Ministry of Planning, Budget and Management

Minister of Planning, Budget and Management
PAULO BERNARDO SILVA

Executive Secretary
JOÃO BERNARDO DE AZEVEDO BRINGEL

Secretary of the Federal Budget
CÉLIA CORRÊA

Deputy Secretaries
CLAUDIANO MANOEL DE ALBUQUERQUE
ELIOMAR WESLEY AYRES DA FONSECA RIOS
GEORGE ALBERTO AGUIAR SOARES

Directors
BRUNO CÉSAR GROSSI DE SOUZA – DECON
FELIPE DARUICH NETO – DEPES
JOSÉ GERALDO FRANÇA DINIZ – DESOC
JOSE ROBERTO PAIVA FERNANDES JÚNIOR – DEINF

Coaching Staff
ALEXANDRE PAULO MAIA
ANDRÉ GUIMARÃES RESENDE MARTINS DO VALLE
CATARINA MENDONÇA FERREIRA LIMA PINHEIRO
CLAUDETE HIDEKO FUKUNISHI
CLAUDINEI FERRARI
EMERSON GUIMARÃES DAL SECCHI
FERNANDO MARQUES DA SILVEIRA
GERALDO JULIÃO JÚNIOR
JANAÍNA THAINES MOREIRA
JOELMA MEDEIROS HENRIQUES
JOSÉ RICARDO DE SOUZA GALDINO
LEILA BARBIERI DE MATOS FROSSARD
LEONARDO CAVALCANTI MÉLO
LÚCIA HELENA CAVALCANTE VALVERDE
MÁRCIO LUIZ DE ALBUQUERQUE OLIVEIRA

Information:
www.portalsof.planejamento.gov.br
Secretary of the Federal Budget
SEPN 516 - Bloc D, lot 8, 70770524 –
Brasília – DF Phone.: 55+ (61) 2020-2480
Suggestions and/or Reviews: gasto.eficiente@planejamento.gov.br
The budget is the document that establishes who will apply the taxes and other revenues the government collects. Understanding how this activity works and participate in its conduct, directly or indirectly, is an essential condition for the effective exercise of citizenship.

In recent years there has been increasing the demand for transparency in public affairs, especially in economic and financial issues of government.

Informing the public is fundamental to the social control of the state. However, it is also a significant challenge for those who are in charge of this purpose. It is operating a set of data too extensive and highly complex. Provide the raw data from the government without aggregation and analysis will be of little value to understanding its meaning. Moreover, any attempt at simplification reduces the available content.

Another challenge is to overcome the technical language commonly used by organizations that deal with the budget directly public in order to facilitate citizens’ understanding of matter.

Thus, this document is a simple effort that aims to contribute to the country to gradually conquer the challenge of building a better informed and more participatory management of public resources.

With this goal, we highlight the relevant schedules more planning run the federal government in 2011, classified according to major functions of government.

We know that such a document is always limited and never will meet fully the information needs for the budget of the Union, after all, this is a summary. However, we expect this initial reference allows the citizen to know the numbers for the proposed 2011 budget and be motivated to expand their knowledge on the subject and future influence in the adoption and implementation of public spending.

Célia Corrêa
Secretary of the Federal Budget
# SUMMARY

- Federal Budget Within Reach of All—2011 ................................................................. 7
- Overview .......................................................................................................................... 8
- Social Assistance ........................................................................................................... 16
- Culture ............................................................................................................................. 18
- Sport and Leisure ......................................................................................................... 20
- Rights of Citizenship .................................................................................................... 22
- Education ....................................................................................................................... 24
- Agricultural Organization ............................................................................................ 26
- Social Security ............................................................................................................... 28
- Health .............................................................................................................................. 30
- Work ................................................................................................................................. 32
- Science and Technology ............................................................................................... 34
- Communications ............................................................................................................ 36
- Energia .............................................................................................................................. 38
- Environmental Management ......................................................................................... 40
- Housing ......................................................................................................................... 42
- Sanitation ......................................................................................................................... 44
- Transportation ............................................................................................................... 46
- Urban ................................................................................................................................. 48
- Agriculture ...................................................................................................................... 50
- National Defense .......................................................................................................... 52
- Industry, Trade and Service .......................................................................................... 54
- Foreign Affairs .............................................................................................................. 56
- Public Safety .................................................................................................................. 58
This document aims to make more accessible information about the federal budget, including revenues (taxes and contributions, among others) and expenditure (spending on education, health, safety, welfare, and other investments) provided in the Project Annual Budget Law for 2011 (2011), sent to Congress on August 31, 2010.

The information is presented in two stages. The first deals with the major figures of the budget for 2011, according to the characteristic of each revenue and expenditure and the expenditure trends. To make possible a comparison between the projects of 2010 and 2011 was excluded from the value added figures in the budget through congressional amendments, which are presented during the consideration of legislation, as well as added value through extraordinary credits (funds to meet expenses unforeseeable and urgent, such as public disaster).

The second part contains information on costs, to quantify the resources that the Federal Government has implemented in recent years in education, health, public safety, among others, and the value of its proposal for 2011.

More details of the Proposed Annual Budget Law for 2011 may be obtained by reading the message that Presidential forwards this Bill to Congress, as well as the annexes and volumes that make up in the text of the proposal. These documents can be accessed at the website https://www.portalsof.planejamento.gov.br/sof/orcamento_2011/.
Among the principles applied to public budget, we emphasize that all revenues and expenditures must be included in the budget. Revenues and expenses should have the same value, i.e., the budget must be balanced. For the Union Budget 2011, the revenue and expenditure proposals represent approximately R$ 2.05 trillion.

Under the Constitution, the public budget is a single document, which includes the Investment Budget of Public Enterprises, the Social Security Budget and Fiscal Budget.

The Investment Budget of Public Enterprises, with about R$ 107.5 billion, has investments of enterprises controlled by the Federal Government, covering only the investment of state enterprises independent, those that do not need government resources to maintain activities. Examples: Petrobras, Eletrobras, Bank of Brazil and Caixa Economica Federal.

The social security budget includes expenditure on health, welfare and social assistance. For 2011, these expenses account for R$ 512.7 billion. Examples of expenses that budget payments and retirement pensions as well as spending on health and welfare benefits.

The fiscal budget is approximately R$ 1.4 trillion. The park includes the expenses of the Judicial, Legislative, Executive and the prosecution of the Union including the organs of the federal government, directly and indirectly, covering the funds, government agencies, foundations, and state-owned enterprises, not covered in other budgets, and values that finance the federal debt.

### Evolution of Federal Budget (2006-2011)

<table>
<thead>
<tr>
<th>Budgets</th>
<th>Budget Implemented</th>
<th>PLOA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006</td>
<td>2007</td>
</tr>
<tr>
<td><strong>Fiscal</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic Debt Refinancing</td>
<td>346,0</td>
<td>357,3</td>
</tr>
<tr>
<td>External Debt Refinancing</td>
<td>30,8</td>
<td>17,5</td>
</tr>
<tr>
<td><strong>Social Security</strong></td>
<td>295,4</td>
<td>323,6</td>
</tr>
<tr>
<td>Investment by State</td>
<td>32,8</td>
<td>39,8</td>
</tr>
<tr>
<td><strong>Total Federal Budget</strong></td>
<td>1.186,3</td>
<td>1.212,2</td>
</tr>
</tbody>
</table>
It is important to emphasize that in the fiscal budget, although the total amount of spending on federal debt reaching the sum of R$ 953.8 billion, most of that amount does not represent payment of debt, since R$ 678.5 billion corresponds to the refinancing, or replacement of previously issued bonds for new bonds maturing later. This operation, commonly known as “debt rollover,” there is no reduction or expansion of current debt. Payment of debt also includes interest totaling R$ 169.9 billion and repayment of R$ 105.4 billion.

The debt management is performed by the National Treasury Secretariat, Ministry of Finance. For more information on the subject, the site can be found www.tesouro.fazenda.gov.br the Annual Debt Financing (2010).

ESTABLISHMENT OF THE FEDERAL BUDGET

The preparation of the federal budget begins with the estimated revenue. Revenues are classified as non-financial (or primary). Financial revenues are those that originate, as its name implies, financial operations (mostly loans).

