.594,37	62,67
Total	123.868.549,95	100,00

Source: FEE/ Social Accounting Department - 2005

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Top 20 Cities with the Greatest Participation on the GDP

Ranking	City	GDP (R\$ mil)	Participation (%)
1º	São Paulo/SP	263.177.147,74	12,26
2º	Rio de Janeiro/RJ	118.979.751,68	5,54
3º	Brasília/DF	80.516.681,69	3,75
4º	Curitiba/PR	29.821.202,85	1,39
5º	Belo Horizonte/MG	28.386.693,88	1,32
6º	Porto Alegre/RS	27.977.351,53	1,30
7º	Manaus/AM	27.214.212,77	1,27
8º	Barueri/SP	22.430.474,53	1,04
9º	Salvador/BA	22.145.303,28	1,03
10º	Guarulhos/SP	21.615.314,47	1,01
11º	Campinas/SP	20.620.765,63	0,96
12º	Fortaleza/CE	19.734.556,59	0,92
13º	São Bernardo do Campo/SP	19.448.018,40	0,91
14º	Osasco/SP	18.310.451,82	0,85
15º	Duque de Caxias/RJ	18.309.544,76	0,85
16º	São José dos Campos/SP	17.090.191,04	0,80
17º	Recife/PE	16.664.468,17	0,78
18º	Campos dos Goytacazes/RJ	16.116.179,57	0,75
19º	Vitória/ES	14.993.649,93	0,70
20º	Betim/MG	14.447.525,44	0,67

Source: IBGE - 2005

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Gross Domestic Product, Total and Per capita, and its Growth Rates in Rio Grande do Sul and in Brazil

Years	Rio Grande do Sul			Brazil		
	GDP		Growth Rates (%)	GDP		Growth Rates (%)
	Total (R\$ millions)	Per capita (R\$)	Total	Total (R\$ millions)	Per capita (R\$)	Total
2002	105.486,82	10.056,79	-	1.477.822,00	8.378,10	2,7
2003	124.551,27	11.741,68	1,7	1.699.948,00	9.497,70	1,1
2004	137.830,68	12.850,07	3,4	1.941.498,00	10.691,89	5,7
2005	144.344,17	13.309,64	-2,8	2.147.239,00	11.658,10	3,2
2006 ¹	155.510,63	14.184,76	2,7	2.332.935,54	12.490,92	3,8
2007 ¹	175.208,68	15.812,55	7,0	-	-	5,2 ²

¹ Preliminary estimative for 2006 and 2007

² IPEA's projection

Source: FEE/ Social Accounting Department; Ibge/ National Account Coordination

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

II. Influence Zone



Porto Alegre's Metropolitan Region Population

City	Population
Alvorada	212.784
Araricá	5.467
Arroio dos Ratos	13.688
Cachoeirinha	119.403
Campo Bom	60.729
Canoas	334.685
Capela de Santana	11.413
Charqueadas	33.646
Dois Irmãos	29.253
Eldorado do Sul	33.747
Estância Velha	40.530
Esteio	86.241
Glorinha	7.134
Gravataí	262.365
Guaíba	97.677
Ivoti	19.306
Montenegro	59.606
Nova Hartz	18.961
Nova Santa Rita	20.845
Novo Hamburgo	256.185
Parobé	52.055
Portão	29.302
Porto Alegre	1.415.237
Santo Antônio da Patrulha	40.679
São Jerônimo	22.928
São Leopoldo	214.904
Sapiranga	79.911
Sapucaia do Sul	132.672
Taquara	56.376
Triunfo	25.133
Viamão	260.133
Porto Alegre' Region	4.052.995

Source: FEE/ Social Indicators Center - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

GDP and GDP Per Capita: Cities of the Metropolitan Region of Porto Alegre

City	GDP (R\$)	GDP per capita (R\$)
Alvorada	783.517,69	3.726,90
Araricá	35.748,31	7.604,40
Arroio dos Ratos	96.889,42	6.784,02
Cachoeirinha	2.005.511,57	16.754,62
Campo Bom	1.146.753,09	19.817,39
Canoas	9.376.152,61	28.483,88
Capela de Santana	69.198,04	5.948,43
Charqueadas	878.257,05	26.436,01
Dois Irmãos	454.671,90	16.664,42
Eldorado do Sul	753.014,70	22.639,57
Estância Velha	502.117,48	12.717,95
Esteio	1.504.229,71	17.491,04
Glorinha	105.909,17	16.623,63
Gravataí	3.713.638,65	14.016,22
Guaíba	1.154.753,88	11.097,53
Ivoti	302.632,03	16.894,55
Montenegro	1.082.482,17	18.165,20
Nova Hartz	210.377,44	11.451,61
Nova Santa Rita	193.846,75	9.976,16
Novo Hamburgo	3.726.441,94	14.595,35
Parobé	455.832,92	8.635,98
Portão	552.599,55	19.809,99
Porto Alegre	27.977.350,53	19.582,44
Santo Antônio da	304.711,16	7.905,13
São Jerônimo	197.511,46	9.845,05
São Leopoldo	2.368.537,21	11.299,68
Sapiranga	815.036,27	10.516,33
Sapucaia do Sul	1.520.891,53	11.354,68
Taquara	417.289,61	7.035,26
Triunfo	4.799.640,68	193.346,79
Viamão	1.330.648,66	5.183,49

Source: FEE/ Social Accounting Department - 2005

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

III. More than one million people



Porto Alegre is a city of over 1 million inhabitants: in 2006, the estimation indicated 1.415.237 inhabitants, corresponding to an increase of 0,67% in comparison with the previous year. The population density is 2,849 inhabitants per square kilometer. And urbanization rate, of

97.81%, reflects the characteristics of a modern city

Porto Alegre's population account for 13,42% of Rio Grande do Sul's total population. The city is the 10th Brazilian city in the ranking of number of inhabitants.

Porto Alegre's Population

Year	Man	Participation (%)	Women	Participation (%)	Total
2003	648.721	46,78	738.046	53,22	1.386.767
2004	653.210	46,78	743.101	53,22	1.396.311
2005	657.645	46,78	748.166	53,22	1.405.811
2006	661.870	46,77	753.367	53,23	1.415.237

Source: FEE/ Social Indicators Center

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Porto Alegre's Population Density

Year	Population Density (hab/ km ²)
2006	2.848,55

Source: FEE/ Social Indicators Center

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Porto Alegre's Urbanization Index

Year	Rural	Urban	Urbanization Rate
2003	35.523	1.351.244	97,44%
2004	34.029	1.362.282	97,56%
2005	32.536	1.373.275	97,69%
2006	31.050	1.384.187	97,81%

Source: FEE/ Social Indicators Center

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Porto Alegre's Population by Age Group				
Age Group	Men	Women	Total	Participation
0 to 04	56.346	55.783	112.129	8%
05 to 09	52.612	49.356	101.968	7%
10 to 14	51.722	48.585	100.307	7%
15 to 19	56.183	53.946	110.129	8%
20 to 24	66.156	64.360	130.516	9%
25 to 29	61.147	62.278	123.425	9%
30 to 34	50.234	53.018	103.252	7%
35 to 39	45.234	50.433	95.667	7%
40 to 44	46.809	56.895	103.704	7%
45 to 49	44.131	55.164	99.295	7%
50 to 54	37.849	50.194	88.043	6%
55 to 59	29.129	40.594	69.723	5%
60 to 64	21.603	31.788	53.391	4%
65 to 69	16.068	25.737	41.805	3%
70 and more	26.647	55.236	81.883	6%
Source: FEE/ Social Indicators Center - 2006				
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion				

Ranking of the Cities by Population		
Ranking	City	Population*
1º	São Paulo	10.886.518
2º	Rio de Janeiro	6.093.472
3º	Salvador	2.892.625
4º	Fortaleza	2.455.903
5º	Belo Horizonte	2.431.415
6º	Brasília	2.412.937
7º	Curitiba	1.797.408
8º	Manaus	1.646.602
9º	Recife	1.533.580
10º	Porto Alegre	1.420.667
Brazil		183.989.711
Rio Grande do Sul		10.582.887
Porto Alegre		1.420.667
* Estimated Resident Population in 01.04.2007		
Source: IBGE		
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion		

Porto Alegre's Neighborhoods	
Neighborhoods	Resident Population*
Agronomia	12.393
Anchieta	1.281
Arquipélago	7.619
Auxiliadora	9.985
Azenha	10.475
Bela Vista	10.097
Belém Novo	13.787
Belém Velho	8.274
Boa Vista	9.030
Bom Fim	9.368
Bom Jesus	30.423
Cel. Aparício Borges	15.100
Camaquã	22.009
Campo Novo	7.652
Cascata	27.784
Cavallhada	15.403
Centro	36.591
Chapéu do Sol	2.620
Cidade Baixa	18.523
Cristal	30.220
Cristo Redentor	15.505
Espírito Santo	6.121
Farrapos	17.083
Farroupilha	1.101
Floresta	15.493
Glória	9.077
Guarujá	4.841
Higienópolis	9.096
Hípica	10.948
Humaitá	10.293
Independência	10.986
Ipanema	20.790
Jardim Botânico	11.494
Jardim Carvalho	25.161
Jardim do Salso	4.530
Jardim Floresta	4.237
Jardim Itú	7.569
Jardim Lindóia	7.932
Jardim Sabará	14.987
Jardim São Pedro	5.152
Lageado	6.476
Lami	3.493

Porto Alegre's Neighborhoods	
Lomba do Pinheiro	43.882
Mário Quintana	28.518
Medianeira	10.701
Menino Deus	30.717
Moinhos de Vento	8.067
Mont` Serrat	10.236
Morro Santana	19.236
Navegantes	4.227
Nonoai	21.393
Partenon	47.430
Passo D`Areia	20.880
Passo das Pedras	24.549
Chácara das Pedras	6.479
Pedra Redonda	316
Petrópolis	34.593
Ponta Grossa	3.290
Praia de Belas	1.869
Restinga	53.764
Rio Branco	16.473
Rubem Berta	68.536
Santa Cecília	5.800
Santa Maria Goretti	3.964
Santa Teresa	59.222
Santana	25.028
Santo Antônio	15.003
São Geraldo	9.202
São João	18.721
São José	30.164
São Sebastião	6.714
Sarandi	90.665
Serraria	4.682
Teresópolis	9.877
Três Figueiras	3.657
Tristeza	14.837
Vila Assunção	3.819
Vila Conceição	1.467
Vila Ipiranga	21.105
Vila Jardim	14.450
Vila João Pessoa	12.641
Vila Nova	33.417
*Dado de 2000	
Source: Observapoa	
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion	

IV. Well-fare reflected in indicators

Life quality is prominent in the capital of Rio Grande do Sul



Human Development Index (HDI) of Porto Alegre is among the top ten of all the cities of the country. According to Brazilian Human Development Atlas, organized by the Institute of Applied Economic Research (IPEA) and João Pinheiro Foundation, Porto Alegre held the second-best position in 2000 in relation to Brazilian capitals, standing ahead of important urban centers, like São Paulo, Belo Horizonte, Rio de Janeiro, Curitiba Salvador, Recife and Fortaleza.

Another indicator, Socioeconomic Development Index (IDESE), also highlights the quality of life in Porto Alegre. The result of the municipality is the best across Rio Grande do Sul, particularly if income, education, sanitation and habitation are considered.

