Mr. Gilberto Porcello Petry
President of the Federation of Industries of Rio Grande do Sul (FIERGS)
RIO GRANDE DO SUL
OVERVIEW OF RIO GRANDE DO SUL

11,3 million inhabitants
(almost 5% of Brazilian population)

Multicultural Immigration
(German, Italian, Polish, Portuguese and many more)

GDP PPP:
US$ 212 billion (2015)

GDPpc PPP:
US$ 18,817 (2015)

SECTORS OF ACTIVITY IN RIO GRANDE DO SUL 2014

SERVICES – 67,3%
INDUSTRY – 23,4%
AGROINDUSTRY – 9,3%

State Capital:

Porto Alegre
(4 million inhabitants including metropolitan area)

Brazil’s 4th most populated region

Sources: FIRJAN; FEE; IBGE. Converted using the exchange rate purchasing power parity (ppp) US$/R$ 1.7 (World Bank)
IN THE CENTER OF SOUTH AMERICA’S MAIN MARKETS

INTEGRATION WITH MERCOSUR THROUGH HIGHWAYS, RAILWAYS, WATERWAYS AND INTERNATIONAL FLIGHTS

70% SOUTH AMERICA’S GDP
AND
150 MILLION INHabitANTS ARE WITHIN A RADIUS OF 1500 KM
STRENGTHS OF RIO GRANDE DO SUL

- Diversified industrial park;
- Installed supply chains;
- Skilled human resources;
- Strategic location in South America;
- One-stop-shop for investors in Rio Grande do Sul;
- Competitive tailored tax structure.
JAPAN - RIO GRANDE DO SUL
TRADE BALANCE
Japan x Rio Grande do Sul (2017)

EXPORTS
US$127 mi
Δ 2017-2016: 1,3%

IMPORTS
US$80 mi
Δ 2017-2016: 21,2%

TRADE FLOW
US$207 mi
Δ 2017-2016: 6,3%

MAIN EXPORTS:
- Wood;
- Meat;
- Fixed vegetable fats and oils.

MAIN IMPORTS:
- Nuclear reactors;
- Aluminium foil.
- Machinery and equipments.

Source: MDIC
JAPAN MULTINATIONALS
In Rio Grande do Sul
RIO GRANDE DO SUL’S RELATION WITH JAPAN

April 2015 – Visit of Japanese Ambassador Kunio Umeda and delegation of entrepreneurs to the State Government

August 2015 - XVIII Joint Meeting of the Japan-Brazil Economic Cooperation Committee in Rio Grande do Sul
  • Partnership between Nippon Keidanren and CNI;
  • Hosted by FIERGS.

November 2015: Mission to Japan to participate on the Economic Seminar on Brazil
RIO GRANDE DO SUL’S RELATION WITH JAPAN

- **First japanese families** arrived on Rio Grande do Sul in **1956**;

- **August 2018**: “7th Festival do Japão no Rio Grande do Sul”.

- **3 centers of japanese immigration**: Itati, Itapuã e Ivoti;

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The State of Rio Grande do Sul and Shiga Province have been sister states **since 1980**.

- The objective is to promote technical cooperation in priority areas: environment, biotechnology, industrial technology, health, agriculture, among others.
• **Rio Grande do Sul’s** Investment promotion program;

• **Public Private Partnership:** Joint initiative between the state government and the federation of industries;

• **Integrated Strategy** for proactive actions of investment promotion;

• **Mission:** support investors which are looking for business opportunities in Brazil and South America, emphasizing the advantages of investing in Rio Grande do Sul.
LATEST INVESTMENTS IN RIO GRANDE DO SUL

2016 – Lactalis (France)
US$28 million

2017 – SAP Labs (Germany)
Expansion of US$10 million

2017 – Stihl (Germany)
Expansion of US$81 million

2017 – Fraport (Germany)
US$162 million

2018 – Toyota (Japan)
Commitment to continue with the partnership and increase activities in Guaíba
ACTIVITIES IN 2017

MISSIONS

Mission to Japan and Shiga Prefecture – May 2017
• Energy, with focus on the carbochemical sector and renewables;
• Agenda: Hitashinska Power Plant, IHI Corporation, TEPCO and Shiga Government.

Mission to Japan – October 2017
• Expand technical knowledge regarding coexistence of agricultural activities in a sustainable way in protected areas, fish repopulation and other sustainability issues.

EVENTS

JICA Mission to Rio Grande do Sul - July 2017 - FIERGS
• Around 100 participants;
• 15 Japanese companies;
• Key sectors: food, agribusiness, civil construction, pharmaceutical, metal-mechanic, chemical, sanitation and ICT;
• Business match-making between Japanese and RS companies.
CATALOGUE OF OPPORTUNITIES – LAUNCHED IN 2018

Objective: systematize important information for investors seeking specific business opportunities in the most promising economic sectors of Rio Grande do Sul.

16 PROMISING ECONOMIC SECTORS

OVER 70 COMPANIES SEEKING INTERNATIONAL PARTNERS
AGRIBUSINESS

AGROTECH

- Companies looking to incorporate new technologies in its process;
- Small and medium companies interested in investors promoting new productivity and value-adding technologies;
- Potential partnerships with Startups to develop technologies to increase agricultural productivity.
OPPORTUNITIES FOR JAPAN

INFRASTRUCTURE AND ENERGY

CARBOCHEMICAL SECTOR

- The construction of the Carbochemical Hub;
- Estimated opportunities investment of US$ 1.7 billion;
- Potential partnerships in production plants of ammonia, urea and methanol;

PUBLIC-PRIVATE PARTNERSHIP – Sanitation Sector
(Companhia Riograndense de Saneamento – CORSAN – State Company)

- Amount of Private Investment: US$486 million
- Contract Value: US$ 2.5 billion;
- 1.5 million inhabitants attended by the project;
- Concession for 35 years;
- Return on Investment - ROI: 10%
OPPORTUNITIES FOR JAPAN

INOVATION AND TECHNOLOGY

HEALTHTECH

- Potential for new solutions in preventive medicine and medical services delivery.

- **Key sectors:** Nanomedicine; Regenerative medicine; Cardiology; Neurosurgery; Orthopedics; Rehabilitation area; Dentistry; and telemedicine.

AUTOMOTIVE

- Favorable environment for the installation of new industries;

- Very well organized supply chain: raw materials, skilled labor and institutional expertise.
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