The primary revenues come from the taxes (taxes, contributions for improvement), social contributions, among others. It is the most traditional way to finance budget outlays.

Public expenditures are also classified as non-financial (or primary). Likewise, they are destined to pay the financial costs arising from financial operations, including the payment of interest and principal. The other expenses are classified as primary.

<table>
<thead>
<tr>
<th>BUDGETS AND SOCIAL SECURITY TAX (2010-2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RECIPE</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>PRIMARY</td>
</tr>
<tr>
<td>Taxes</td>
</tr>
<tr>
<td>Fees</td>
</tr>
<tr>
<td>Contributions</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>FINANCIAL</td>
</tr>
<tr>
<td>Debt Refinancing</td>
</tr>
<tr>
<td>Issuance of Securities</td>
</tr>
<tr>
<td>Earnings on Cash and Treasury</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>EXPENDITURE</strong></th>
<th><strong>PLOA</strong></th>
<th><strong>2010</strong></th>
<th><strong>2011</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIMARY</td>
<td>802.4</td>
<td>913.9</td>
<td></td>
</tr>
<tr>
<td>FINANCIAL</td>
<td>936.0</td>
<td>1,026.7</td>
<td></td>
</tr>
<tr>
<td>Amortization of Debt</td>
<td>757.2</td>
<td>783.9</td>
<td></td>
</tr>
<tr>
<td>Interest and Debt Burden</td>
<td>110.4</td>
<td>169.9</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>68.5</td>
<td>72.9</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,738.4</td>
<td>1,940.6</td>
<td></td>
</tr>
</tbody>
</table>
This distinction between financial and primary function is important in the outcome of tax you intend to achieve in the federal budget. This tax result is defined by the Budget Guidelines Law (LDO). Since 1988 Brazil has been producing primary surpluses, which means, in other words, the primary revenues have been higher than primary expenditure.

With this surplus of primary incomes, the government retains the regularity in payment of its debt, which is essential to maintain a balanced economy and avoid rising prices of products purchased by the population.

The process of preparing the budget for a given year begins with the preparation of estimates for various economic parameters (Gross Domestic Product - GDP), inflation, exchange rate, among others). Such estimates are carried out in the middle of each year for calculation of values that will Viger next year. The following table shows the parameters set for 2011:

<table>
<thead>
<tr>
<th>Predict Parameter</th>
<th>Relevance and Meaning on Federal Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflation</td>
<td>The Consumer Price Index (IPCA) is the official index of inflation. This index is calculated by the Brazilian Institute of Geography and Statistics (IBGE), considering the variation in prices of a basket of goods and services consisting of food, clothing, rent and payment for electricity, water, sewer, and other daily expenses. This index is important for the budget, because many government contracts are adjusted for him, as well as some government revenues.</td>
</tr>
<tr>
<td>GDP</td>
<td>The GDP is the sum of everything that is produced in the country during the year. Is also calculated by the IBGE. This indicator helps to predict the change / growth in revenues and currently in calculating the estimated value for the minimum salary, and the values that must be allocated to health.</td>
</tr>
<tr>
<td>Average Exchange Rate</td>
<td>It is estimated to allow for taxation of costs that will occur in foreign currency, but these appear in the actual budgets of federal agencies. The external public debt of Brazil and the Brazilian Embassy contracts abroad are typical examples of costs that depend on this information. It is also important to allow the estimation of income taxes as the Import, Export, among others.</td>
</tr>
<tr>
<td>Average Interest Rate</td>
<td>The Special Settlement and Custody (Selic), or rate, is important because it reflects the interest rate prevailing in the Brazilian economy. Is related to the remuneration of public securities. Its value is determined by the Monetary Policy Committee of the Central Bank.</td>
</tr>
<tr>
<td>Minimum Wage</td>
<td>Forecast national minimum wage. For the budget, the main impacts of this parameter are the calculations of pension benefits, the Unemployment Insurance and Child Benefit, the Benefits of the Organic Law of Social Assistance and Lifetime Monthly Income.</td>
</tr>
</tbody>
</table>

Source for setting the parameters: the Economic Policy Secretariat, Ministry of Finance (SPE / MF)
After setting the parameters, are then projected revenues that the government expects to receive or collect, as well as transparencies automatic revenue for states and municipalities.

Also based on these parameters are projected mandatory spending for next year, taking into account the history of those costs and other factors, including the law itself that defines the mandatory spending. As an example of mandatory spending, we can cite the constitutional transfers, payment of social security benefits, welfare, personnel costs, among others.

Roughly once estimated that the revenue figures are collected, transfers to states and municipalities, the compulsory and considered also the fiscal target set in the LDO is determined that the value left for other expenses of the Federal Government.

The balance is then offered to the various organs of the Union, as the Ministries, the Superior Courts, the Chamber of Deputies, the Senate and the prosecution of the Union, so that discretionary spending be programmed (selected by the organs according to Multi-Year Plan 2008-2011)

The following table briefly shows the values that are being considered in the proposed budget for next year, as the fiscal target.

### Budget Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>PLOA 2010</th>
<th>LOA 2010</th>
<th>PLOA 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R$ billion</td>
<td>% GDP</td>
<td>R$ billion</td>
</tr>
<tr>
<td>I. Primary Revenue</td>
<td>853,6</td>
<td>25,66</td>
<td>873,9</td>
</tr>
<tr>
<td>II. Mandatory Expenditures</td>
<td>631,2</td>
<td>18,97</td>
<td>637,6</td>
</tr>
<tr>
<td>III. Primary Outcome Goal *</td>
<td>49,0</td>
<td>1,47</td>
<td>42,0</td>
</tr>
<tr>
<td>IV. Discretionary Expenditure</td>
<td>I - II - III</td>
<td>173,4</td>
<td>5,21</td>
</tr>
<tr>
<td>IV.1. . Executive Branch</td>
<td>166,1</td>
<td>4,99</td>
<td>186,7</td>
</tr>
<tr>
<td>IV.2. Other Powers</td>
<td>7,3</td>
<td>0,22</td>
<td>7,6</td>
</tr>
</tbody>
</table>

Included PAC: PLOA 2010 = R$ 22,5 billions; LOA 2010 = R$ 29,8 billions; PLOA 2011 = R$ 32,0 billions.
GENERAL INFORMATION OF THE FEDERAL BUDGET

As we have seen, the expenditure budget can be either mandatory or discretionally. In our budget, the amount of compulsory expenditure is quite high, which generates a high level of rigidity. This occurs because most government spending is made up of constitutional or statutory obligations which must always be performed. The graphs show the relationship between the two costs, its evolution in recent years and the composition of spending to the next.

PRIMARY EXPENDITURE DEVELOPMENTS IN FEDERAL BUDGET 2006-2011

![Graph showing budget developments from 2006 to 2011]

PRIMARY DISTRIBUTION OF EXPENDITURE PLOA 2011

![Pie chart showing distribution of expenditures]
Public expenditures are also classified by economic category in its current and capital. This classification is used internationally, according to the manuals of the United Nations from the 50’s. It lets you know the government’s contribution to national income, as well as the economic comparison between countries.

Capital expenditures are those that contribute to the formation or acquisition of capital goods and goods for resale for the lending and repayment of debt, we can cite as examples the construction of roads, universities, hospitals, and the purchase of equipment for its operation.

Current expenditure is intended for the production of goods and services and allow current to determine the consumption of the public sector, spending on pensions as the National Insurance Institute (INSS), Family Allowance, debt interest and paying teachers, doctors, among others.

Besides the classification by economic, budgetary expenditures are also classified by Groups of Expenditure. The expenditure groups are linked to economic categories and formed by the junction of elements related costs.

