

New Concessions in São Paulo

Governor Geraldo Alckmin has just announced an ambitious plan for concessions aiming at strengthening mobility in the State of São Paulo. The investment is estimated at approximately US\$ 3.6 billion: US\$ 2.8 billion in highways, US\$ 25 million in regional airports, US\$ 700 million in inter-municipal bus lanes and US\$ 55 million in the subway system of the City of São Paulo. São Paulo is most industrialized State of Brazil and concentrates 43% of the foreign investment in the Country, according to the State's statistics.

The plan includes long-term concessions for the operation of five regional airports focused on executive aviation. The airports are located in wealthy cities of the State of São Paulo: Campinas, Bragança Paulista, Intanhaém, Jundiaí and Ubatuba. They have a total number of 210 thousand take-offs and landings per year. Their development is crucial to relieve the overloaded airports of Guarulhos and Congonhas, which are very important hubs in Brazil.

The inter-municipal service for passenger transportation is divided into five operational areas: Campinas, Santos, Ribeirão Preto, Bauru and São José do Rio Preto, covering the entire state of São Paulo. Today, the system transports 152 million passengers yearly and runs over 425 million kilometers. The investment will be focused on the fleet renewal. The new concessions will have more flexibility to create and modify the lines as a means to meet the growing service demand in the cities.

The Government intends to grant long-term concessions for the operation of 2,217 kilometers of the state highway network. The concessions will be divided into four lots across the State. Alckmin aims to expand in 30% the state highway network and to improve the access to the Viracopos Airport. The plan also includes a 45 km enlargement of a state highway to connect the South of Brazil with the Santos Port, the most important port in Latin America.

A state controlled company operates the subway system of the City of São Paulo. The Government plans to grant new concessions for the operation and maintenance of Line 5 - Lilac (subway) and Line 17 - Gold (monorail). The Government has already started a proceeding to get feasibility and technical studies from the private sector to design the new concessions.

The Governor expects to start the public procurement proceedings in the first half of 2016. The requests for proposals should be published in March.

Rhein Schirato, Tavares, Meireles & Caiado

ADVOGADOS

Carolina Caiado
carolina.caiado@rstm.com.br

João Henrique D'Ottaviano Sette
joao.sette@rstm.com.br

RHEIN SCHIRATO, TAVARES, MEIRELES & CAIADO ADVOGADOS