Top Ten Cities with the Higher Human Development Index (HDI)					
Ranking	City	HDIM	HDIM-Income	HDIM-Life Expectancy	HDIM-Education
1º	São Caetano do Sul (SP)	0,919	0,896	0,886	0,975
2º	Águas de São Pedro (SP)	0,908	0,918	0,874	0,933
3º	Niterói (RJ)	0,886	0,891	0,808	0,960
4º	Florianópolis (SC)	0,875	0,867	0,797	0,960
5º	Santos (SP)	0,871	0,873	0,788	0,952
6º	Bento Gonçalves (RS)	0,870	0,799	0,873	0,938
7º	Balneário Camboriú (SC)	0,867	0,859	0,803	0,940
8º	Joaçaba (SC)	0,866	0,793	0,856	0,949
9º	Porto Alegre (RS)	0,865	0,869	0,775	0,951
10º	Fernando de Noronha (PE)	0,862	0,829	0,835	0,923
Source: UNDP - 2000					
Elaboration: Municipality of Porto Alegre / Department of Fundraising and Investment Promotion					

Human Development Index by State

State	IDHM	IDHM-Income	IDHM-Life Expectancy	IDHM-Education
Brazil	0,766	0,723	0,727	0,849
Distrito Federal	0,844	0,842	0,756	0,935
Santa Catarina	0,822	0,750	0,811	0,906
São Paulo	0,820	0,790	0,770	0,901
Rio Grande do Sul	0,814	0,754	0,785	0,904
Rio de Janeiro	0,807	0,779	0,740	0,902
Paraná	0,787	0,736	0,747	0,879
Mato Grosso do Sul	0,778	0,718	0,751	0,864
Goiás	0,776	0,717	0,745	0,866
Mato Grosso	0,773	0,718	0,740	0,860
Minas Gerais	0,773	0,711	0,759	0,850
Espírito Santo	0,765	0,719	0,721	0,855
Amapá	0,753	0,666	0,711	0,881
Roraima	0,746	0,682	0,691	0,865
Rondônia	0,735	0,683	0,688	0,833
Pará	0,723	0,629	0,725	0,815
Amazonas	0,713	0,634	0,692	0,813
Tocantins	0,710	0,633	0,671	0,826
Pernambuco	0,705	0,643	0,705	0,768
Rio Grande do Norte	0,705	0,636	0,700	0,779
Ceará	0,700	0,616	0,713	0,772
Acre	0,697	0,640	0,694	0,757
Bahia	0,688	0,620	0,659	0,785
Sergipe	0,682	0,624	0,651	0,771
Paraíba	0,661	0,609	0,636	0,737
Piauí	0,656	0,584	0,653	0,730
Alagoas	0,649	0,598	0,646	0,703
Maranhão	0,636	0,558	0,612	0,738

Source: UNDP - 2000

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Number of Hospitals in Porto Alegre

Year	Hospitals
2000	24
2001	24
2002	23
2003	23

Source: FEE

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Access to Final Goods in Porto Alegre

Goods	1991	2000
Computer	ND*	27,9%
Refrigerator	93,2%	96,8%
Telephone	33,8%	68,4%
Television	94,4%	97,8%

*ND: not available

Source: UNDP

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Access to Basic Services in Porto Alegre

Service	1991	2000
Piped Water Supply	95,7	97,8
Garbage Collection*	97,0	99,3
Electric Energy	99,5	99,8

*Only urban homes

Source: UNDP

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Life Expectancy, Mortality and Fecundity Indexes of Porto Alegre

Indicator	1991	2000
Mortality until 1 year old (per 1000 born alive)	21,1	18,1
Life Expectancy (Years)	69,9	71,5
Total Fecundity Rate (children per woman)	2,0	1,8

Source: UNDP

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Porto Alegre's Socioeconomic Development Index

IDESE and its blocks	IDESE		
	2004	2003	2002
Idese	0,815	0,814	0,813
Education	0,868	0,866	0,860
Income	0,812	0,810	0,809
Sanitary and Homes	0,744	0,746	0,747
Health	0,835	0,833	0,834

Source: FEE/ Statistics Information Center

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

V. Diversified commercial relations

Porto Alegre figures among the ten exporters Brazilian capitals



Porto Alegre's pattern of exports is quite diverse, including since soy beans until accessories for tractors and other vehicles and leather shoes. In 2007, the city's exports totaled US\$ 863.726.658, so that Porto Alegre appeared in the 7th position in the ranking of Brazilian capitals to sell more to foreign countries. In the same year, the balance of trade accounted

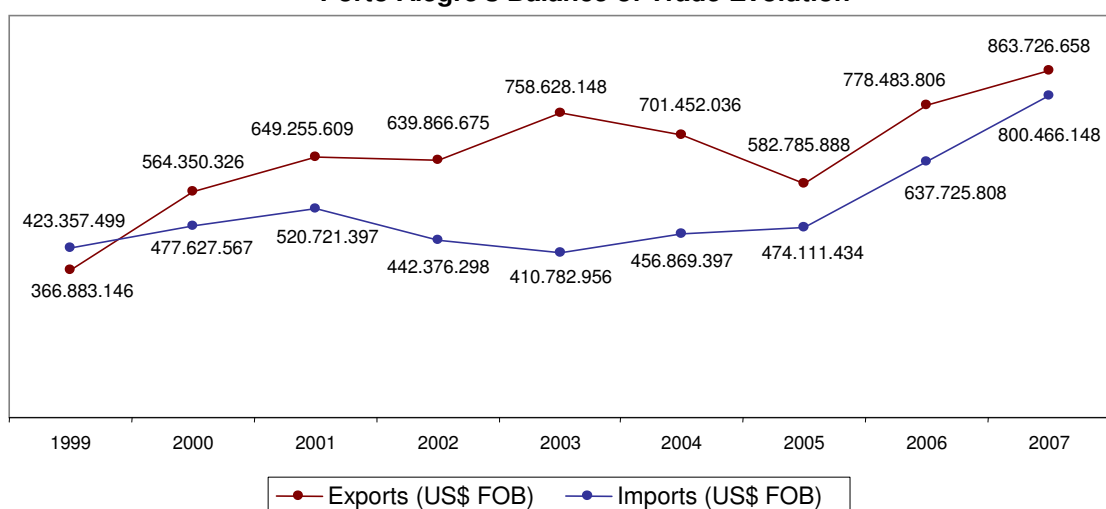
a surplus of US\$ 142.581.643.

China, United States and Holland are among the countries to buy most from Porto Alegre, and the most purchased product is soybean. Yet, in relation to imported goods, Argentine, China and United States are the countries to sell the most to Rio Grande do Sul's capital.

Porto Alegre's Trade Balance			
Year	Exports (US\$ FOB)	Imports (US\$ FOB)	Net Result
2000	564.350.326	477.627.567	86.722.759
2001	649.255.609	520.721.397	128.534.212
2002	639.866.675	442.376.298	197.490.377
2003	758.628.148	410.782.956	347.845.192
2004	701.452.036	456.869.397	244.582.639
2005	582.785.888	474.111.434	108.674.454
2006	778.483.806	637.725.808	140.757.998
2007	863.726.658	800.466.148	63.260.510
Source: Ministry of Development, Industry e Foreign Trade / Secex			
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion			



Porto Alegre's Balance of Trade Evolution



Porto Alegre's Exports for Economic Blocs: main destinies

Blocs	2008 (Jan-Apr)		2007 (Jan-Apr)	
	US\$ FOB	Participation (%)	US\$ FOB	Participation (%)
United States (including Puerto Rico)	45.814.872	14,59	64.851.438	36,05
Asia (excluding Middle East)	86.818.504	27,66	6.991.370	3,89
European Union	71.250.922	22,70	24.303.810	13,51
ALADI (excluding Mercosur)	32.874.845	10,47	22.057.000	12,26
Africa (excluding Middle East)	21.469.031	6,84	8.285.844	4,61
Other Blocs	55.694.926	17,74	53.412.163	29,69
Total	313.923.100	100,00	179.901.625	100,00

Source: Brazilian Ministry of Development, Industry and Foreign Trade/ Secex

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Porto Alegre's Main Exports

Good	Value (US\$ FOB)	Participation (%)
Other soy grains, even ground	126,068,51	16.27
Other components and accessories for tractors and automobile vehicles	78,120,038	10.08
Other natural leather shoes	77,301,538	9.97
Unboned beef, frozen	62,652,077	8.08
Other rifles and carabines for hunting and target shooting	42,992,990	5.55
Other porc meat, frozen	42,140,038	5.44
Other eletrog. Groups for diesel engines	25,403,854	3.28
Unboned beef, fresh or refrigerated	22,512,662	2.90
Broken rice	20,595,214	2.66
Eletrog. Group for diesel engines	15,274,367	1.97
Other natural leather shoes, covering the ankle	14,762,520	1.90
Cereal metal silo, fixed, including the batteries	14,140,253	1.82
Wood furniture for bedrooms	13,698,009	1.77
Other wood furniture	12,010,328	1.55
Other natural leather shoes and leather outsole	10,658,849	1.38
Machines for mixing mineral material with bitumen	10,649,820	1.37
Board consumption - fuel and lubricant for aircrafts	8,174,358	1.05
Other leather and fur	7,523,210	0.97
Other pressed wood, with thickness leaves	7,487,051	0.97
Eletrog. Group for diesel engines	7,270,000	0.94
Other valves for oil-hydraulics	5,697,347	0.74
Bovine tongues, frozen	4,902,020	0.63
Other machines and apparatuses for earthmoving	4,735,041	0.61
Other railroad elements, from cast iron, iron and steel	4,126,963	0.53
Other rubber or plastic shoes	3,546,142	0.46
Other tubes from iron and steel	3,484,232	0.45
Other natural or reconstructed leather works	3,455,209	0.45
Textile shoes, with leather outsole	3,243,079	0.42
Semiwhitened unparboiled rice	3,204,692	0.41
Bladders and stomachs from animals	3,144,737	0.41
Prisms, mirrors and other optic elements	2,944,064	0.38
Parts of other machines and cargo elevation apparatuses	2,917,236	0.38
Other leather and fur, bovine, prepared	2,875,980	0.37
Other textile shoes, rubber and plastic outsole	2,865,636	0.37
Contact lenses	2,437,378	0.31
Other machines and apparatuses for public constructions	2,353,200	0.30
Natural leather shoes, leather outsole, covering the ankle	2,279,750	0.29
Other revolving volume pumps	2,181,839	0.28
Frames, etc. with electric circuit interup. Apparatuses	2,140,334	0.28
Fertilizers with or without phosphorus and potassium	2,128,920	0.27
Other products	90,989,874	11.74
Total of main exported products	684,099.49	88.26
Total	775,089,36	100

Source: Brazilian Ministry of Development, Industry and Foreign Trade/ Secex - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Porto Alegre's Exports by Main Destiny Countries

Countries	Value (US\$ FOB)	Participation (%)
United States	177,077,909	22.84
China	118,874,759	15.34
Russia	95,488,006	12.32
Cuba	58,617,228	7.56
Uruguay	24,638,712	3.18
Argentina	19,970,890	2.58
Chile	19,371,843	2.50
Germany	18,160,515	2.34
Venezuela	16,606,651	2.14
Low Countries (Holland)	16,239,642	2.10
France	16,147,879	2.08
Mexico	13,129,791	1.69
United Kingdom	12,938,566	1.67
Spain	11,437,451	1.48
Canada	10,518,777	1.36
Italy	10,388,692	1.34
Hong Kong	10,333,663	1.33
Senegal	10,007,146	1.29
Iran	8,444,527	1.09
Switzerland	7,461,849	0.96
Total of main destiny countries		87.19
Other countries		12.81
Total	775,130,928	100

Source: Brazilian Ministry of Development, Industry and Foreign Trade/Secex - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Porto Alegre's Main Imports