### Evolution of Total Spending by Category of Expenditure and Economic Group 2006-2011

<table>
<thead>
<tr>
<th>Economic Category Group of Nature of Expenditure</th>
<th>Budget Implemented</th>
<th>PLOA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006</td>
<td>2007</td>
</tr>
<tr>
<td><strong>CURRENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 - Personal and Social Responsibilities</td>
<td>115,0</td>
<td>126,9</td>
</tr>
<tr>
<td>2 - Interest and Debt Charges</td>
<td>151,2</td>
<td>140,3</td>
</tr>
<tr>
<td>3 - Other Current Expenses</td>
<td>368,3</td>
<td>410,0</td>
</tr>
<tr>
<td><strong>CAPITAL</strong></td>
<td>536,2</td>
<td>514,2</td>
</tr>
<tr>
<td>4 - Investments</td>
<td>11,9</td>
<td>13,8</td>
</tr>
<tr>
<td>5 - Financial Inversion</td>
<td>26,6</td>
<td>28,5</td>
</tr>
<tr>
<td>6 - Debt Relief</td>
<td>497,8</td>
<td>471,9</td>
</tr>
<tr>
<td><strong>RESERVE</strong></td>
<td>0,0</td>
<td>0,0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1.170,7</td>
<td>1.191,4</td>
</tr>
</tbody>
</table>

### INVESTMENTS IN FEDERAL BUDGET

The bulk of Federal Government investments are concentrated Investment State Companies. For 2011, this budget provides R$ 107.5 billion, distributed mainly in the energy area, composed of large public companies such as Petrobras and Eletrobras Group, with R$ 91.3 billion and R$ 8.2 billion respectively.

Another significant resources directed to public investment comes from the Growth Acceleration Program (CAP). In the Fiscal and Social Security are expected R$ 43.5 billion for these initiatives, most of which is housing, about R$ 15.4 billion. In the area of transport, are destined R$ 12.7 billion for the construction and adequacy of roads.
It should make clear that part of the program involves the management of CAP Program and studies, including those of economic and environmental viability (about R$ 688 million) and are therefore classified as current expenditure (Group 3). Besides these, the amounts allocated for the program “My House, My Life (PMCMV) also fall into this classification, they are related to allowances to buy a home, worth R$ 12.9 billion. For more information on the CAP, it should access the website http:// www.brasil.gov.br / pac.

The remaining discretionary investment in the proposal for 2011 that are not covered in state enterprises or the CAP reach the value of R$ 23.6 billion, mainly in the areas of Education (R$ 6.6 billion) and National Defense (R$ 6.1 billion), followed by areas of Science and Technology and Health (both with about R$ 1.5 billion).
In the next section, we present the public budget federal budget functions separated by nine major areas of expenditure, with emphasis on programming more important.

For best viewing, we prepared graphics with the evolution of the expenses, deemed the amounts spent from 2006 to 2009, except for parliamentary amendments and extraordinary claims, and amounts listed in PLOAs 2010 and 2011.

Aiming to enable more transparency, we divide the expenses and mandatory and discretionary budget subfunctions in some areas (subareas of expenses).
The role of social assistance is the set of public policies that seek to reduce social inequality, promoting food security and nutrition and offer services and social protection actions. The main federal agency that performs these actions is the Ministry of Social Development and Fight Against Hunger, whose skills and nature of the service, as well as its organizational structure, are regulated in Annex I of Decree nº 7.079 of January 26, 2010.

### MAIN AREAS

<table>
<thead>
<tr>
<th>Category</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Service</td>
<td>13</td>
<td>22</td>
<td>29</td>
<td>32</td>
<td>34</td>
<td>46</td>
</tr>
<tr>
<td>Assistance for the Elderly</td>
<td>100</td>
<td>121</td>
<td>118</td>
<td>142</td>
<td>198</td>
<td>218</td>
</tr>
<tr>
<td>Assistance to Children and Adolescents</td>
<td>33.0</td>
<td>38.1</td>
<td>41.4</td>
<td>45.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assistance for People with Disabilities</td>
<td>20.8</td>
<td>24.4</td>
<td>28.5</td>
<td>33.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food and Nutrition</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>36%</td>
<td>32%</td>
<td>36%</td>
<td>36%</td>
<td>36%</td>
<td>36%</td>
</tr>
</tbody>
</table>
Community Assistance has as main goal the reduction of social inequality and that area are planned R$ 14.9 billion, representing approximately 36% of the total of R$ 41.7 billion to be spent on social assistance. The Family Grant Program is notable for being the main social policy of the Federal Government for this purpose. It is a program of direct income transfer, which benefits families in poverty (with incomes per person R$ 70.01 to R$ 140.00) and extreme poverty (with incomes per person up to R$ 70.00), provided that such families meet certain requirements in health and education.

The amounts paid by the Family Grant program range from R$ 22.00 to R$ 200.00, according to monthly income per family member and the number of children and adolescents up to 15 years and younger, 16 and 17 years, yielding an average of R$ 92.00. Currently, the number of beneficiaries varies between 11.8 million and 12.1 million households, depending on how many families enter and exit the program. For 2011 the forecast is that the number of beneficiaries reached the level of 12.7 million families.

The area of food and nutrition should receive R$ 692.6 million. His responsibility is the policy of Food Security, which is the realization of everyone’s right to access to food quality and in quantities that meet the needs of the organism. For both, there are several actions that the abragam free food distribution in emergencies, purchase of food produced by family agriculture, aid to the installation of community facilities (community kitchens and gardens, popular restaurants) for production and sale of food to low cost, and the promotion of access to water for human consumption and for use in food production or breeding areas in semiarid climate (through construction of water).

Regarding social protection, we anticipate that funds of R$ 757.1 million, the Unified Social Assistance System (ITS) comprises the actions and social welfare services of basic social protection and special assistance with shares disabled elderly, children, adolescents, among others.

In addition to the services available, the Basic Social Protection also involves the guaranteed income for the elderly and disabled people in extreme poverty through the provision of benefits (BPC). In 2011, the forecast is to serve approximately 2 million people with disabilities and about 1.7 million elderly, the total expense is about R$ 23 billion.

Since the Special Social Protection is divided into two levels, namely:

a) Average complexity: actions aimed at situations where the rights of the individual and the family have been violated, but there are still family and community ties. For example, actions for the eradication of child labor, which derives from the work children aged 0-16 years, is a service of medium complexity, and requires a technical and operational structure larger than that used for basic protection, with individualized service and systematic monitoring, and

b) high complexity: it addresses cases in which human rights violation and disruption of family ties. This ensures full protection - housing, food, work - for those who are threatening situation, needing to leave the household or community. Shelters and hostels are some examples of social protection services of high complexity. The Sentinel program, which fights sexual exploitation and abuse of children and adolescents is also of high complexity.

These services are typically provided by municipalities in the Reference Centres for Social Assistance (Cras) and Centres for Social Assistance Specialized Reference (Creas). Currently, the federal government supports the operation of 3920 and 1054 Creas Cras, in 1230 municipalities, transferring resources to the monthly municipal funds for assistance.
The Cultural area is also provided in the Constitution of the chapeau of Art. 215: the State shall guarantee everyone the full exercise of cultural rights and access to sources of national culture, and support and encourage the appreciation and diffusion of cultural expressions.

The body responsible for implementing this policy is the Minister of Culture, whose area of jurisdiction of the national political culture, the protection of historical and cultural heritage, and provides assistance and support from the Ministry of Agrarian Development and the National Institute of Colonization Agrarian and Reform and the National Institute of Colonization and Agrarian Reform (INCRA) regularization of those actions to preserve the cultural identity of the remains of quilombo.

### MAIN AREAS

<table>
<thead>
<tr>
<th>Area</th>
<th>PLOA 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural Diffusion</td>
<td>535,9</td>
</tr>
<tr>
<td>Personal Assets</td>
<td>287,2</td>
</tr>
<tr>
<td>Heritage, Artistic and Archaeological</td>
<td>253,5</td>
</tr>
<tr>
<td>Trade Promotion</td>
<td>129,5</td>
</tr>
<tr>
<td>Other</td>
<td>349,6</td>
</tr>
</tbody>
</table>
The priorities of the area of Cultural Diffusion is the installation of cultural spaces, the promotion of cultural projects, modernization of cultural spaces (points of culture, as a means to promote, expand and ensure access in society to the means of enjoyment, production and cultural diffusion, aiming at establishing a network of joint cultural initiatives), the installation of public libraries, among others.

In the area of Cultural Heritage, Art and Archaeology, will be allocated R$ 253.5 million. Here are planned actions for the preservation of cultural collections and recovery of cultural heritage urban Brazil (Project Monumenta).

