

UNDERSECRETARIAT OF PARTNERSHIPS

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More security through private initiative: prison complexes PPPs advance in the State of São Paulo

The State of São Paulo, despite the challenges presented by the current situation, and knowing the importance of the recovery of the post-pandemic economy, will launch, between August and September, the Public Hearing and Consultation of the PPP Project for Prison Complexes. The activities are the result of the efforts of the Undersecretariat of Partnerships alongside the Working Group formed by several Government bodies, as well as an intense dialogue with the market, guaranteeing the continuity of an innovative project of the Prison Complexes' PPP.

One of the main objectives of this partnership is to reduce the deficit in the prison system, which must be faced, considering the context of scarcity of resources for making direct investments by the State. For this reason, we opted for a public-private partnership to promote investments and provide the necessary services thru the 30 years of the contract.

The partnership comprises the construction, maintenance and operation of three modern prison complexes, aligned with the most advanced concepts and technologies for the segment. Each of the complexes will be formed by four prison units, with a total capacity of approximately 3,500 vacancies, thus totaling 10,500 new vacancies if considered the three Complexes. The remuneration of the private partner will come from periodic payments made by the State of São Paulo.

This partnership alternative proved to be adequate to deal with the improvement of techniques and concepts of prison treatment. It is worth remembering that, in addition to the Brazilian experience, more than 15 countries have

Latest news

Spanish Acciona assumes the PPP of Line 6, Brazil's largest infrastructure project

The sponsored concession of Line 6-Orange of the Metro was transferred, on 07/07, from the Move São Paulo consortium to the SPE - Linha Universidade S.A., which belongs to the Spanish group Acciona. The resumption of the concession is an important milestone for the development of urban rail transport in São Paulo, in addition to being a relevant reinforcement for the economic recovery process. With the resumption of one of the largest infrastructure projects in Latin America, whose civil works must be resumed within 90 days, it is estimated that 9 thousand direct jobs will be generated during the construction phase and another thousand during the service operation phase. In its 15.3 km of extension, Line 6-Orange will have 15 stations and a projected demand of more than 630 thousand passengers per day, connecting important higher education institutions to the São Paulo subway network.



In the Picture, a construction site of Line 6-Orange

Partnerships Unit conducts a new round of dialogue with the market for the concession of CPTM's Lines 8 and 9

To continue improving the projects through dialogue with the market, the Undersecretariat of Partnerships carried out another round of market sounding for the CPTM's Lines 8-Diamond and 9-Emerald concession project. In online meetings, key aspects of project modeling were discussed with operators, investors, funds, financing institutions and other qualified market stakeholders, to gather insights and suggestions to refine the project and verify its adherence to new circumstances. The wide demand, with 29 companies registered, added to the inputs obtained during the meetings with market players shows a great appetite of the sector for the project even in the adverse conditions imposed by the pandemic.

Projects, Budget and Management Secretary and Under-Secretary of Partnerships point to a promising future for State projects at ABDIB events

The Secretary of Projects, Budget and Management, Mauro Ricardo Machado Costa and the Undersecretary of Partnerships, Tarcila Reis Jordão, participated in events organized by the Brazilian Association of Infrastructure and Industries (ABDIB) on June 23rd and July 10th, respectively. On those occasions, they talked about the 18 Concessions and PPPs projects in structuring, which add up to R \$ 31.2 billion in planned investments, as well as the projects already executed which add up to R\$ 94.4 billion in investments, such as the Piracicaba- Panorama (Pipa) and Metro Line 6-Orange. Tarcila highlighted the change in the portfolio profile due to the larger presence of initiatives in the areas of parks, leisure, prisons, housing and education, when compared to the portfolio of projects under execution, mostly in the areas of mobility and roads. She also pointed out that several of the projects under structuring are already mature for the bidding phase, with improvements after consultations and public hearings. The Secretary Mauro Ricardo indicated that the Government's objective with the projects is to attract private investments to finance public equipment and allocate the extraordinary revenue from grants for public investments. He pointed to the possibility of publishing notices in the second half as soon as market conditions are more favorable.