Good	Value (US\$ FOB)	Participation (%)
Natural gas (gaseous state)	52,256,427	8.26
Glyphosate herbicide, its salts, from imazaquim	38,470,156	6.08
Machinery and equipment for false textiles manufacturing	35,792,751	5.66
Other components and accessories for tractors and automobile	28,805,329	4.55
Urea with nitrogen content above 45% in weight	28,543,180	4.51
Other potassium chlorides	24,311,464	3.84
Wheat	21,792,395	3.45
Newspaper paper in roles	15,766,913	2.49
Hydrogen-ortophosphat of diamonio	12,996,647	2.05
Dydrogen-ortophosphat of ammonium	11,770,145	1.86
Superphosphate	9,790,029	1.55
Other diesel engines	9,697,558	1.53
Other fungicides	9,306,023	1.47
Semiwhitened rice	7,263,423	1.15
Silicon-manganese alloy wires	4,982,933	0.79
Other wines	4,853,377	0.77
Insecticide for domestic and sanitary use	4,800,074	0.76
Other integrated circuits monolit. digit. montad.	4,799,747	0.76
Other machinery and mechanic equipments components	4,302,735	0.68
Other plastic works	4,238,135	0.67
Glass ampulla for thermal bottles	4,048,155	0.64
Other unbonded bovine cuts	3,565,595	0.56
Other compounds heterocicl.cont. ciclo triazol	3,496,899	0.55
Fresh pear	3,481,329	0.55
Fresh apple	3,449,006	0.55
Other machinery and equipments for offset printing	2,768,481	0.44
Other metal ornaments for furniture	2,516,085	0.40
Other steel spheres calibrated for rolling-element bearings	2,512,469	0.40
Other machinery and equipments for earthmoving	2,454,843	0.39
Silicon-maganese alloy bars	2,454,318	0.39
Other chemical fertilizers with nitrogen and phosphorus	2,418,117	0.38
Other rolling-element bearings components	2,389,057	0.38
Contact lens	2,364,295	0.37
Hearing aids	2,298,594	0.36
Other microprocessors	2,290,698	0.36
Automatic trunked centrals for telephony	2,275,421	0.36
Potassium sulfate	2,236,204	0.35
Other medicines	2,200,760	0.35
Ammonium sulfate	2,197,568	0.35
Other videophonic devices for recording and replication	2,180,899	0.34
Total of main imports		61.35
Other goods		38.65
Total		100

Source: Brazilian Ministry of Development, Industry and Foreign Trade/ Secex

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Porto Alegre's Imports by Main Origin Countries

Countries	Value (US\$ FOB)	Participation (%)
Argentina	162,459,532	25.68
Unites States	84,855,812	13.41
Germany	84,125,736	13.30
Uruguay	42,624,652	6.74
China	42,426,108	6.71
Canada	24,304,041	3.84
Japan	17,175,244	2.72
Russia	17,147,448	2.71
Spain	13,939,542	2.20
Taiwan	12,756,980	2.02
France	11,966,474	1.89
Italy	11,899,300	1.88
Israel	10,412,997	1.65
Chile	9,279,452	1.47
United Kingdom	8,835,700	1.40
Sweden	7,186,690	1.14
Venezuela	6,618,250	1.05
Low Countries (Holland)	5,311,164	0.84
Tunisia	4,658,712	0.74
Poland	3,857,966	0.61
Total of main origin countries	581,841,800	92.00
Other countries	50,707,485	8.00
Total	632,549,285	100,00

Source: Brazilian Ministry of Development, Industry and Foreign Trade/Secex - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Invesment Promotion

Exports Value of Main Brazilian Cities

Ranking	Capital	Value (US\$ FOB)
1º	São Paulo	7.228.887.279
2º	Rio de Janeiro	2.558.515.971
3º	Vitória	2.215.494.776
4º	Curitiba	1.715.331.663
5º	São Luis	1.393.866.436
6º	Manaus	1.188.535.203
7º	Porto Alegre	863.726.658
8º	Belo Horizonte	500.897.019
9º	Belém	493.737.143
10º	Maceió	329.492.414
11º	Fortaleza	271.022.516
12º	Cuiabá	248.932.649
13º	Recife	182.753.537
14º	Goiânia	176.129.037
15º	Campo Grande	162.143.850
16º	João Pessoa	130.550.861
17º	Salvador	116.051.962
18º	Florianópolis	59.221.955
19º	Natal	49.293.719
20º	Porto Velho	18.843.467
21º	Rio Branco	11.193.854
22º	Teresina	8.923.236
23º	Boa Vista	5.755.487
24º	Aracaju	3.203.424
25º	Macapá	1.049.728
26º	Palmas	961.394

Source: Brazilian Ministry of Development, Industry and Foreign Trade/Secex - 2007

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

VI. Business tourism in focus

The capital is choice of destination for visitors from all over the world



Porto Alegre is the 8th Brazilian city most visited by foreigners and has been distinguished by the quality and quantity of hotels and infra-structure disposable to arrange events. Business are among the main reasons appointed

by foreigners to visit Rio Grande do Sul's capital, the 3rd in the Brazilian ranking when analyzed tourism related to business, events and conventions, only staying behind São Paulo and Rio de Janeiro.

Most Visited Cities by Foreigners: Business, Events and Conventions

City	%
Sao Paulo	49.4
Rio de Janeiro	22.3
Porto Alegre	8.2
Curitiba	5.4
Belo Horizonte	4.1
Campinas	4.1
Brasília	3.4
Foz do Iguaçu	3.0
Salvador	2.7
Florianópolis	1.8

Source: Embratur - 2005

Elaboration: Municipality of Porto Alegre/
Department of Fundraising and Investment
Promotion

Most Visited Cities by Foreigners

City	%
Rio de Janeiro	36.9
Sao Paulo	18.5
Salvador	15.8
Fortaleza	8.5
Recife	7.5
Foz do Iguaçu	7.4
Búzios	6.0
Porto Alegre	5.9
Florianópolis	5.3
Belo Horizonte	5.1

Source: Embratur - 2003

Elaboration: Municipality of Porto Alegre/

Main Visitors of Porto Alegre by Origin Country

Origin Country	%
Uruguay	22.8
Chile	10.8
Germany	9.6
Spain	8.9
Argentina	8.1
United States	4.4

Source: Embratur - 2003

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Tourist Accommodation Daily Average Cost

Outlay	Total (%)
No Expenses	48,5
R\$ 1 to R\$ 50	14,1
R\$ 50 to R\$ 100	17,4
R\$ 100 to R\$ 150	9,2
R\$ 150 to R\$ 200	4,9
R\$ 200	5,9

Source: Nacional Tourist Profile in the City of Porto Alegre – 2007

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Tourist Individual Monthly Income

Income	Total (%)
No Income	8,56
Less then R\$ 350	4,03
From R\$ 351 to R\$ 700	10,33
From R\$ 701 to R\$ 1.050	13,1
From R\$ 1.051 to R\$ 1.750	11,34
From R\$ 1.751 to R\$ 3.500	16,62
From R\$ 3.501 to R\$ 5.250	12,59
From R\$ 5.251 to R\$ 7.000	7,56
More then R\$ 7.000	13,35

Source: Nacional Tourist Profile in the City of Porto Alegre – 2007

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

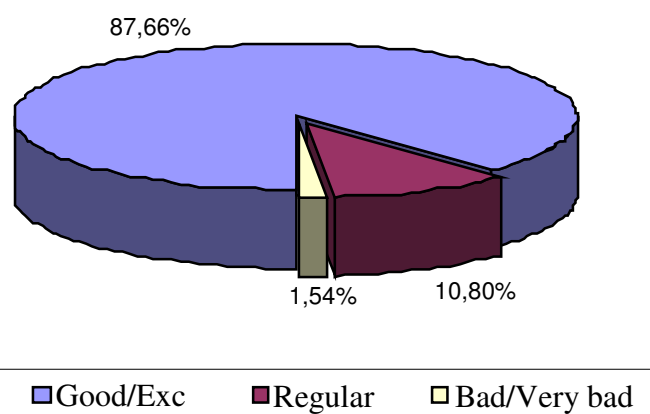
Visitors from Other Brazilian Cities

City	Total (%)
São Paulo	24,12
Curitiba	10,96
Florianópolis	7,46
Criciúma	3,07
Belo Horizonte	2,63
Salvador	1,75
Campinas	1,75
Brasília	1,75
Others	39,04

Source: Nacional Tourist Profile in the City of Porto Alegre – 2007

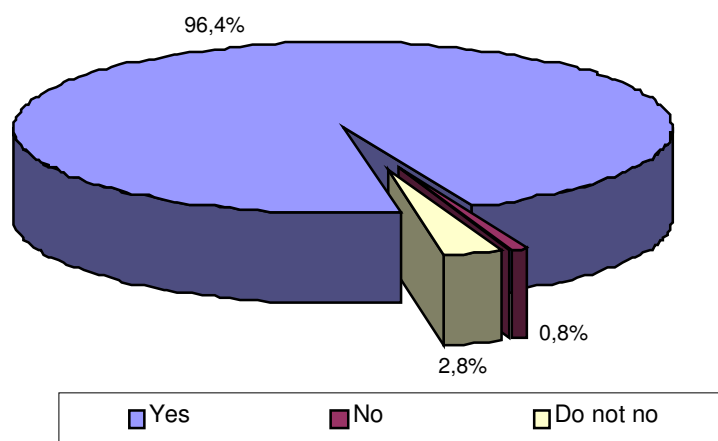
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Tourist Evaluation of Porto Alegre



Source: Nacional Tourist Profile in the City of Porto Alegre – 2007

Intention to Return to Porto Alegre



Source: Nacional Tourist Profile in the City of Porto Alegre – 2007

VII. *Public finances in balance*

Control of public accounts allows larger investment in the city



In 2007, Porto Alegre participated with 35,81% of total ICMS collected in Rio Grande do Sul. In relation to ISSQN, the city contributed with 41,11% of the total collected in the state in 2006. Moreover, it is important to

emphasize that the work done on municipal finances sought a balance, what allowed the increase on investment capacity of Municipality of Porto Alegre.

Collected Income and Realized Expenses by Porto Alegre's Public Administration

Year	Collected Income (R\$)	Realized Expenses (R\$)
2001	1,223,278,426	1,173,294,871
2002	1,267,103,592	1,215,699,923
2003	1,389,760,379	1,132,690,849
2004	1,463,543,528	1,234,840,741
2005	1,594,667,210	1,259,261,534
2006	1,697,468,588	1,307,991,802

Source: FEE1

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

City Taxes

Year	ISSQN ¹ (R\$)	IPTU ² (R\$)	ITIBI ³ (R\$)	Total* (R\$)
2002	177.906.043	106.866.218	55.749.531	398.678.685
2003	204.263.738	175.027.216	55.126.624	524.198.260
2004	240.975.729	138.685.288	64.786.742	533.954.735
2005	278.872.547	172.208.218	72.178.868	609.429.581
2006	308.749.205	183.456.475	86.027.026	672.441.823

*The total includes the values of other taxations and improvement contributions

¹Tax on Services

²Tax on Building and Land Property

³ Tax on the Transfer of Goods Between Living People

Source: FEE

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Collected ISS in the State and in Porto Alegre

Year	Total Collected ISS in the State (R\$)	Total Collected ISS in Porto Alegre (R\$)	Porto Alegre Participation in the ISS Collection (%)
2002	371.345.899	177.906.043	47,91%
2003	454.468.223	204.263.738	44,95%
2004	580.354.220	240.975.729	41,52%
2005	672.599.760	278.872.547	41,46%
2006	750.977.891	308.749.205	41,11%

Source: FEE

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

State Taxes

Year	ICMS (R\$)	IPVA (R\$)	ITBI (R\$)
2002	2.631.458.589	133.165.690	261.270
2003	2.925.529.928	155.107.210	248.624
2004	3.289.551.352	150.576.304	187.665
2005	4.200.275.977	164.730.170	374.619
2006	4.526.071.727	191.374.428	215.637
2007	4.388.877.793	217.725.877	230.604

Source: FEE

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Collected ICMS in the State and in Porto Alegre

Year	ICMS Collection in the State (R\$)	Porto Alegre Participation in the ICMS Collection (R\$)	Porto Alegre Participation in the ICMS Collection (%)
2002	7.266.357.621	2.631.458.589	36,21%
2003	8.595.598.668	2.925.529.928	34,04%
2004	9.637.938.267	3.289.551.352	34,13%
2005	10.883.213.911	4.200.275.977	38,59%
2006	11.812.661.387	4.526.071.727	38,32%
2007	12.257.603.035	4.388.877.793	35,81%

Source: FEE

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Federal Taxes

Ano	IPI (R\$)	IRPJ (R\$)	Receitas Previdenciárias*	Total das Receitas (R\$)
2002	112.044.865	645.952.278	-	3.839.601.384
2003	109.003.521	469.257.495	-	4.262.291.158
2004	104.799.688	588.013.220	-	4.546.946.609
2005	122.028.033	651.752.486	-	5.246.323.784
2006	131.641.845	792.869.410	-	5.750.669.708
2007	151.096.700	977.950.631	2.538.186.729	8.951.133.938

Source: FEE

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

VIII. Brazil's Socioeconomic Indicators

Why to invest in Brazil?