In the area of Trade Promotion, will be R$ 129.5 million, mainly for investments in the audiovisual sector. Also important to mention a Cinema Near You program, which aims to finance the installation of cinemas in cities with more than 100 000 inhabitants.
SPORT AND LEISURE

The Sports Ministry’s mission is to provide universal access to sport and recreation and promoting people’s participation in all aspects of the sport as a social right, contributing to human development and contributing to the growth of Brazil in the sports arena.

The action of the Sports Ministry is structured from the National Development Plan for Sport, which has four strands: social inclusion through sport and leisure skills of the sport of earnings, expansion of sports infrastructure, and promotion of major sports events.

![Graph showing discretionary and compulsory expenditure from 2006 to 2011.](image)

![Graph showing personnel, current expenditure, and investments from 2006 to 2011.](image)

MAIN AREAS

![Pie chart showing percentages of spending by category.](image)
Of the total amount of R$ 1.3 billion set aside for the Sports and Recreation issue, R$ 804.6 million (63%) were allocated to the area of Sport Performance, especially the granting of scholarships and athletes in order to ensure a minimum staff to maintain high-level athletes, who have no sponsorship, seeking to provide conditions that are dedicated to sports training and competitions in order to participate in the full development of his career.

In the Community Sports were allocated R$ 313.9 million (24%). The priority of this area is the Half-Time Program, which aims to democratize access to sport through activities to be carried out not at school, in a complementary manner, aiming to contribute to social inclusion, wellness, health promotion and development of children and adolescents, particularly in socially vulnerable, the disabled and youth who are out of school, to allow inclusion in formal education.

For the area of General Administration will be R$ 74.7 million (6%) focused on the maintenance of the Sports Ministry, as well as personnel costs.

Regarding the 2014 World Cup, the forecast is R$ 132 million for 2011, to allow the Ministry of Sports, along with the Responsibility Committee Cup 2014, implement the governance model, structured by subject groups for management of activities that culminate in the elaboration and implementation of the strategic plan for the World Cup. It will be further developed an Information Portal for monitoring the developments necessary to monitor the activities to be undertaken by the three spheres of government.

As for the Olympic Games and Paralympics Games in 2016, we expect R$ 605.6 million, to be employed by the constitution of the interministerial Steering Committee Action and Public Authority Olympic, a public consortium being created between the Union, the State of Rio de Janeiro and Rio de Janeiro, and also the creation of the Brazilian and Doping Control Legacy Sports Empresa Brasileira SA - Brazil 2016.

There are other important areas that are grouped in the Other item of the chart, such as policy management, sports, or even resources to generate income in communities with social risk and in prison by sports equipment production, which will be used to support sports and social programs of the agency itself. These options are best known as the Citizenship and Painting Freedom.
Citizenship is a fundamental principle of the Federative Republic of Brazil, enshrined in the Constitution. The rights of citizenship are therefore present in several articles of the constitution. Title II, for example, deals with the fundamental rights and guarantees, and contains chapters on rights and duties of individual and collective social rights, citizenship and political rights.

It is noteworthy that several government policies have significant impact on the exercise of citizenship, leading to the Brazilians, especially those most in need, essential services to the satisfaction of a better life for all, for example, ensuring the health, justice, security, leisure and access to quality education.

Noteworthy is the mobilization of the Federal Government in favor of policies that promote rights and opportunities aimed at young people, which received a boost with the implementation in 2007 of the National Program for Youth Inclusion - PROJOVEM, which is aimed at young people aged 15 and 29 years.

The Program aims to promote their reintegration to the educational process, vocational skills and access to citizenship activities, sports, culture and leisure, acting in the formation of young people through the effective association between the increase in schooling, vocational skills and development of community action in the public interest. Coordinated by the National Youth Secretariat (SNJ), PROJOVEM is subdivided into four categories: PROJOVEM Worker, Adolescent and PROJOVEM PROJOVEM Field.

The management and budget for this program are shared between the Secretary - General of the Presidency, through the National Youth Secretariat and the Ministries of Education, Employment and Labour and Social Development and Hunger Alleviation. For next year, were predicted to PROJOVEM R$ 1.2 million, benefiting more than 1 million young people.
Other public policies that address the rights of citizenship are developed in the Human Rights Secretariat of the Presidency (SDH / PR), which runs programs and articulates policies that focus on specific social groups. For 2011, are provided for R$ 216.9 million for the SDH / PR.

The theme of citizenship also includes the issue of custody and reintegration. Under the Prisons from 2007 to 2009, we invested R$ 748 million in federal and state prison system, with the National Penitentiary Fund (FUNPEN). According to data from the Integrated Information System Penitentiary (InfoPen), Brasil had in June 2009, a prison population of 469,546 inmates. Of these, 149,514 were condemned temporarily. The capacity of prisons, however, was only 299,392 vacancies. The high budget deficit prison in the country is necessary, therefore, as a major challenge for the government in the area of Public Safety.

To address the problem, the National Penitentiary Department (Depen) has provided since 2007, funding for states to hire works that seek to expand by more than 15,000 the number of places, and resources devoted to programs to improve the conditions of the graduating system. In 2011, the Depen will have the budget of R$ 125 million, R$ 54 million for restructuring the prison system in the country, which includes construction, renovation, equipping and refitting of penal establishments. Under the National Programme for Public Security and Citizenship (PRONASCI), were allocated R$ 70 million to care for actions related to the prison system.
The theme of education is explained in the caption of the Constitution art. 205: education, universal right and duty of the state and the family will be promoted and encouraged with the cooperation of society, seeking the full development of the person, his preparation for the exercise of citizenship and his qualification for the job.

The Ministry of Education is the agency responsible for Brazilian education policy at the federal level. Thus, in addition to supporting the education systems state and local federal keeps networks of professional and technological education and higher education and the Federal Teaching Hospitals.

In 2007 it launched the Development Plan (PDE) with the following priorities: promoting quality basic education for all with high index of Basic Education Development (IDEB) to expand vocational education with the creation of the Federal Institutes of Professional Education, Science and Technology to be deployed in cities of regional reference, so as to contribute to the development of neighboring communities and combat the problem of teacher shortages in subjects such as physics, chemistry and biology, and empower the Federal Universities of the necessary conditions to expand the access and retention of students in higher education, the main tool the Support Program for the Restructuring and Expansion of Federal Universities (Reuni).

Of the R$ 56.7 billion that will go to the topic of Education, will be R$ 18.9 billion for personnel costs, since the area has significant skilled labor. They are teachers, assistants, agents of education, among others, that permeates this area of government, so the amount of resources for education staff is high.

Overall, will be allocated R$ 19.3 billion (34%) for Higher Education. The priorities in this area are geared to undergraduate courses, providing financing to students in higher education is not free, expansion of existing federal universities, among others.

Transfer to the area of Basic Education, will be allocated R$ 12.5 billion (22%). Resources are provided for, among others, the Direct Funding Program in the School (TSA) with R$ 1.5 billion and school transport with R$ 1.0 billion, of which R$ 644.0 million for maintenance of existing fleet
through the Program of Support to School Transport (Pnte) and R$ 380.0 million for the purchase of new vehicles through PNATE - Way to School. All feature direct support from the federal government to state and municipal schools.

In the area of food and nutrition, the emphasis is to support school feeding in primary education through the National School Feeding Program (PNAE). The Government has made efforts to improve the quality of school meals regularly increasing the amount per capita (per person). In 2011, brings an increase of R$ 1.0 billion for school meals compared to 2010, with the forecast of funds from R$ 3.2 billion for the attendance of approximately 47 million students.

In the vocational education, R$ 4.6 billions (8%), the emphasis is to the development of vocacional education and technological of Federal Institute of Science, Education and Technology (IFETs).

Moreover, R$ 2.5 billion (4%) for hospital and outpatient care of teaching hospitals, - R$ 1.3 billion (2%) for human resources training, especially the granting of stock incentive to teacher training, R$ 1.1 billion (2%) to secondary school, R$ 952.9 million for Childhood Education and R$ 794.7 million to youth and adults.

There are other important areas that are grouped in the Other item of the chart, such as the provision of information technology infrastructure for public education, or resources for the promotion of post-graduate students, among others.
The Ministry of Rural Development is the primary federal agency responsible for Agrarian Organization. It addresses the following issues: land reform, promoting sustainable development in the rural segment formed by the farmers, and identification, recognition, delimitation, demarcation and titling of lands occupied by remnants of quilombo.