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private participation in prison management as a collaboration tool with the system management. An in-depth study, considering international best practices, mistakes and lessons learned from similar projects, was conducted during the structuring of this PPP.

In addition to reducing the prison deficit, the project sheds light on the necessary re-socialization of the prisoner. The main pillar of the PPP is the Criminal Execution Law (LEP), which will be effective through several actions. We can highlight the social assistance actions, which will seek to strengthen the family bond, medical and dental assistance, the offer of quality professional education, qualifying the inmates for their insertion in the job market, through workshops installed inside the prison itself.

The project will also use the most modern technologies available on the market: automation of cell opening and closing; installation of multimedia rooms for inmates' contact with the outside world, for hearings, consultations and contact with family members; even instruments for real-time location of detainees within the prison complex and biometric identification. The investment in technology will help to improve the security of the complexes and the assistance activities provided to prisoners.

With the development of this PPP, the State of São Paulo intends to deliver to the society a modern asset with a focus on the re-socialization of detainees, always with the dignity of the human person in mind, which, in the end, will bring more security to the entire population.

Paula de Lima Rocha Pannunzio

Advisor at PPP Unit of the State of São Paulo

Undersecretariat of Partnerships is finalist of the P3 Awards for the 3rd consecutive year

The Undersecretariat of Partnerships was selected for the 3rd consecutive time as a finalist in the P3 Awards. Organized annually by the P3 Bulletin, the P3 Awards is one of the largest events to recognize and reward the best initiatives in the infrastructure sector in the world. The event brings together 400 decision makers from the public and private sectors, and is scheduled to be held in January 2021, in New York.

In the 2019 edition, the State of São Paulo won the award for Best Financial Modeling with the highway concession of Lot Centro-Oeste. In 2018, it was awarded the Best Social Infrastructure Project category, with the Housing PPP. This year, the Undersecretariat competes for the 7th edition of the award in two categories: (i) Best Social Infrastructure Operational Project, with the Hospital Complexes project; and (ii) Public Sector Promoters of the Year, with the Undersecretariat of Partnerships' team. In all editions, São Paulo was the only subnational entity competing among the finalists.

Inclusion of the Undersecretariat of Partnerships in the Projects, Budget and Management Secretariat optimizes protagonism for infrastructure projects

The Undersecretariat of Partnerships is now part of the Projects, Budget and Management Secretariat. Under the command of Secretary Mauro Ricardo Machado Costa, a nationally recognized public administrator and management professional, the new Secretariat aims to ensure more agility, transparency and efficiency in the State's budgetary and economic management. The inclusion of the Undersecretariat of Partnerships in the new Secretariat will bring even greater protagonism to the State's infrastructure projects, in addition to placing greater emphasis on economic and budgetary management in the development of projects and partnerships of the Government of São Paulo. Secretary Mauro Ricardo will also be the vice president of the Executive Council of the State Privatization Program (CDPED). The presidencies of the Public-Private Partnerships Management Council (CGPPP) and the Executive Council of the State Privatization Program (CDPED) remain, respectively, with the Vice Governor and Government Secretary Rodrigo Garcia and with the Secretary of Finance Henrique Meirelles.

Follow Undersecretariat's projects now also on LinkedIn!

In order to enhance communication with agents interested in infrastructure projects in the State of São Paulo, the Undersecretariat created a LinkedIn page. The Undersecretariat's page will share the main advances in the development of its project pipeline.

The initiative adds to others already carried out by the Undersecretariat in the same sense of improving the transparency of partnership opportunities with the State of São Paulo. Among these are the Partnership's Platform, Market Sounding meetings during the projects' structuring, as well as this monthly Newsletter. Follow our page at bit.ly/SParGESP



In the Picture, Secretary Mauro Ricardo during his speech at ABDIB's event.