Economically, because the country:

- Has an area of 8,5 million square kilometers;
- Has 170 million inhabitants and an economically active population of 90 million of people;
- Presents an annual demographic evolution of 2,5 million of people;
- Is an open door for Mercosur;
- Has frontiers with ten countries: Argentina, Bolivia, Colombia, French Guyana, Guyana, Paraguay, Suriname, Uruguay and Venezuela
- Is one of the ten biggest economies in the world
- Has the biggest and most diversified industry in Latin America and Caribbean;
- Is the biggest coffee, orange and sugar-cane producer in the world
- Has the biggest forest industry in Latin America;
- Is one of the biggest producers and exporters of rough and processed mineral commodities;
- Has huge iron ore, bauxite, manganese, tin and gold deposits;
- Is one of the biggest world producers of electric energy;
- Has excellent road structure and fluvial transport facilities, besides a large coast with a great number of ports;
- Is one of the biggest food world producers;
- Has one of the most modern telecommunication systems;
- Has the most modern and advanced bank system of the world;
- Has 32,4 million ton of installed capacity;
- Is a great consumer good producer;
- Has a modern and competitive textile industry, with more than 30 thousand companies that commercialize US\$21 billion per year;
- Has 22% of the arable soils of the world;
- Offers an excellent tourism infrastructure;

- Receives more than 5 million foreign tourists per year;
- Is the first world producer of regional jets;
- Is the third shoes world producer, with a competitive leather industry;
- Is in the third position in the ranking of soft drinks world production;
- Is the forth biggest world producer of commercial airships;
- Has the fifth biggest rubber industry;
- Is the sixth biggest cosmetics world market, with US\$9 billion of annual sales;
- Has the seventh biggest chemical industry;
- Is the eighth biggest steel world producer (27 million ton per year);
- Is the tenth biggest automobiles world producer (1,8 million of vehicles per year);

- Has the tenth biggest paper and cellulose industry.

Culturally, because the country:

- Is pacific and multiethnic;
- Respects immigrants and their beliefs.

Politically, because the country:

- Sustains a democratic regime and has stable public institutions, like the Chamber of Deputies, Federal Senate and Justice Courts;
- Is free from conflicts, defends international laws and promotes peace and progress between nations.

Source: Brazilian Ministry of External Relations/ BrazilTradeNet

National Accounts					
Main Macroeconomic Aggregates	2001	2002	2003	2004	2005
Gross Domestic	1.198.736	1.346.028	1.556.182	1.766.621	1.937.598
Per capita GDP (R\$)	6.896	7.631	8.694	9.729	10.520
Gross national	1.153.452	1.294.084	1.501.032	1.708.131	1.876.001
Gross available output (R\$ millions)	1.157.318	1.301.351	1.509.785	1.717.695	1.804.637
Gross savings (R\$)	200.817	249.212	317.172	410.117	430.549
Capability (+) or necessity (-) of financing (R\$ millions)	(-) 53.409	(-)15.434	11.193	34.512	33.581
Source: Brazilian Institute of Geography and Statistics					
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion					

Brazil's Balance of Payments

Discrimination	2007*			2008*	
	Mar	Jan-Mar	Year	Mar	Jan-Mar
Balance of Trade (FOB)	3.306	8.720	40.028	1.012	2.835
Exports	12.889	34.002	160.649	12.613	38.690
Imports	9.583	25.282	120.621	11.601	35.854
Services and revenues	(3.423)	(9.440)	(42.597)	(5.790)	(14.584)
Revenues	2.614	7.804	35.387	3.376	10.139
Expenses	6.037	17.244	77.984	9.166	24.723
Current unilateral transfers (net)	352	961	4.029	349	992
Current Transactions	235	241	1.461	(4.429)	(10.757)
Capital and Financial Account	8.955	24.740	89.155	5.830	20.611
Capital Account ¹	66	206	756	68	166
Financial Account	8.889	24.535	88.399	5.762	20.445
Direct Investment (net)	1.300	8.502	27.518	1.151	4.308
Foreign	(1.466)	1.936	(7.067)	(1.932)	(4.491)
Capital participation	(2.462)	(3.345)	(10.091)	(670)	(4.018)
Intercompany loans	997	5.282	3.025	(1.262)	(474)
Domestic	2.766	6.566	34.585	3.083	8.799
Capital participation	2.390	5.651	26.074	1.713	6.016
Intercompany loans	376	915	8.510	1.370	2.783
Portfolio Investment	4.240	9.448	48.390	5.196	5.652
Assets	525	367	286	(153)	(544)
Shares	(18)	(245)	(1.413)	(145)	(579)
Fixed Income Bonds	543	613	1.699	(8)	35
Liabilities	3.715	9.081	48.104	5.349	6.196
Shares	(66)	2.610	26.217	1.284	(2.067)
Fixed Income Bonds	3.781	6.470	21.887	4.065	8.263
Derivatives	(19)	(111)	(710)	9	(195)
Assets	29	32	88	32	(69)
Liabilities	(48)	(143)	(799)	(22)	(126)
Other investments ²	3.367	6.696	13.201	(594)	10.680
Assets	(3.856)	(5.701)	(18.723)	(4.031)	(2.520)
Liabilities	7.223	12.398	31.923	3.437	13.201
Errors and omissions	(661)	(1.612)	(3.131)	(61)	(1.637)
Official reserves variation (- = increase)	(8.529)	(23.370)	(87.484)	(1.341)	(8.217)
Memo:					
Balance global result	8.529	23.370	87.484	1.341	8.217
Current Transactions/GDP (%)	-	0	0	-	(3)
FDI/GDP (%)	-	2	3	-	3
Medium and Long term Amortizations	2.680	13.272	38.100	2.024	4.605
Paid ³	2.670	13.067	37.296	2.013	4.592
Refinanced	-	-	-	-	-
Conversions ⁴	11	206	804	11	13

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Balance of Trade – FOB (US\$ millions)

Period		Exports		Imports		Balance	
		Accumulated	12 months	Accumulated	12 months	Accumulated	12 months
2004*	Dez	96.678	96.678	62.836	62.836	33.842	33.842
2005*	Dez	118.529	118.529	73.600	73.600	44.929	44.929
2006*	Jan	9.287	120.359	6.452	74.789	2.835	45.570
	Fev	18.061	121.361	12.423	75.781	5.638	45.580
	Mar	29.458	123.488	20.130	77.578	9.328	45.909
	Abr	39.289	124.098	26.871	78.988	12.418	45.110
	Mai	49.594	124.567	34.158	79.903	15.435	44.664
	Jun	61.057	125.805	41.524	81.092	19.533	44.713
	Jul	74.708	128.377	49.515	83.027	25.193	45.350
	Ago	88.380	130.682	58.633	84.448	29.747	46.234
	Set	100.957	132.605	66.741	86.242	34.215	46.363
	Out	113.646	135.371	75.479	88.752	38.166	46.619
	Nov	125.543	136.459	84.138	90.698	41.405	45.761
	Dez	137.807	137.807	91.351	91.351	46.457	46.457
2007*	Jan	10.984	139.504	8.467	93.368	2.516	46.137
	Fev	21.113	140.860	15.695	94.627	5.415	46.233
	Mar	34.002	142.352	25.261	96.503	8.720	45.849
	Abr	46.449	144.967	33.529	98.030	12.898	46.937
	Mai	60.096	148.310	43.318	100.534	16.754	47.776
	Jun	73.214	149.964	52.620	102.466	20.575	47.499
	Jul	87.333	150.433	63.398	105.249	23.920	45.184
	Ago	102.433	151.861	74.967	107.690	27.462	44.171
	Set	116.599	153.450	85.662	110.277	30.931	43.173
	Out	132.367	156.529	98.001	113.872	34.366	42.657
	Nov	146.418	158.683	110.026	117.239	36.392	41.444
	Dez	160.649	160.649	120.621	120.621	40.028	40.028
2008*	Jan	13.277	162.942	12.334	124.493	943	38.449
	Fev	26.077	165.613	24.254	129.182	1.823	36.430
	Mar	38.690	165.336	35.854	131.200	2.835	34.136
	Abr	52.749	166.949	48.169	135.252	4.579	31.697

* Preliminary data

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Commercial Interchange (US\$ millions)

Discrimination	2007*			2008*		
	Exports	Imports	Balance	January-March		
				Exports	Imports	Balance
Total	160,649	120,621	40,028	38.690	8,468	2,516
Aelc	1.808	2.731	(922)	497	602	(106)
Africa	8.578	11.339	(2.761)	1.957	3.035	(1.078)
Aladi	36.426	20.587	15.839	9.109	6.288	2.822
Argentina	14.417	10.409	4.008	3.967	3.294	673
Chile	4.264	3.481	784	948	922	25
Mexico	4.260	1.979	2.281	946	593	353
Paraguay	1.648	434	1.214	501	179	321
Uruguai	1.288	786	502	331	230	101
Venezuela	4.724	346	4.378	949	87	862
Others	5.824	3.151	2.673	1.467	981	486
Asia	25.086	30.718	(5.632)	5.871	9.814	(3.943)
China	10.749	12.620	(1.871)	2.087	4.145	(2.058)
Korea	2.047	3.391	(1.345)	475	1.200	(725)
Japan	4.321	4.609	(288)	1.114	1.502	(388)
Outros	7.970	10.097	(2.128)	2.195	2.967	(771)
Canada	2.362	1.708	653	438	423	15
USA ¹	25.314	18.889	6.425	5.761	5.277	484
Eastern Europe	4.309	2.766	1.543	950	970	(21)
Middle East	6.399	3.206	3.194	1.504	1.164	340
European	40.428	26.732	13.696	9.627	7.707	1.920
Germany	7.211	8.669	(1.458)	1.600	2.542	(942)
France	3.472	3.525	(53)	799	1.072	(273)
Italy	4.464	3.348	1.116	1.239	995	244
Netherlands	8.841	1.116	7.725	2.103	303	1.799
United	3.301	1.955	1.346	863	506	357
Others	13.139	8.119	5.020	3.023	2.289	734
Others	9.938	1.952	7.986	2.975	574	2.402
Mercosul	17.354	11.630	5.724	4.799	3.704	1.095
Nafta	31.936	22.577	9.359	7.146	6.293	853
Opep	13.856	13.183	674	3.142	3.785	(643)

¹ Includes Porto Rico.

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Foreign Direct Investment (FDI)

Discrimination	Value (US\$ millions)			
	2006*		2007*	
	Dec	Year	Dec	Year
Total	2.487	18.782	886	34.616
Entrance	4.439	32.297	4.291	50.203
Exits	1.952	13.514	3.405	15.587
Capital participation	2.774	15.373	1.235	26.101
Entrances	3.505	22.706	3.081	34.305
Currency	3.387	20.463	2.549	31.677
Autonomouses	3.387	20.233	2.549	31.677
Privatizations	-	230	-	-
Conversions ¹	117	2.234	531	2.602
Autonomouses	117	2.234	531	2.602
Privatizations	-	-	-	-
Good	1	9	1	26
Exits	730	7.333	1.846	8.204
Intercompany loans	(287)	3.409	(349)	8.515
Outlays	935	9.590	1.209	15.898
Amortizations	1.222	6.181	1.559	7.383
Loans from the branch in Brazil to the main office	(276)	(612)	(553)	(1.147)
Received amortizations	12	221	24	695
Conceded outlays	288	833	576	1.842
Loans from the main office abroad to the branch	(11)	4.021	203	9.662
Received outlays	922	9.369	1.186	15.203
Payed amortizations	933	5.349	982	5.541
Memo:				
FDI conversions' liquid contribution	45	1.431	322	1.183
Total outlays by conversions	117	2.234	531	2.602
Amortizations of intercompany loans' conversions	72	803	210	1.419

¹ Includes conversions of interest rate, intercompany loans, credit suppliers, bonds and direct loans.