This Ministry also has, extraordinarily, the powers relating to land tenure in Legal Amazonia, by virtue of Law No. 11,952 of June 25, 2009.
Of the R$ 4.7 billion for Agricultural Organization, R$ 2.4 billion will be for land reform, enabling the deployment, recovery of basic infrastructure and natural resource management in the settlements and technical assistance and capacity building of settlements, obtain properties for rural land reform.

Within the context of agrarian organization, we highlight the policy-oriented family agriculture, which seeks to improve the income of the family farmer, through the enhancement of their production, producers entering the market sustainable. This policy extends to people's food security through increased food supply.

For this, the National Program for Family Agriculture (PRONAF) will provide R$ 251.9 million credit for low-cost producer family, seeking investments in their property and feasibility of spending in the harvest.

Another important action is special operations in support of Credit Land Planning, with R$ 1.2 billion to finance the acquisition of land by small farmers, deployment and retrieval of necessary improvements in order to achieve sustainable production of these properties, improving the income of these producers, as well as staying in rural areas.

In addition, we highlight the regularization, which next year will have R$ 259.0 million, allowing the regularization of occupations in the Amazon, with prioritization of occupational registration, dereferencing of property and final settlement, which will allow owners to access to other government policies to support rural production.

In the area of General Administration will be allocated R$ 678.8 million for administration of the Ministry and entities linked to it, as the National Institute of Colonization and Agrarian Reform (INCRA) and the Land Fund and Land Reform - Land Bank.
Social Security is social insurance for the person who contributes. This insurance provides income to the taxpayer if the events of sickness, invalidity, old age, death, involuntary unemployment, maternity and imprisonment.

The Ministry of Social Security is the federal government agency responsible for that policy, and for that account with the State Welfare Policies and Politics of Pension Funds, the National Social Insurance Board, Appeals Social Security and Pension Management and related entities: the National Insurance Institute (INSS), National Superintendency of Pension Funds (Previc) and Enterprise Information Technology and Social welfare (Dataprev).
The Constitution divided the social security system in two ways: one mandatory and one optional. The mandatory social security is formed by the General Social Security System (RGPS). In the graph appears as Basic Pension and should receive R$ 269.6 billion (approximately 77% of the total of R$ 351.1 billion of Social Security). This type of security to the private sector (employers, salaried employees, domestic workers, employed and rural workers) and public officials celetistas (those hired under the Consolidation of Labor Laws - CLT). This system is managed by the INSS and the benefits are paid directly to policyholders through bank transfers.

The mandatory social security is still formed by the Provident Fund Scheme for Public Officials (RPPS). In the chart appears with the name of Statutory Pension Scheme and must be allocated R$ 73.9 billion (approximately 21% of Social Security) for this system. This is the regime provided for public servants who hold a permanent post of Federal, State, Federal District and 1,900 municipalities. Other municipalities maintain their ties to civil servants RGPS.

The other kind of social security pension is optional, which is privately managed and therefore does not appear in public budgets. By having complementary to the official pension scheme, the pension is also known as the Voluntary Pension Funds (PC). It can work in several FWLRQ, especially if the funds sponsored by employers and pension fund associations.

The RGPS and RPPS are autonomous, parallel, with separate budgets and legislation for each. The PC can attend any of these schemes.

The portion “General Administration” of the graph refers to the amounts spent on the operation of the Ministry of Social Security and all other bodies linked to it, especially the service network of the INSS. The forecast PLOA for these values in 2011 is R$ 4.1 billion (approximately 1% of the Social Security).

In addition, the storage, processing and data processing of all beneficiaries Million RGPS are made by Dataprev, hired by the INSS. The contract also includes the processing of payroll and benefits of the conference of the National Register of Social Information (CNIS) with data from collection of social security income, online again by the General Register of Employed and Unemployed (Caged) and the Annual Information Social (RAIS). Expenditure on Dataprev should approach R$ 521.0 million in 2011.

Another significant expense is the Branch Expansion Plan, which seeks to install an INSS office in every city in the country, with more than 20,000 inhabitants, providing better comfort, convenience and security to policyholders that Institute. The forecast is for installation of 720 new agencies. The resource for the installation agency in 2011 prompted by the INSS is around R$ 20.0 million.

Finally, the area of Special Security refers to the payment of benefits provided to an insured who has worked in conditions harmful to health or physical integrity. To be eligible for special retirement, the employee must prove, beyond the time of service, effective exposure to harmful chemical agents, physical, biological or combination of agents harmful for the period required for granting the benefit (15, 20 or 25 years). Furthermore, exposure to harmful agents must have occurred in the normal way and permanent, not occasional or intermittent. The value in 2011 PLOA being spent on the payment of benefits in addition to compensation for violations and human rights, is approximately R$ 2.5 billion (1% of total).
The health care is provided in the Constitution of the chapeau of Art. 196: health is everybody’s right and duty of the state, guaranteed through social and economic policies aimed at reducing the risk of disease and other health problems and the universal and equal access to programs and services for its promotion, protection and recovery.

The public health policy in Brazil is affected through the Unified Health System (SUS), which comprises an organized and coherent set of actions and services, which brings together public institutions of the federal, state and municipal as well as private institutions engaged in agreement or in a complementary manner.

It is worth emphasizing that the Constitutional Amendment 29, 2000, stipulates that spending on health in the EU must receive annual increases as the nominal growth of Gross Domestic Product (GDP).
Of the total 68.5 billion dollars that are planned for 2011, for The Health, R$ 34.1 billion (50%) goes to the area of Hospital Care and Outpatient. In this area, 99% of the funds, ie R$ 33.8 billion, goes to the Ambulatory Care and Specialized Hospital, which stand out the procedures for medium and high complexity (mostly resources transferred to states and municipalities) the pre-hospital care, based on the Mobile Service (Samu 192), and the Emergency Care Units (PSUs), which are units of urgency for low and medium complexity.

In terms of the area of Primary Care, is for R$ 12.1 billion (18%). A significant amount of these resources will be applied to Basic Care, to ensure the municipalities a per capita (per person), which ranges from R$ 10.00 to R$ 18.00, passed by the Federal Government.

In the area of General Administration will be allocated R$ 8.9 billion (13%), and most of it to pay personal assets, leaving the rest to the maintenance of various public agencies and entities linked to the Ministry of Health.

In the area of prophylactic and therapeutic support, will be invested R$ 6.3 billion (9%). Most of these resources goes to the Pharmaceutical Assistance and Strategic Resources for the purchase and distribution of drugs. The forecast is to be used R$ 5.7 billion.

Note: Among the basic drugs that are supplied by the public health system, are the ones for the control of hypertension and diabetes. In the list of strategic medication are those for sexually transmitted diseases (STDs) distributed by the National STD and AIDS, available to more than 190,000 patients. There is also the distribution in the SUS network of drugs for other diseases like tuberculosis, malaria and leprosy, among others.

Of critical importance is the popular Pharmacy Program, which provides 108 drugs, plus condoms, valued at cost (reduced by 90% in value compared to drugstores and pharmacies). The program also operates in the mode of co-participation (the government funds a party and the other, the citizen). In 2011, this program will have a budget of R$ 607.2 million.

At the National Immunization Program (NIP), the Basic Immunization Schedule will be 13 types of vaccines to protect against 19 diseases. Two new vaccines will be included in 2010 and will be available in public health. The total supply of PNI, immunizations given special passes to 28 different vaccines. To preserve these advances, it is essential to maintain continuity of effort, it will be applied to R$ 1.5 billion.

Also, are invested R$ 3.4 billion (5%) Epidemiological surveillance in the area, almost all of these funds are earmarked for Surveillance, Prevention and Control of Diseases and Disability.

There are also resources for dental care, which recorded significant expansion through the implementation of the Program Smiling Brazil. For 2011, there will be budgetary allocation of R$ 113.0 million, with purpose-Care Centers of Dental Specialty (CEOs), whose total number of units come to 1,150.

In the area of Urban Sanitation, will invest R$ 837 million, with emphasis on implementation and improvement of public systems of water supply and sanitation in municipalities with up to 50,000 inhabitants.

There are other important areas that are grouped in the Other item of the chart, such as assistance to the health of indigenous peoples and resource allocation to the area of Rural Sanitation.
The Ministry of Labor is in charge at the federal level the development and implementation of policies and guidelines related to employment generation and income in the labor market. Among its powers, stand out, beyond the issue of employment and income generation, already cited, the supervision of labor relations, training and professional development and safety and health at work.
Of the R$ 32.5 billion that will go to Labour, R$ 30.1 billion (93%) were directed to the area of the Worker Protection and Benefits. The priorities of this area are payments of salary bonus and insurance - unemployment.

With respect to the payment of salary bonus, benefit from, the value of a minimum wage, all workers enrolled in PASEP for at least five years, whose monthly remuneration in the previous year, was up to two minimum wages and with at least 30 working days. For 2011 we estimated 18.2 million workers meet at a total cost of R$ 9.8 billion.

Notably, also the payment of Unemployment Insurance, which is a temporary protection of the worker. It is important to benefit-Care of income, unemployment or without cause, either by rescue workers in work similar to slavery, by interruption of their productive activity or by interrupting the activity of your employer.

For 2011, there will be a total of 7.8 million workers who are covered by insurance - unemployment, at a cost of R$ 20.2 billion.

In the area of General Administration, will use R$ 1.4 billion (4%) for manutenção the various units of the Ministry of Labors and Employment, including the Regional Offices of the work (DRTs) in the States.

There are other important areas that are grouped in the Other item such as the allocation of resources for social and professional skills, especially skills of young people in order to put them in the workplace through worker PROJOVEM. This program has as its target audience between 18 and 29 years with completed primary education, unemployed and who are members of families with monthly income per capita (per person) than the minimum wage.

Participants receive an aid amount of R$ 600.00 (in six installments of R$ 100.00), upon proof of attendance at training courses.
Leading the National Science and Technology, Ministry of Science and Technology coordinates and oversees national policies on scientific research, technology and innovation, development of informatics and automation; biosecurity, space and nuclear; and export control of goods and sensitive service, which assess the possible occurrence of prohibited activity or prohibited in international conventions or arrangements governing the transfer of sensitive goods.

Two major funders of research are linked to this Ministry: The Financing of Studies and Projects (FINEP) and the National Council for Scientific and Technological Development (CNPq). Compose, still, the System S & T Center for Management and Strategic Studies (CGEE), the National Commission of Nuclear Energy (CNEN), the Brazilian Space Agency (AEB), 18 units of scientific research, technology and innovation, and 4 companies State: Brazilian Nuclear Industries (INB); Nuclebrás Equipamentos Heavy (Nuclep), Alcantara Cyclone Space (ACS) and Center of Excellence in Advanced Electronics Technology (Ceitec).

Through this set of institutions, the Ministry carries out its strategic functions, conducting research and studies that result in generation of knowledge and new technologies and creating products, processes, management and national patents.

The Sector Funds are instruments that link the funding of research projects, development and innovation in the country

The resources of the Sector Funds usually are applied in projects selected through public calls, whose edicts are published in the portals of FINEP, according to the following sectors: oil, energy, water resources, mineral resources, information technology and automation, aerospace; space technology, and areas of interest to the National Health System (SUS), agribusiness, biotechnology, water transportation, the Amazon region; transport. Projects that aim to involve not only the generation of knowledge but also their transfer for application in Brazilian companies.
Other studies of strategic importance for the country are also financed through the use of resources of the Fund Industry. The main emphasis is on the Industrial, Technological and Trade (PITCE) of the Federal Government.

Also receiving funding the Green Fund Yellow (MPM), focused on the interaction between university and Company-and CT-Infra, aimed at supporting improvement of the infrastructure of science and technology institutions.

### MAIN AREAS

<table>
<thead>
<tr>
<th>Area</th>
<th>PLOA 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development And Engineering</td>
<td>3,7</td>
</tr>
<tr>
<td>Personal Assets</td>
<td>1,3</td>
</tr>
<tr>
<td>Scientific Development</td>
<td>1,2</td>
</tr>
<tr>
<td>Other</td>
<td>1,3</td>
</tr>
</tbody>
</table>

The amount of R$ 7.5 billion, will be R$ 3.7 billion for the Engineering and Technological Development Area, which includes much of the funding for the Industrial, Technological and Trade (PITCE), the National Program of Activities Space (Pnae) and the sector fund that allocates resources on projects of deployment and recovery of Infrastructure-ture research in public institutions (CT-Infra).

Another R$ 1.2 billion are planned for the area Scientific. Also noteworthy is the program of granting scholarships and research over the CNPq, the amount for 2011 is R$ 856 million to serve over 72,000 scholarships.

It is worth emphasizing that industrial action by the Ministry of Science and Technology involves strategic sectors for the country focusing on leveraging technology. The area includes also actions aimed at promoting, developing and implementing digital inclusion, to promote investment in economic infrastructure for sustainable development and to support the deployment and technological modernization of vocational centers, museums and science centers and technology, among others.
The Ministry of Communications has the expertise related to policy-tain national telecommunications and broadcasting policies, regulations, grants and oversight of telecommunications and broadcasting, control and management of the use of radio frequency spectrum, and postal services.

To implement that policy, the Ministry has an important regulatory agency: the National Telecommunications Agency (Anatel), which shall implement the National Telecommunications Policy, to propose the General Grant Plan and General Plan for universalization of you Telecommunications and act in the defense and protection of users of telecommunications services, among others.

Besides the FCC, this Ministry has the Fund for Technological Development of Telecommunications (Funttel), which aims to stimulate technological innovation process, encourage the training of human resources, fostering job creation and promote the access of small and medium-sized enterprises to capital resources in order to increase the competitiveness of the Brazilian telecommunications industry.
The amount of R$ 1.4 billion for Communications, R$ 400.0 million will be for the Telecommunications in Brasilieiras SA - Telebras might trigger deployment of the infrastructure of the National Broadband Network.

Technology and Engineering for Developmentry, R$ 181.4 million are directed to Funttel for promotion and development of innovative processes and products in telecommunications, such as the Brazilian System of Digital Television, which became a standard digital television internationally recognized.

In the area of Telecommunications, will be allocated R$ 131.4 million, with emphasis on the digital inclusion program, aimed at the population access to broadband connection, in addition to grant funding toward the project for developing technologies in telecommunications.

In this sense, we highlight the creation of the National Broadband Plan, aiming to popularize the Internet access in the federal territory in 2014. There is also the deployment of Broadband in Schools Program, which will directly benefit 86% of students from urban public schools them.

For the area of Standardization and Control, will receive R$ 65.6 million for development for surveillance and regulation of telecommunications services, especially to Anatel.
The main body responsible for implementing public policy is the Ministry of Energy Mines and Energy, whose area of jurisdiction issues related to mining and metallurgy, geology, electricity, oil, natural gas, biofuels and alternative energy sources.

Basically, the actions that the Ministry focus on inspection and grants, conducted by the National Agency of Electrical Energy (Aneel) and National Agency for Oil, Gas and Biofuels (ANP), and preparation of studies and policies aimed at addressing their areas of expertise, leaving the works, notably those of the Growth Acceleration Program (PAC) at the expense of State Companies linked.

Note: The approach in this area holds only if the budgets and Social Security tax, and, therefore, are not included investment by state enterprises dependent, whose value lies in the Investment Budget of State Enterprises.

The main areas of activity relating to energy are: Mineral Fuels, Standardization and Monitoring Electrical Energy and Power Sector Planning and Energy.
Of the R$ 930.8 million allocated for 2011 in the energy sector, R$ 273.3 million was allocated to the area of Mineral Fuels, encompassing resource for checking the quality of supply of oil and oil products, natural gas and biofuels. This allows you to generate data and technical information to guide strategic decisions of the National Agency of Petroleum, Gas and Biofuels (ANP) for direction of future exploratory efforts to be undertaken in sedimentary basins.

In 2011, will be allocated R$ 90.3 million in the area of Standardization and Control, whose main activities are the monitoring of electricity services carried by Aneel, and supervision of distribution and retailing of oil products and biofuels exercised ANP.

In the area of Energy, in 2011, will be spent R$ 46.3 billion. The highlights of this area are the Light for All program that aims to supply power in remote (R$ 15.0 million), and actions to improve the quality of electricity services (R$ 20.5 million).