* Preliminary data

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion



Price Indexes

Period		INPC	IPCA	IPCA-E	IGP-10	IGP-DI	IGP-M	IPC-Fipe
2000		5,27	5,97	6,04	10,26	9,81	9,95	4,38
2001		9,44	7,67	7,51	10,77	10,40	10,38	7,13
2002		14,74	12,53	11,99	24,68	26,41	25,31	9,92
2003		10,38	9,30	9,86	9,43	7,67	8,71	8,17
2004		6,13	7,60	7,54	12,42	12,14	12,41	6,57
2005		5,05	5,69	5,88	2,19	1,22	1,21	4,52
2006		2,81	3,14	2,96	4,05	3,79	3,83	2,54
2007		5,16	4,46	4,36	7,38	7,89	7,75	4,38
2008	Jan	0,69	0,54	0,70	1,02	0,99	1,09	0,52
	Feb	0,48	0,49	0,64	0,80	0,38	0,53	0,19
	Mar	0,51	0,48	0,23	0,61	0,70	0,74	0,31
	Apr	-	-	-	0,45	1,12	0,69	0,54

¹ Index average INPC, IGP-DI, IGP-M e IPC-Fipe.

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Central Government Primary Result (R\$ millions)

Discrimination	March		Jan-Mar	
	2007	2008	2007	2008
1 – Total Revenue	47.713	55.682	143.002	170.368
1.1 – Revenue of Treasure	37.043	43.409	112.227	134.701
1.2 – Revenue of Social Security	10.534	12.134	30.448	35.269
1.3 – Central Bank	136	139	327	398
2 - Total Expense	43.847	44.929	124.080	139.058
2.1 – Treasure Expense	28.454	29.988	82.013	93.549
2.1.1 – Transfers to states and cities	7.649	9.892	24.675	31.459
2.1.2 – Personal and Social Charges	9.848	9.032	29.188	31.109
2.1.3 – Cost and Capital	10.893	10.982	28.018	30.807
2.1.4 – Transfer of Treasure to Central Bank	64	82	132	174
2.2 – Social Security	15.225	14.770	41.630	45.021
2.3 – Central Bank	168	171	437	488
3 – Central Government Result (1-2) ^{1/}	3.866	10.753	18.922	31.310
3.1 – National Treasure (1.1 - 2.1)	8.589	13.421	30.214	41.152
3.2 – Social Security (1.2 - 2.2)	(4.691)	(2.636)	(11.182)	(9.752)
3.3 – Central Bank (1.3 - 2.3)	(32)	(32)	(110)	(90)
4 - Necessity of financing	(3.913)	(11.039)	(18.378)	(31.833)
5 - Errors and omissions (5+6)	47	286	(544)	523

^{1/} (+) = superávit; (-) = déficit.

^{2/} (-) = superávit; (+) = déficit.

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Interest Rate

Period		Selic overnight		CDI overnight		TR		TJLP	
		% a.m.	% a.a.	% a.m.	% a.a.	% a.m.	% a.a.	% a.m.	% a.a.
2006	Dec	0,99	13,19	0,98	13,14	0,15	1,93	0,55	6,85
2007	Jan	1,08	13,13	1,08	13,07	0,22	2,54	0,53	6,50
	Feb	0,87	12,93	0,87	12,89	0,07	1,01	0,53	6,50
	Mar	1,05	12,74	1,05	12,69	0,19	2,17	0,53	6,50
	Apr	0,94	12,58	0,94	12,52	0,13	1,61	0,53	6,50
	May	1,03	12,43	1,02	12,35	0,17	1,95	0,53	6,50
	Jun	0,91	12,03	0,90	11,97	0,10	1,21	0,53	6,50
	Jul	0,97	11,73	0,97	11,67	0,15	1,70	0,51	6,25
	Ago	0,99	11,43	0,99	11,37	0,15	1,62	0,51	6,25
	Sep	0,80	11,22	0,80	11,16	0,04	0,47	0,51	6,25
	Oct	0,93	11,18	0,92	11,11	0,11	1,32	0,51	6,25
	Nov	0,84	11,18	0,84	11,12	0,06	0,75	0,51	6,25
	Dec	0,84	11,18	0,84	11,11	0,06	0,81	0,51	6,25
2008	Jan	0,93	11,18	0,92	11,08	0,10	1,16	0,51	6,25
	Feb	0,80	11,18	0,79	11,07	0,02	0,32	0,51	6,25
	Mar	0,84	11,18	0,84	11,09	0,02	0,26	0,51	6,25

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Industrial Production Indicators

Period		General	Capital Goods	Intermediates Goods	Final Goods		
					General	Durable	Non-durable and semi-durable
20	Jan	147,29	173,73	147,66	136,32	244,80	119,21
	Feb	140,35	166,74	140,20	128,94	237,36	111,96
	Mar	163,46	201,55	162,71	149,70	302,38	126,24
	Apr	153,17	180,74	154,88	139,46	272,50	118,89
	Mai	169,22	210,87	167,81	155,02	305,44	131,79
	Jun	164,00	196,80	163,92	150,10	280,78	129,70
	Jul	169,25	203,29	169,80	153,33	292,08	131,76
	Aug	178,72	223,91	173,57	165,83	323,52	141,43
	Sep	167,48	209,42	162,13	156,45	295,61	134,78
	Oct	184,53	234,68	175,25	175,16	344,02	149,06
	Nov	175,95	231,22	163,56	170,10	330,67	145,24
	Dec	157,21	206,73	153,49	146,55	248,49	130,20
20	Jan	160,09	199,86	159,48	147,26	283,13	126,18
	Feb	153,94	207,73	154,74	136,06	286,33	113,14
	Mar	165,50	227,08	163,18	148,57	322,10	122,20

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Exchange Rate (R\$/US\$)									
Period		End of period				Period Media ¹			
		Purchase		Sell		Purchase		Sell	
		Rate	Variation (%)	Rate	Variation (%)	Rate	Variation (%)	Rate	Variation (%)
2004		2,6536	-	2,6544	-	2,9249	-	2,9257	-
2005		2,3399	-11,82	2,3407	-11,82	2,4333	-16,81	2,4341	-16,80
2006		2,1372	-8,66	2,1380	-8,66	2,1763	-4,74	2,1771	-4,74
2007		1,7705	-17,16	1,7713	-17,15	1,9475	-10,51	1,9483	-10,51
2008 ^{2/}		1,6864	-4,75	1,6872	-4,75	1,7246	-11,45	1,7254	-11,44
	Jan	1,7595	-0,62	1,7603	-0,62	1,7735	-0,66	1,7743	-0,66
	Feb	1,6825	-4,38	1,6833	-4,37	1,7269	-2,63	1,7277	-2,63
	Mar	1,7483	3,91	1,7491	3,91	1,7068	-1,16	1,7076	-1,16

1/ The diary rate corresponds to the accumulated media in the month, until the indicated day.
2/ Until the last informed date.

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Average Real Income of the Occupied People ¹ (R\$)						
Period		Formal contract	Informal contract	Autonomous	Private Sector	Public Sector
2007	Jan	1.165	775	935	1.068	1.812
	Feb	1.138	726	947	1.035	1.796
	Mar	1.152	717	912	1.043	1.829
	Apr	1.153	759	934	1.057	1.824
	May	1.125	785	949	1.041	1.797
	Jun	1.140	754	932	1.046	1.780
	Jul	1.130	761	882	1.042	1.722
	Aug	1.118	735	939	1.025	1.790
	Sep	1.115	744	939	1.026	1.819
	Oct	1.134	748	944	1.043	1.867
	Nov	1.257	835	973	1.156	2.047
	Dec	1.618	896	977	1.451	2.635
2008	Jan	1.146	788	929	1.065	1.875
	Feb	1.139	739	980	1.047	1.833

1/ According to the prices of the last month analyzed, deflated by the INPC, and encompassing the metropolitan region of Recife, Salvador, Belo Horizonte, Rio de Janeiro, São Paulo and Porto Alegre.

Source: Brazilian Central Bank

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Human resources

I. Highly qualified workforce

Investment in education reflects positively on city's economy



Porto Alegre is proud of the qualification of the

workforce that operates in different economic sectors. About 26% of the workers have higher degree complete. This index rises to around 39% if analyzed only the sector of trade and services. Part of that framework is due to the fact that Rio Grande do Sul's capital counts on the presence of 20 higher education institutions, two of them quite distinguished in national scene: Rio Grande do Sul's Federal University (UFRGS) and Rio Grande do Sul Catholic University (PUCRS).

In Courses National Examination (ENC-Provão) of 2003, both universities had good results: UFRGS and PUCRS obtained, respectively, 88% and 61% of concepts of A and B. From 1996 to 2003, UFRGS increased by over 83% the number of people titled in its Masters, from 570 in 1996 to 1,046 in 2003. In the same period, the number of qualified doctors increased by over 327%, from 97 to 415. In PUCRS, in the first semester of

2004, were enrolled 1,202 students in Master and 595 in Doctorate courses.

In 2001, Rio Grande do Sul's State University (UERGS), also established in Porto Alegre, begun its activities aiming the graduation of professionals in areas considered strategic to the state, because its courses take into account economic vocation and the reality in which they will be installed. Aiming to facilitate the access to university, UERGS destines 50% of its vacancies to low income students and 10% to students holder of special educational needs.

The presence of important education institutions in Porto Alegre's Metropolitan Region, as Vale dos Sinos University (UNISINOS), Brazilian Lutheran University (ULBRA) and La Salle University Center (UNILASALLE), among others, also contributes to the qualification of the workforce operating in Rio Grande do Sul's capital.

People Finishing Superior Education in Porto Alegre

Year	Superior Education*/ Finishing People
2001	5.830
2002	6.406
2003	7.132

* Superior Education: Technology education centers, Universities, Colleges.

Source: FEE/ Social Indicator Department

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Superior Education Facilities in Porto Alegre

Year	Facilities*
1999	11
2000	12
2001	12
2002	13
2003	17
2004	20

*Total: Technology education centers, Universities and Colleges .

Source: FEE/ Social Indicator Department

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Illiteracy Rate in Porto Alegre

City	Illiteracy Rate (%)
Porto Alegre	3,45

Source: FEE/ Social Indicator Department - 2000

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Schools, Enrollments and Teachers and Professors in Porto Alegre

Level	Schools	Enrollments	Teachers or Professors
Elementary School	369	204.506	10.624
High School	142	60.895	4.415
College	26	67.412	5.829

Source: IBGE - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Capital Ranking by the Number of Superior Education Facilities

Ranking	Capital	University	Universitarian Center	Integrated Colleges	College	Technology Education Center	Total
1º	São Paulo	15	13	11	80	19	138
2º	Brasília	2	4	4	55	1	66
3º	Rio de Janeiro	10	7	4	39	2	62
4º	Belo Horizonte	4	4	-	33	6	47
5º	Salvador	4	1	1	35	1	42
6º	Curitiba	3	3	4	25	6	41
7º	Fortaleza	3	-	1	22	5	31
8º	Recife	4	-	-	23	2	29
9º	Vitória	1	-	3	20	2	26
10º	Teresina	2	-	-	19	2	23
11º	Porto Alegre	3	2	-	13	2	20
12º	Manaus	2	4	-	11	1	18
13º	Belém	4	1	-	9	3	17
14º	João Pessoa	1	1	-	10	3	15
15º	Florianópolis	2	-	1	8	4	15
16º	Goiania	2	1	-	11	1	15
17º	Maceió	1	-	1	11	2	15
18º	São Luis	2	1	-	8	1	12
19º	Cuiabá	2	1	1	6	2	12
20º	Porto Velho	1	-	1	9	-	11
21º	Natal	2	-	-	8	1	11
22º	Macapá	1	-	-	9	1	11
23º	Aracaju	1	-	-	8	1	10
24º	Campo	3	1	-	4	-	8
25º	Palmas	2	1	-	3	-	6
26º	Rio Branco	1	-	-	5	-	6

Source: INEP/ MEC - 2004

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Level of Labor Instruction in Porto Alegre

Level of Instruction	Number of Employed People	Total (%)
Illiterate	1.274	0,20
4th grade incomplete	9.544	1,50
4th grade complete	14.220	2,24
8th grade incomplete	48.244	7,59
8th grade complete	83.821	13,18
High School incomplete	49.332	7,76
High School complete	211.262	33,22
College incomplete	51.335	8,07
College complete	166.036	26,11
Master	697	0,11
Doctorate	181	0,03