We also highlight actions for the planning of the electrical and energy that count with R$ 38.4 million. For energy planning, which includes long-term prospective studies, aiming to impact on the evolution of the National Energy Matrix, are destined R$ 25.3 million.

In the item “Others” are focused maintenance actions of the organs linked to the Ministry of Mines and Energy.
Environmental management is under the heading of art. 225 of the Constitution, everyone is entitled to an ecologically balanced environment and the common use and essential to a healthy quality of life, imposing upon the Government and the collective duty to defend and preserve it for present and future generations.

The body responsible for implementing this management is the Ministry of Environment, whose mission is to promote the principles and action strategies for the knowledge, protection and restoration of the environment, sustainable use of natural resources, enhancement of environmental services and the insertion of sustainable development in the formulation and implementation of policies. Its jurisdiction includes, among others, the national policy environment and water resources and conservation policy, conservation and sustainable use of ecosystems, biodiversity and forests.

However, because of major works that aim to create real conditions for sustainable development and autonomous in the Northeast, mainly in the semiarid region, the Ministry of National Integration in the area of Water Resources also holds interests in a cross-sectional by through the Integration Program of the São Francisco (PISF).
The area of Water Resources received R$ 2.5 billion, of which R$ 1.5 billion is aimed at the PISF, also known as integration of the waters of San Francisco, which aims to bring water to the basins Bridget, Newfoundland Pajeú Moxotó, Basins of the Wasteland Pernambucano Jaguaribe, Metropolitan of Ceará, Apodi Piranhas-Acu, Paraíba and Piranhas by two axes of integration: the east and north. Moreover, it will also develop projects aiming at building dams, reservoirs and raceways in several locations in Brazil, aiming to increase the supply and access to water for consumption and production.

In the area of Environmental Preservation and Conservation, it is worth to note the implementation of the National Political Climate Change, in particular through the creation of the National Climate Change Fund, with the purpose of supporting or funding projects aimed at mitigation and / or adaptations of climate change.

In the area of Environmental Control actions are developed to fight forest fires and burned the office of the Brazilian Institute of Environment and Natural Resources (IBAMA).

In the item Other, other actions are classified allotments, beyond the maintenance of conservation units in the Chico Mendes Institute for Biodiversity Conservation (ICMBio) as well as the maintenance of other agencies of the Ministry of Environment.
The Ministry of Cities has the mandate to develop policies on housing, sanitation, transport and urban mobility in addition to stocks of infrastructure and urban development.

Regarding the implementation of housing policy, the Ministry has a National Housing (SNH), responsible for monitoring and assessing, and formulate and propose instruments for the implementation of National Housing Policy with the objective of promoting universal access to housing.

Apart from SNH, the National Fund for Social Housing (FNHIS) that centralizes the resources of programs Subnormal Urbanization of Settlements and Social Housing, entered in the National Social Housing.
Of R$ 651 million for housing, R$ 461 million (71%) were allocated to support the improvement of living conditions in slum conditions, while the remaining R$ 190 million (29%) for the provision of housing-ing popular even with subsidies.

With regard to housing policy, some innovations mark the period that began in 2007 as the inclusion of slum between the investments of the Growth Acceleration Program (CAP), enlargement of the shares of National Fund of Social Housing (FNHIS), with the creation of the Social Production of Mo-radiation in 2008 and the establishment of the My Home My Life (PMCMV) in 2009.

Among the major works in the housing sector that have scheduled for completion in 2011, we highlight: the urbanization of slums Paraisópolis in Sao Paulo, Sao Paulo State, with production of 2,544 units, which will benefit 22,500 families, retraining Urban Arrudas river valley in Belo Horizonte, in Minas Gerais, with the purchase or construction of 957 housing units for 16,600 families, urbanization slum of Heliopolis in Sao Paulo, Sao Paulo State, with the production of 1,427 housing units for 15,600 families, the urbanization of the Valley of Regina in Maceió, in Alagoas State, with the construction of 1,512 new homes for 7,000 families, and the construction of 2,468 housing units at Arroyo and Cadena-Vacacaí Mirim, Santa Maria, State of Rio Grande do Sul, which will benefit 8,400 families.
The main body responsible for implementing the policy is the Ministry of Urban Development of Cities, which has the mandate to develop policies on housing, sanitation, transport and urban mobility in addition to stocks of infrastructure and urban development.

The implementation of these policies within that Ministry is in charge of the National Secretariat of Environmental Sanitation (SNSA), which aims to promote a significant advance in the shortest time possible, direction of the universalisation of the drinking water supply, sanitation (collection, treatment and disposal), municipal solid waste management (collection, treatment and disposal), and the appropriate management of urban rainwater, with the consequent flood control.
MAIN AREAS

Of the total R$ 1.98 billion for sanitation, almost all, R$ 1.97 billion (99%) will be allocated to the area of Urban Sanitation. The priority of this area is the implementation and improvement of systems for water supply, sanitation, urban drainage and solid waste.

In Sewage is planned to increase collection and treatment of wastes with emphasis on protecting watersheds from refueled to the public. On Water Supply, is intended to combat urban water deficit by enhancing production and reducing losses. Drainage will now aim to control the flow of rainwater in urban areas from flooding and recurring floods by building big pools (reservoirs damping, restoration of wetlands), linear parks, dredging of waterways to reduce siltation, and rectifies-cation channe.

Among the sanitation works with completion scheduled for 2011 highlight: water supply and sanitation of water supply in Salvador, Bahia State, which will benefit 69,100 families, the integrated sanitation in the Complexo de Manguinhos, Rio de Janeiro, Rio de Janeiro, to 12,000 families, the sewage in Corumbá, in Mato Grosso do Sul, to 23,000 families, and water supply in the Federal District and surrounding areas - South Corumbá System, which provides for construction of station water treatment, reservoirs and pipelines, benefiting 230 000 families.
The Ministry of Transport is the main agency responsible for executing the public policy of Transportation, and the performance of the Department of Ports, linked to the Presidency. Among the powers of the Ministry, are located in the national policy for rail, road and water transport and participation in the coordination of transport airline staff.

For policy implementation, the Ministry has specialized organs, such as the National Department of Transport Infrastructure (DNIT), which is responsible for policy formulated for the administration of the infrastructure of the Federal Roads, including operation, maintenance, restoration or replacement, adequacy of capacity and expansion by building new roads and terminals. Its action focuses on the waterways, railroads and federal highways, the VALEC - Engineering, Construction and Railroads SA, responsible for construction and operation of railway infrastructure. Currently working in the construction of North-South Railway and conducts studies aimed at its more than 700 km in length. It also coordinates studies for the Integration Railroad Midwest, linking Uruaçu (GO) at Vilhena (RO), 1500 Km long, and the Merchant Marine Fund (FMM) which operates in the policy to promote the shipbuilding industry.

In addition to the specialized agencies, the Ministry has regulatory agencies in the area of transport. The National Agency for Land Transport (ANTT) acts in the oversight of rail and road passenger, cargo and concession roads; proposed plans for operation of infrastructure grants, and publishes rules and regulations. The National Agency of Waterway Transportation (Antaq) has the same powers ANTT, but facing the waterway transportation (navigation of rivers, lakes, oceans, ports operations in general and in stations transbordode loads).
Of the R$ 23.2 billion, R$ 13.1 billion (56%) will be for Road Transport. A priority of this area is the maintenance of road stretches, which is defined by States in actions involving recovery services, restoration, preservation and marking of federal highways as well as construction and duplication of road stretches. It highlighted the program Weighing in Federal Highway, which aims to curb the excessive load on the road to accelerated wear of the track and reduce the number of accidents involving vehicles and loading of passengers.

In the road, deserves a duplication of the BR-101 in the northeastern states, which adapts the road stretches on highways 163, in Mato Grosso, 050, Minas Gerais, 280, Santa Catarina, and 290 and 116, in Rio Grande do Sul, the construction of highway sections in BRs230, in Para, 364, Acre, and 448 in Rio Grande do Sul and northern section of the beltway, in the State of São Paulo.

Industrial Promotion will be R$ 3.3 billion (14%) with a view to actions to promote the development of the merchant marine and shipbuilding industry for the construction of vessels and the establishment and modernization of shipyards, the office of the Fund Merchant Navy.