Source: RAIS - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion



Level of Labor Instruction in the Main Capitals

Level of Instruction	Porto Alegre (%)	Recife (%)	Salvador (%)	Belo Horizonte (%)	Rio de Janeiro (%)	São Paulo (%)	Curitiba (%)
Illiterate	0,20	0,53	0,33	0,32	0,39	0,26	0,16
4th grade incomplete	1,50	3,02	2,43	2,76	3,11	2,43	1,57
4th grade complete	2,24	3,82	2,87	6,66	5,94	4,77	3,30
8th grade incomplete	7,59	6,03	6,16	9,02	7,94	6,71	5,67
8th grade complete	13,18	22,23	8,38	12,74	16,66	13,58	12,13
High School incomplete	7,76	6,66	8,05	6,34	7,98	7,14	7,67
High School complete	33,22	36,21	48,42	32,64	31,58	36,31	39,23
College incomplete	8,07	4,62	4,69	3,16	7,35	5,57	4,17
College complete	26,11	16,56	18,29	25,79	18,78	22,88	25,84
Master	0,11	0,27	0,32	0,52	0,17	0,18	0,18
Doctorate	0,03	0,05	0,07	0,06	0,08	0,17	0,07

Source: RAIS - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Level of Labor Instruction by Sector in Porto Alegre

Level of Instruction	Industry	Civil Construction	Trade	Services	Agriculture, animal husb., vegetal extract., hunting and fishing
Illiterate	182	169	132	744	47
4th grade incomplete	1.205	1.873	838	5.364	264
4th grade complete	1.695	1.620	1.473	9.197	235
8th grade incomplete	5.850	3.844	7.236	31.115	199
8th grade complete	9.624	4.252	15.758	53.890	297
High School incomplete	6.277	1.394	13.263	28.319	79
High School complete	19.518	4.542	45.271	141.679	252
College incomplete	4.957	653	6.618	39.056	51
College complete	6.633	681	6.225	152.354	143
Master	75	6	20	592	4
Doctorate	5	1	29	146	0

Source: RAIS - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

II. Diversified labor market

Economy's vitality contributes to employment generation



The labor market in Porto Alegre has been characterized by being quite diverse and by offering a good quantity of vacancies. Rio Grande do Sul's capital is in the 7th position in the ranking of Brazilian capitals in terms of number of employment and occupies the 10th position when analyzed employment creation.

Following the characteristics of the main urban centers, the largest number of establishments with formal jobs is in service sector. In 2006, it was registered 23,806 establishments, accounting for 56% of the total, and

462,456 formal jobs, it is, 73% of the total.

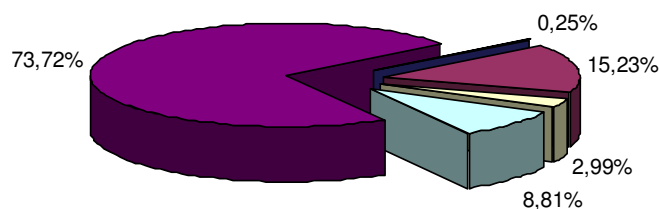
In trade sector, the indicators are also significant. There are 14,218 establishments, 85% of them in retail segment and the remaining (15%) in wholesale. Around 85% of the formal jobs are in retail.

Industrial sector are also present in Porto Alegre. In relation to labor market, stand out the industries of food, beverages and alcohol; metallurgy; paper, cardboard, editorial and graphic; mechanics; and chemical.

Capital Ranking by Employee Total			
Ranking	Capital	Employee Total	Total (%)
1º	São Paulo	3.905.101	26,98
2º	Rio de Janeiro	1.962.014	13,56
3º	Belo Horizonte	1.079.244	7,46
4º	Brasília	916.929	6,33
5º	Curitiba	716.519	4,95
6º	Salvador	658.145	4,55
7º	Porto Alegre	635.946	4,39
8º	Fortaleza	522.794	3,61
9º	Recife	506.071	3,50
10º	Goiânia	442.332	3,06
11º	Manaus	381.580	2,64
12º	Belém	315.601	2,18
13º	Natal	250.582	1,73
14º	Florianópolis	226.597	1,57
15º	São Luiz	217.733	1,50
16º	João Pessoa	209.992	1,45
17º	Campo Grande	205.060	1,42
18º	Vitória	201.984	1,40
19º	Teresina	194.864	1,35
20º	Maceió	187.253	1,29
21º	Cuiabá	186.519	1,29
22º	Aracajú	179.102	1,24
23º	Porto Velho	111.957	0,77
24º	Palmas	89.819	0,62
25º	Rio Branco	69.791	0,48
26º	Macapá	66.300	0,46
27º	Boa Vista	34.490	0,24
Source: RAIS - 2006			
Elaboration: Municipality of Porto Alegre / Department of Fundraising and Investment Promotion			

Number of Jobs by Sector in Porto Alegre		
Sector	Number of Employees	Total (%)
Agriculture and Animal Husbandry	1.571	0,25
Commerce	96.863	15,23
Civil Construction	19.035	2,99
Industry	56.021	8,81
Services	462.456	72,72
Source: RAIS - 2006		
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion		

Number of Jobs by Sector in Porto Alegre



■ Services
 ■ Agriculture and Animal Husbandry
 ■ Commerce
 ■ Civil Construction
 ■ Industry

Employment Ranking by Sector (disaggregated) in Porto Alegre

Sector	Number of Employees	Total (%)
Public management, direct and autarchic	97.456	15,32
Agriculture, silviculture, animal husbandry, vegetal extractivism	1.571	0,25
Wholesale	14.502	2,28
Properties, mobiliary values and technical services commercialization and management	69.047	10,86
Retail	82.360	12,95
Civil construction	19.035	2,99
Teaching	133.319	20,96
Mineral extractivism	285	0,04
Rubber, fume, leather, fur and alike industries	2.389	0,38
Wood and furniture industry	1.070	0,17
Shoe wear industry	31	0,00
Food product, drink and ethylic alcohol industries	9.992	1,57
Non-metal mineral product industry	1.881	0,30
Transportation material industry	4.750	0,75
Electric and communication material industry	2.716	0,43
Paper, cardboard, editorial and graphic industry	7.901	1,24
Mechanic industry	4.814	0,76
Metallurgic industry	3.968	0,62
Chemical industry of pharmaceutical and veterinarian products	4.650	0,73
Clothing and fabric craft industry	2.829	0,44
Credit, insurance and capitalization institutions	26.957	4,24
Lodging, food, reparation, maintenance and writing services	59.274	9,32
Public utility industrial services	8.745	1,38
Medical, odontological and veterinarian services	41.444	6,52
Transportation and communications	34.958	5,50

Source: RAIS - 2006

Elaboration: Municipality of Porto Alegre / Department of Fundraising and Investment Promotion

Average Income by Sector in Porto Alegre

Sector	Average Income (R\$)
Agriculture, Animal Husbandry, Extractivism and Fishing	1.173
Commerce	855
Civil Construction	812
Industry	1.437
Services	1.718

Source: RAIS - 2005

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Average Income by Sector (disaggregated) in Porto Alegre

Sector	Average Income (R\$)
Finance intermediation, insurance, and alike	3.073,21
Electricity, gas and water production and distribution	2.703,46
International organs and other foreign institutions	2.248,48
Public administration, defense and social security	2.102,94
Education	2.091,64
Health and social services	1.745,69
Extractivist industries	1.694,55
Transformation industries	1.344,71
Transportation, storage and communications	1.340,25
Other collective, social and personal services	1.204,33
Agriculture, animal husbandry, silviculture and forest exploitation	1.164,25
Real estate activities, rent and services to companies	947,76
Commerce, vehicle reparation, personal and domestic objects	855,21
Construction	812,35
Lodging and feeding	521,94
Domestic services	440,58

Source: RAIS - 2005

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion



Average Income by Occupation in Porto Alegre	
Occupation	Average Income (R\$)
Superior members and public power directors	10.846,41
Juridical science professionals	7.887,63
Directors of companies and organizations (except of public interest)	7.451,29
Social and human science professionals	4.379,16
Exact science professionals, physicists and engineers	4.086,28
Directors and managers in health and education companies	3.997,02
Political science researchers and professionals	3.981,45
Health and biological science professionals	3.457,60
Managers	2.981,16
Administration science mid-level technicians	2.547,15
Communicators, artists and religious person	2.369,34
Other mid-level technicians	2.244,66
Transportation service mid-level technicians	1.921,32
Mid-level technicians specialized in physics, chemistry and engineering	1.795,21
Mid-level technicians from culture services and communications	1.699,32
Producers of agriculture and animal husbandry	1.641,10
Mid-level and lay teachers	1.626,25
Production, collection, treatment and distribution operators	1.535,55
General technicians	1.513,91
Biological science mid-level technicians	1.485,72
Bank service employees	1.467,89
Teaching professionals	1.376,80
Maintainers	1.240,77
Mechanical reparation and maintenance employees	1.203,00
Metal and composite transformation employees	1.119,84
Transversal function employees	921,77
Cellulose and paper manufacturing machine installation employees	911,03
Construction and siderurgic facility employees	900,16
Other industry employees	899,78
Accuration and musical instrument and apparatus assemblers	880,97
Electro-electronic manufacturing and installation employees	860,39
Textile, leather, clothing and art industry employees	814,99
Wood and furniture industry employees	811,87
Other employees in conservation, maintenance and reparation	811,56
Salesperson and commerce employees	796,94
Agriculture and animal husbandry exploitation employees	781,36
Service employees	757,45
Agriculture, animal husbandry and forest mechanization employees	740,40
Jewelers, glassers, ceramic workers and alike	708,22
Extractivism industry and civil construction employees	703,43
Source: RAIS - 2005	
Elaboration: Municipality of Porto Alegre / Department of Fundraising and Investment Promotion	

Employed People by Gender in Porto Alegre

Worker Gender	Number of Employed People	%
Female	316.260	49,73
Male	319.684	50,27
Source: RAIS - 2006		
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion		

Employed People by Sector in Porto Alegre

Sector	Men	%	Women	%
Agriculture, Animal Husbandry, Vegetal	1.287	0,40	284	0,09
Trade	54.091	16,92	42.771	13,52
Civil Construction	17.477	5,47	1.588	0,50
Industry	38.409	12,01	17.612	5,57
Services	208.450	65,20	254.005	80,32
Source: RAIS - 2006				
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion				

Facility Rate by Sector in Porto Alegre

Sector	Facility	%
Agriculture, Animal Husbandry,	301	0,71
Commerce	14.218	33,41
Civil Construction	1.539	3,62
Industry	2.691	6,32
Services	23.806	55,94
Source: RAIS - 2006		
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion		

Facility Rate by Sector (disaggregated) in Porto Alegre

Sector	Number of Facilities	%
Public management, direct and autarchic	78	0,18
Agriculture, silviculture, animal husbandry, vegetal extractivism	301	0,70
Wholesale	11.176	26,10
Properties, mobiliary values and technical services commercialization	2.124	4,96
Retail	12.094	28,24
Civil construction	1.539	3,59
Teaching	766	1,79
Mineral extractivism	18	0,04
Rubber, fume, leather, fur and alike industries	200	0,47
Wood and furniture industry	300	0,70
Shoewear industry	159	0,37
Food product, drink and ethylic alcohol industries	6	0,01
Non-metal mineral product industry	505	1,18
Transportation material industry	82	0,19
Electric and communication material industry	65	0,15
Paper, cardboard, editorial and graphic industry	129	0,30
Mechanic industry	405	0,95
Metallurgic industry	212	0,50
Chemical industry of pharmaceutical and veterinarian products	424	0,99
Clothing and fabric craft industry	387	0,90
Credit, insurance and capitalization institutions	895	2,09
Lodging, food, reparation, maintenance and writing services	5.788	13,52
Public utility industrial services	69	0,16
Medical, odontological and veterinarian services	3.134	7,32
Transportation and communications	1.969	4,60

Source: RAIS - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion



Facility Size in Porto Alegre

Facility Size	Facilities	%
No active bonds	4.198	9,80
Up to 4 active bonds	25.807	60,26
From 5 to 9 active bonds	6.275	14,65
From 10 to 19 active bonds	3.506	8,19
From 20 to 49 active bonds	1.881	4,39
From 50 to 99 active bonds	613	1,43
From 100 to 249 active bonds	331	0,77
From 250 to 499 active bonds	101	0,24
From 500 to 999 active bonds	59	0,14
1000 or more active bonds	54	0,13

Source: RAIS - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Ranking of Capitals by Employment Generation

Rate	Capitals	Admission	Demission	Balance
1º	São Paulo	12.342.022	11.708.989	633.033
2º	Rio de Janeiro	6.745.754	6.476.634	269.120
3º	Belo Horizonte	4.070.350	3.856.616	213.734
4º	Brasília	1.983.583	1.843.115	140.468
5º	Manaus	1.098.462	993.066	105.396
6º	Fortaleza	1.634.338	1.535.882	98.456
7º	Curitiba	2.441.159	2.344.070	97.089
8º	Salvador	1.554.029	1.465.904	88.125
9º	Goiânia	1.432.534	1.366.997	65.537
10º	Porto Alegre	1.925.175	1.860.758	64.417
11º	Recife	1.272.939	1.212.590	60.349
12º	Natal	570.177	519.835	50.342
13º	Belém	689.098	644.370	44.728
14º	Vitória	564.593	527.368	37.225
15º	São Luiz	388.959	354.420	34.539
16º	Florianópolis	598.555	567.219	31.336
17º	Campo Grande	619.414	591.755	27.659
18º	Aracaju	427.903	403.337	24.566
19º	Teresina	403.616	380.484	23.132
20º	João Pessoa	375.803	356.393	19.410
21º	Cuiabá	519.564	505.258	14.306
22º	Porto Velho	187.686	178.314	9.372
23º	Maceió	371.855	363.451	8.404
24º	Macapá	106.620	99.231	7.389
25º	Palmas	122.914	116.021	6.893
26º	Rio Branco	111.083	105.270	5.813
27º	Boa Vista	69.055	64.128	4.927

Source: RAIS - 2006

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Infrastructure

Location and logistics benefit the productive sectors



Porto Alegre has a well developed logistic platform, formed by one of the largest international airports in the country, by a road and railway system that interconnect the city with other regions in the state and with

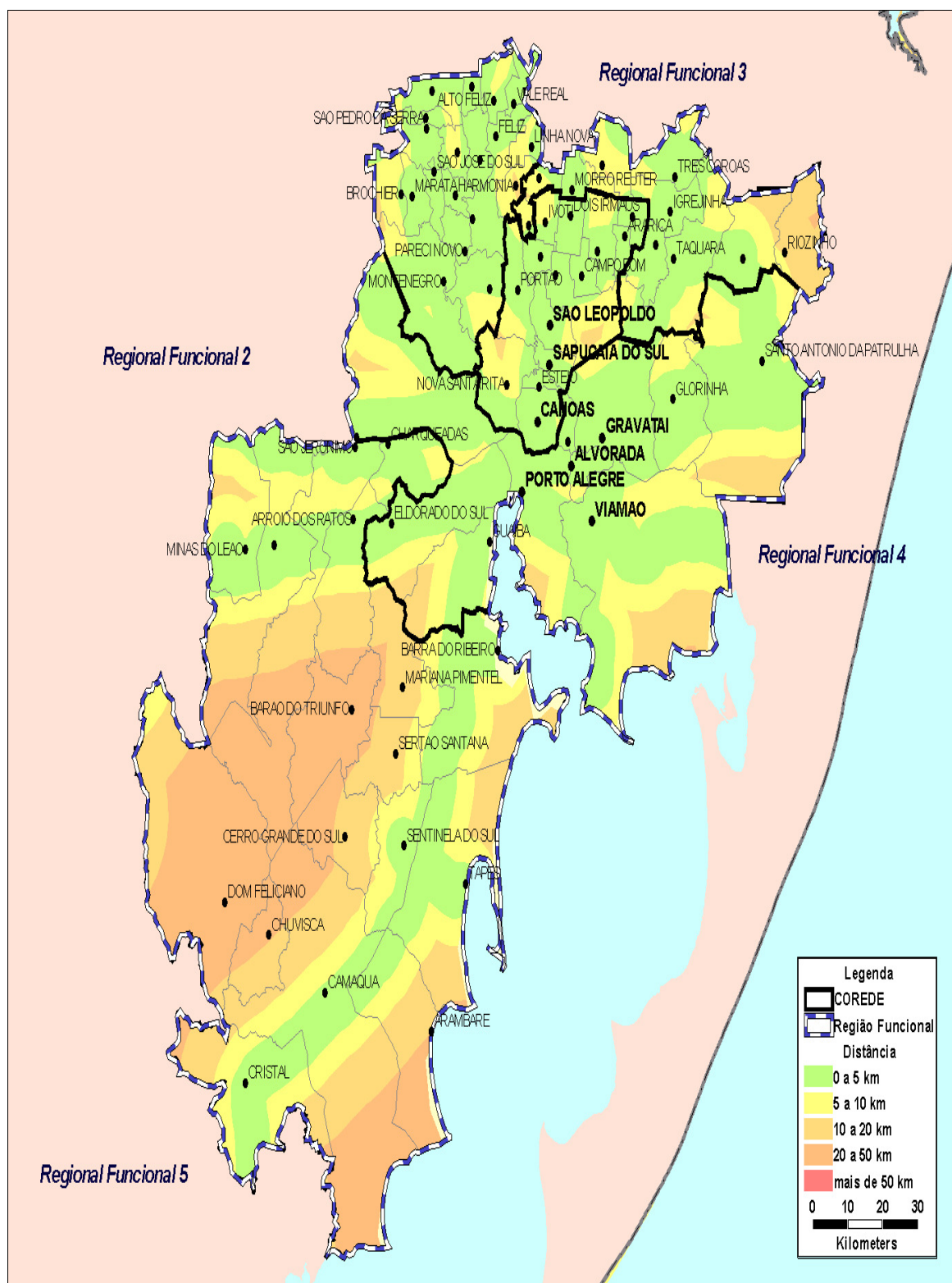
Brazil's and Mercosur's main cities, and also by a fluvial harbor. All these modes are interconnected, allowing the receipt and discharge of productive sectors to different locations.

I. Road Structure

Highways in Rio Grande do Sul		
Type of highway	Total (Km)	Paving (%)
Federal	5.500,26	33,11
of State	11.113,15	66,89
Total	16.613,41	100,00
Source: Department of Transports of Rio Grande do Sul/ DAER		
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion		

Main Routes from Porto Alegre to other Municipalities and other States
BR-116
Begins in the southeastern portion of Brazil and passes by Porto Alegre in direction to the south of the State and Rio Grande's port.
RS-240/ RS-122/ RS-324
It goes towards the northwest and passes by Passo Fundo and Erechim, and continues in direction to Santa Catarina State.
RS-386
Production highway – passes by Soledade, Carazinho, Frederico Westphalen and goes towards Santa Catarina.
RS-287
It goes towards the center and west of Rio Grande do Sul, passing by Santa Cruz do Sul and Santa Maria and reaching Uruguaiana, in direction to Argentina.
BR-290
In direction to Uruguaiana, the road joins BR-153, passing by Bagé, from where it goes towards the Uruguayan border, in Aceguá and Santana do Livramento.
RS-040, RS-030 e BR-290
The roads go towards the coast.
RS-020
It goes towards northeast into the "Serra Gaúcha".
RS-118
It joins BR-040 in Viamão, BR-290 in Gravataí and BR-116 in Esteio
RS-474/RS-239
The roads join BR-290 in Santo Antônio da Patrulha and BR-116 near Estância Velha
Source: Department of Projection of Rio Grande do Sul
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Accessibility to the Main Roads



Source: Department of Projection of Rio Grande do Sul

II. Porto Alegre's Harbor

Porto Alegre has the largest fluvial harbor of the country, in terms of extension. The port has a privileged position, being in the center of the waterway that links the regional producer center with the most important harbor of Mercosur, Rio Grande's Port, located in the south of the State. Porto

Alegre's harbor has the best efficiency index in Brazil and damage index near zero. It also provides a complete structure of energy, potable water and telephony, as well as a large road structure that facilitates goods' horizontal movement within the port area.

Ports in Rio Grande do Sul
Port of Porto Alegre
Port of Rio Grande
Port of Pelotas
Port of Cachoeira do Sul
Port of Estrela
Source: Department of Transports of Rio Grande do Sul
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Port of Porto Alegre's facilities
Mauá Dock
3,240m length
Width of 17m
4 to 6m of depth
Area: 55,080m ²
Navegantes Dock
2,500m length
Width of 20m
5 to 6m of depth
Area: 50,000m ²
Marcílio Dias Dock
2,260m length
Variable width
4 to 6m of depth
Area: 86,000m ²
Warehouses
25 warehouses
Area: 70,000m ²
Source: Department of Transports of Rio Grande do Sul/ Superintendence of Ports and Waterways
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Port of Porto Alegre: Loads Flow Evolution

Year	Shipping (Kg)	Landing (Kg)	Total (Kg)
1996	337.625	5.458.093	5.795.718
1997	255.250	5.060.452	5.315.702
1998	611.774	6.200.634	6.812.408
1999	707.237	5.302.729	6.009.966
2000	1.298.301	9.758.106	11.056.407

Source: Brazilian Ministry of Transports

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

Intermodal Structure



Source: Department of Projection of Rio Grande do Sul I

III. Salgado Filho International Airport

Salgado Filho International Airport is one of the most important in Brazil. It occupies an area of 3,8 thousand square kilometers, providing

modern and efficient facilities. In 2006, was registered the movement of 59,4 thousand aircraft.

Salgado Filho International Airport - Operational Flow			
Year	Airplanes	Aerial Charge	Passengers
2002	60.941	38.392.962	2.873.230
2003	53.332	35.402.160	2.880.680
2004	57.740	37.024.689	3.215.545
2005	55.767	36.904.725	3.521.204
2006	59.463	28.932.053	3.846.508
Source: Infraero			
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion			

Salgado Filho International Airport	
Airport Site	
Area: 3,805,810.04 m ²	
Airplanes Site	
Area: 142,750 m ²	
Runway	
Dimensions: 2,280 x 42	
Passengers Terminal	
Capacity/Year: TPS-I: 4,000,000 e TPS-II: 2,100,000	
Area(m ²): TPS-I: 37.600 e TPS-II: 15,540	
Parking	
Capacity: 1,440 vehicles	
Airplanes parking	
Number of positions: 16 positions	
Source: Infraero	
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion	

IV. Urban Transport

Considered by National Association of Public Transport the best urban bus company in the country, Carris is also the only municipal institution to win the National Award for Public Management promoted by Federal Government. In 2005, it

obtained the first position in the category of Efficient Public Company, in Top of Mind Research held in Rio Grande do Sul's capital

Carris - Urban Buses Public Company	
Lines	
26	
Fleet	
335 bus	
Vehicles with air conditioner	
142	
Vehicles with automatic transmission	
244	
Vehicles with accessibility for physically handicapped people	
127	
Diary number of passengers	
240,000	
Number of employees	
1,600	
Source: Carris	
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion	

Porto Alegre's Bus Companies and its Fleets	
Company	Number of vehicles
Carris	335
Conorte	411
STS	474
Unibus	396
Total	1,616
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion	

V. Energy and Water

The consumption of energy in Porto Alegre is supplied by State Electric Energy Company (CEEE). The water supply, in

turn, is responsibility of Municipal Department of Water and Sewage (DMAE).

CEEE – Electric Energy State Company	
Hydroelectric facilities	
15	
Effective potency	
910,6 MW	
Electric Energy Lines of Transmission	
5.781 Km	
Municipalities Supplied	
72	
Source: CEEE	
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion	

Municipal Department of Water and Sewers	
Extension of the Water Distribution Network	
3.615,35 km	
Number of Water Connections	
271.282	
Hydrometric Index	
0,9669	
Water Treatment Plants	
8	
Crude Water Pumping Station	
8	
Treated Water Pumping Station	
92	
Shells	
99	
Total Storage Capacity of the Shells	
193.890 m ³	
Tanker Trucks	
13	
Average Volume of Water Distributed by the Tanker Trucks	
172.297m ³ /year	
Source: DMAE/ 2006	
Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion	

Opportunities

I. A Science and Technology Center



Porto Alegre is a national reference in the science and technology sector due to its high development and to the integration between the public sector, the private sector and research institutions.

Important institutions in the city help the development of the whole private and public structure. As an example, we could cite the Technology Parks of UFRGS and PUCRS (Tecnopuc), companies like Dell, HP, Microsoft, Tlantic, among many other small, medium and large ones, and the Infovia, a optical fiber network installed by the City Hall which has already reached 311Km long.

It is also installed in Porto Alegre the first prototyping factory specialized in integrated circuits of Latin America, the Center of Excellence in Advanced Electronics Technology (CEITEC).

The health sector also stands out Porto Alegre as the second largest of Brazil in this area. The city has about 2,900 companies related to this industry, responsible for the maintenance of 34 thousand direct jobs.

II. Benefits

ISSQN Aliquot Reduction

Systems analysis and development services, programming, development of computer programs, licensing or assignment of computer programs right of use, advice and consultancy on information technology, technical support in information technology, including installation, configuration and maintenance of computer programs and databases, planning, construction, maintenance and upgrade of electronic pages, hosting of pages, servers and applications, management and distribution of lists and messages: ALIQUOT: 2.0%

Restinga Industrial Park

The Restinga Industrial Park (RIP) has the objective to promote the development of Porto Alegre's south zone by offering benefits to the companies on the acquisitions of lots in that region. The Park counts with a complete infrastructure (electric energy networks, water and drainage systems – sewer and pluvial – and paved roads).

Law. 9.094/2003

Art. 7th Will be conceded, in the form of incentive, a percentage rebate on the square meter price, according to the necessary period to the enterprise installation, as follows:

I - installation and putting into operation within a period of up to twenty-four (24) months: rebate of 80% (eighty percent) on the purchase price of the lot;

II - installation and putting into operation within twenty-four (24) months and 01 day up to 36 days (thirty-six) months: rebate of 60% (sixty percent) on the purchase price of the lot, and

III - installation and putting into operation within 36 (thirty-six) months and 01 day to forty-eight (48) months: rebate of 40% (forty percent) on the purchase price of the lot



III. Reasons to invest in Porto Alegre

A complete city, from localization to technology

Porto Alegre, accordingly to EXAME Magazine ranking, is the second-best Brazilian city to invest.

Many are the reasons supporting this statement:

– Privileged Location

Rio Grande do Sul's capital is strategically situated towards Mercosur's main cities – São Paulo, Montevideo, Buenos Aires, Santiago and Asunción.

– Quality of Life Indicators

Porto Alegre is among the 10 Brazilian cities with the best Human Development Index (HDI) and is the first city in the ranking when considering only municipalities with more than 1 million inhabitants.

– Economic Indicators

The capital of Rio Grande do Sul is the 6th city in terms of participation in Brazil's Gross Domestic Product (GDP). The city also stands out because its GDP per capita is R\$ 19.582,44

– Labor qualification

Formation and upgrading of human resources are guaranteed by the 20 higher education institutions, directed toward different productive activities, related to graduation and post-

graduation degrees. About 26% of the employers have high degrees.

– Intermodal Infra-structure

The logistical platform existent in Rio Grande do Sul's capital is satisfactorily developed, and interconnect one of the main Brazilian international airports through a road and railway system. This system is connected to other regions of Rio Grande do Sul and to the main cities of Brazil and Mercosur.

With this infra-structure, joins Porto Alegre's port, which is the largest Brazilian fluvial harbor in extension and has the best efficiency index in Brazil and damage index near zero.

– Technological Development

An important Information Technology (IT) center has been developed in Porto Alegre, so that the city is the first, among Brazilian cities, to have an Infovia, it is, an optical fiber net that contributes for the progress of the city's communication networks. The emergence and growth of this center are due to established partnerships between government, universities,

incubators, industries and class and business entities

– Business Tourism

In Rio Grande do Sul's capital, the tourism have been greatly developed in business sector. Porto Alegre is today among the most visited Brazilian cities by foreigners.

- Investor Support Center – ISC

The Investor Support Center – ISC was created by the Department of Fundraising and Investment Promotion with the objective to be a support arm from the municipal public power to the private sector, more specifically to entrepreneurs who invest or want to invest in Porto Alegre.

If you are an investor, you will find in the ISC a team able to serve you with the necessary support for the

implementation of your investment. In the city

- Benefits

The Municipality of Porto Alegre, in addition to working continuously to improve the investment climate in the city, offers a range of benefits to investors, among which could be posted the reduction of taxes for strategic economic sectors and the ones related with logistics, in the Restinga Industrial Park area. For more information about benefits, please contact the Investor Support Center whose contact details are in this folder.



IV. How to open your business in Porto Alegre

Step by step to a great investment

Important consultations needed before opening a business in Porto Alegre:

- Check the company's name in Rio Grande do Sul's Board of Trade (JUCERGS)
- Informative Bulletin on Real estate in Municipal Secretary of Production, Industry and Trade (SMIC)
- Check the company's fancy name in National Institute of Industrial Property (INPI), in the case of brand registration

Step 1 – CNPJ Request

Deadline: along with the approval of Social Contract/Entrepreneur Application

Cost: Free

In Rio Grande do Sul, the Board of Trade and Federal Revenue have a convention for companies' inscription in CNPJ. To make this application, the taxpayer will generate and transmit in advance his request via internet through programs offered for free by Federal Revenue, which must be downloaded from the web site www.receita.fazenda.gov.br.

The programs to be downloaded are CPNJ and RECEITANET. In CNPJ program, the taxpayer will fill the request. In

RECEITANET, he will send the information to Federal Revenue. From this request, will be generated DBE – Entrance Basic Document – of CNPJ, which must be signed and sent with the documents to Board of Trade.

When registering in CNPJ, it must be chosen the activity which the company will execute. This classification will be utilized not only in taxation, but also in the monitoring of company's activities.

It is necessary to remember that not all companies can choose Simples. In order to consult the kinds of companies that fit in Simples, the entrepreneur can access National Simples webs site www.receita.fazenda.gov.br/SimplesNacional

Step 2 – Registration at State Board of Trade

Deadline: 15 days

Cost: R\$ 65,06 or R\$ 37,05

A company's legal registration is taken in State Board of Trade.

To make the registration, it is necessary to fill some formularies and present documents, such as Social Contract or Entrepreneur Request (in

the case of the former individual signature) and personal documents of each member.

Step 3 – Company's registration in State Secretary of Finance and/or Municipal Secretary of Finance

Deadline: 2 or 3 days

Cost: Free

The registration in state taxation system must be done in State Secretary of Finance (SEFAZ). The state inscription is compulsory for companies in the sector of trade, industry and inter-municipal and interstate transport services. In this range are also included communication and energy services. From this inscription is generated the company's CGC/TE, which will be utilized for the taxpayer to perform the subsequent collection of Tax on Goods and Services (ICMS).

To companies' that operate in service sector, it is necessary to make the inscription in Municipal Secretary of Finance (SMF), in order to register in Municipal Register to later collection of Tax on Service of Any Nature (ISSQN). It is necessary that the entrepreneur fill the specific forms and get the required signatures' authentication

Step 4 – Location Permission Request

Deadline: in most cases, in time

Cost: R\$ 51,15

The company must request in Municipal Secretary of Industry and Trade (SMIC) the location Permission..

The Permission is a license that allows the establishment and the working of industrial, commercial and service provider institutions, as well as companies and associations of any kind, entailed to natural and juristic persons

Step 5 – Request for Authorization for Printing Fiscal Documents (AIDF) in State Secretary of Finance and/or in Municipal Secretary of Finance

Deadline: 1 day

Cost: Free

After the AIDF's request in the responsible organ, the entrepreneur can order fiscal notes to authorized graphics.

Step 6 – Open an account of Time of Service Guarantee Fund (FGTS) in Caixa Econômica Federal

Deadline: 1 day

Cost: free

To open an account, the entrepreneur must go to any agency of Caixa Econômica Federal carrying a copy of company's CNPJ and of Social Contract or Entrepreneur Request..

Step 7 – Staff Legalization

7.1. Report to Ministry of Labor the staff employment

Deadline: 1 day

Cost: Free

The employer must report the hiring or dismissal of any employee to the Regional Labor Office until the 15th day of the month subsequent to the event, through a notice via internet or by mail.

7.2. Register the employees in the Program of Social Integration (PIS)

Deadline: 1 day

Cost: Free

The registration of the company's employees in PIS is obtained through the delivery of a form filled out and signed by the employer to Caixa Econômica Federal.

7.3. Registration in Class Syndicate

Deadline: 5 days

Cost: variable

Step 8 – Company's registration in Employer's Syndicate

Deadline: 5 days

Cost: variable

The company must enroll in the employer's syndicate category in which fits its branch of activity and begin to pay Employer's Syndicate Contribution.

Step 9 – Fire Brigade Permission

Deadline: variable

Cost: variable

The entrepreneur must request the Fire Brigade Permission if the establishment is open to the public.

Source: Doing Business in Brazil; SEBRAE.

Elaboration: Municipality of Porto Alegre/ Department of Fundraising and Investment Promotion

It is suggested also the "Entrepreneur's Guide" published by the Zero Hora Journal on May 08th 2008 and available through the following link:

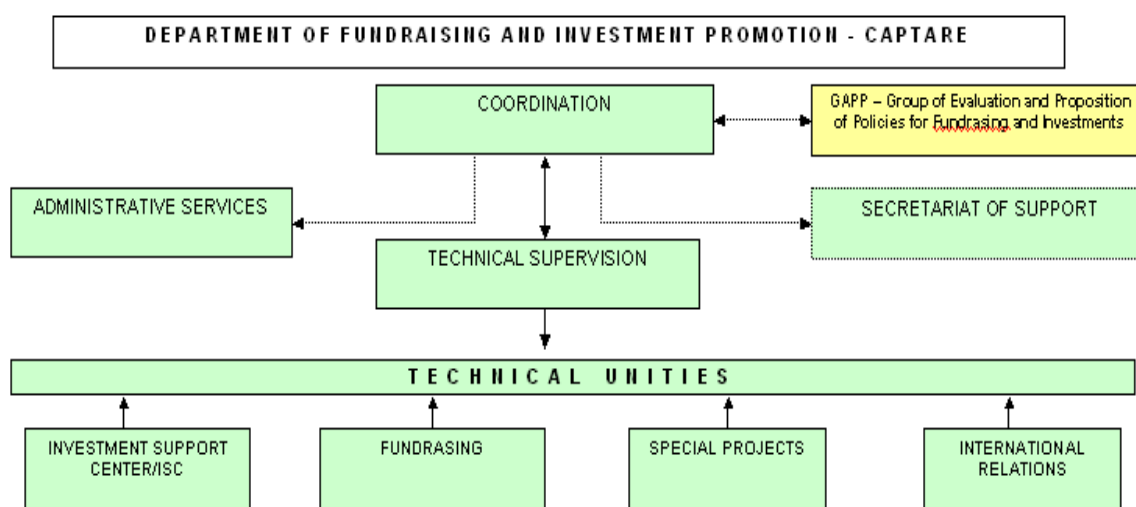
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The Capture and the Investor Support Center

Institutionally, the Department of Fundraising and Investment Promotion/CAPTARE is connected directly to the Mayor's Office. Its activities are developed by four Technical Units: Fundraising, Special Projects, International Relations and the Investor Support Center/ISC. The Fundraising and Special Projects Units coordinate the elaboration of studies and projects, in partnership with several city councils, with the aim of obtaining funding and promoting the attainment of external resources to the municipal finances. The International Relations Unit is responsible for providing support to international actions of the Mayor's Office as well as other organs of the Municipality of Porto Alegre. The fourth unit is the *Investor Support Center/ISC*

The ISC was created with the goal of being a municipal power support arm to the private sector, more specifically to entrepreneurs who invest or want to invest in Porto Alegre. Between its main activities it can be emphasized the assistance to companies in their decision-making process relatively to the location of the investment as well as the necessary support for those companies installing or already installed in the city.

If you are an investor, please contact the Investor Support Center (the data are on the next page). We will be glad to work with your company and to provide the necessary support for the installment of your company in Porto Alegre!.



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