In the area of Rail Transport will be allocated R$ 2.9 billion. We emphasize the construction of the North-South Railroad and the New Trasnordestina Railway East-West Integration performed by VALEC - Engineering, Construction and Railroads SA, which will contribute to the flow of the production at lower costs.

As for Water Transport, will be allocated R$ 1.7 billion (7%) for the development of actions relating thereto. In this sector, we emphasize the construction of river ports in the Amazon, in order to improve the transport of passengers and cargo in the riverside, and investment in the waterways of the Tocantins, Paraná and Paraguay, Madeira, Tapajos and San Francisco by the Ministry Transport, construction and rehabilitation and dredging of ports in various units of the federation, under the responsibility of the Special Secretariat for Ports of the Presidency.

In the area of General Management, R$ 1.3 billion (6%) is devoted to maintenance of the various organs of the Ministry of Transport.

Other relevant areas, grouped in the Other item, include the management of transport policy as well as resources for regulation and inspections conducted by regulatory agencies (and ANTT Antaq).
The main organ responsible for policy implementation is the Ministry of Urban Development of Cities through two agencies: the National Department of Transport and Urban Mobility (SEMOB), which aims to formulate and implement policy for sustainable urban mobility, and National Secretariat for Urban Programs (SNPU), whose mission is to encourage, articulate and support a network of partners, through participatory and democratic processes.

In addition to the Secretariat, there are also two companies and a background dealing with this issue: the Brazilian Urban Train Company (CBTU), the Urban Train Company of Porto Alegre SA (Trensurb) and the National Security and Traffic Education.

The CBTU was created to coordinate the implementation and operation of commuter trains and subways in large cities in Brazil. Currently, he is responsible for the transportation of passengers on rail systems in Recife, Belo Horizonte, Maceió, Natal and Joao Pessoa and participates in projects to implement the subway from Fortaleza and Salvador.

The Trensurb, in turn, was created to establish and operate a commuter rail line on the north axis of the Metropolitan Region of Porto Alegre (MAPA) and meet directly, the populations of the cities of Porto Alegre, Canoas, Pillar, Sapucaia South , São Leopoldo and Novo Hamburg.

There is also the National Fund for Education and Traffic Safety (Funset), which aims to defray the expenses of the National Traffic Department (National Department), concerning the operation of the safety and traffic education.
Of the R$ 3.6 billion for Urban, R$ 2.0 billion (56%) were allocated to support the upgrading of slums.

In the area of urban public transportation, will be allocated R$ 1.1 billion (31%), with the objective to deploy and operate systems of transport subway (Belo Horizonte, Recife, Salvador, Fortaleza, Porto Alegre).

Are planned for 2011, the beginning of the Automatic Train Control System replacement, and the acquisition of new compositions of the system of Belo Horizonte, the acquisition of 15 trains on Line Unit Electrical System South of Recife, the conclusion of the South Line System Fortaleza, modernization of the stretch Sidewalk - Paripe, which is advancing with the time schedule, the system of Salvador, the continuity of the works of extension of Sao Leopoldo in Novo Hamburgo, Porto Alegre in the system, besides the Aeromovel system, train suspended linking the Salgado Filho airport in Porto Alegre, the region’s subway system.

Featuring also the launch of a broad program of investments in actions aimed at improving mobility in cities hosting the games of World Cup Soccer 2014, such as Bus Rapid System (BRT), express shipping lanes, monorail and light rail system.
The Ministry of Agriculture, Livestock and Supply has the institutional mission to promote sustainable development and competitiveness of agribusiness for the benefit of society. The performance of the agency based on the search for animal and plant health, the organization of the productive chain of agribusiness, the modernization of the agricultural policy of encouraging exports, sustainable use of natural resources and social welfare.

In another approach, this Ministry is responsible for the guarantee of the quality and safety (which produces no damage) and food products of animal and vegetable origin, offered to the consumer market and nationally.

Two other bodies also carry out this public policy are the Ministry of Fisheries and Aquaculture, as regards the implementation of actions related to sustainable development of fisheries and aquaculture, and the Ministry of Integration National, with actions aimed predominantly for the development of irrigated agriculture.
The amount of R$ 17.9 billion intended for Agriculture, will be R$ 7.1 billion to supply, R$ 5.5 billion for the Promotion of Crop Production, R$ 3.4 billion for General Administration and R$ 1.9 billion too.

Of note was the support for the marketing of products, with the use of mechanisms of direct procurement from farmers, provision of the contracts public and private sale option and the equalization of prices, allowing trading various types of grains and fibers, such as cotton, rice, cassava starch, beans, corn, sisal, sorghum and wheat, besides ensuring the reduction of price volatility and improve the income of the producer.

As a complement to these policies, the federal government will act in the provision of agricultural protection, with R$ 157.7 million, maintaining the quality of food and beverages, with R$ 99.2 million, storage, supply and marketing, with R$ 146.7 million, agricultural zoning, with R$ 13.5 million, agricultural research, with R$ 422.9 million, and development of bioenergy, with R$ 40.3 million.
The Ministry of Defense is the federal agency responsible for the higher direction of the Armed Forces, consisting of the commands of the Navy, Army and Air Force. Its main mission is to maintain national sovereignty and territorial integrity, and establish policies related to defense and security of the country, as the National Defence Policy (NDP).

### MAIN AREAS

<table>
<thead>
<tr>
<th>Area</th>
<th>PLOA 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Assets</td>
<td>16,7</td>
</tr>
<tr>
<td>Air Defense</td>
<td>3,5</td>
</tr>
<tr>
<td>Naval Defence</td>
<td>3,2</td>
</tr>
<tr>
<td>Ground Defense</td>
<td>1,4</td>
</tr>
<tr>
<td>Other</td>
<td>6,5</td>
</tr>
</tbody>
</table>
The amount of R$ 31.3 billion earmarked for National Defense, R$ 16.7 billion intended to pay the expenses of active personnel.

Commands (Army, Navy and Air Force) have their programming budget on the same characteristics for certain actions. When analyzing the programs of “Modernization and Adaptation,” we are referring to the acquisition or construction of equipment by air, sea, or land, or the modernization of today. Since the program “Preparation and Employment”, referring to the de-ture for the merger, training and maintenance of the troops.

Thus, for the Air Defense, were allocated R$ 3.5 billion, with emphasis on the preparation and employment of troops, with R$ 1 billion, and the refitting and adjustment of the Force Area, awarded R$ 904 million, in order to buy 50 transport helicopters and cargo aircraft to develop the KC X, as well as meet several contractual commitments to modernize and purchase of aircraft, including those for hunting and recognition, and for improvement of the Safety System Flight and Brazilian Airspace Control, with R$ 1.1 billion, and construction, renovation and ex-pansion of airports of national and state levels.

Compared to the Naval Defence, is R$ 3.2 billion, distributed predominantly in the refitting and adjustment of the Navy of Brazil, with R$ 2.3 billion, and the preparation and employment of Naval Power, with R$ 1 billion. Highlights include the development of the nuclear fuel cycle and the prototype reactor for pro-pulsion of the nuclear submarine about R$ 250 million and the Submarine Development Program (Pro-sub), which includes construction of four conventional submarines and a nuclear, including the transfer of technology to the country, and deployment of a shipyard and a submarine base in Itaguaí / RJ; only participation in the Brazilian Antarctic Program (Proantar) worth R$ 9 million, maintaining the Country in the discussion on the future of Antarctica.

The area of Earth Defense has R$ 1.4 billion and is in preparation and employment of land forces, which involves the incorporation of 44,000 recruits, Project Citizen Soldier, which qualifies young discharged from military service to the labor market, the deployment of Special Border Platoons in the Amazon region, and the refitting and adjustment of the Brazilian Army, with a forecast of R$ 427 million.

We also highlight the combined operations of the three forces in air traffic control, river and land, helping to reduce the illegal flow of arms and drugs, the illegal extraction of natural resources and avoidance. The forces also act on humanitarian action, including in other countries, civic and social activities, hospital and outpatient care, and even the assistance and cooperation of the Armed Forces of the Community, with shares of construction and infrastructure assistance to indigenous communities in isolated regions border in the north, as well as the Program for Air Transportation, among other governmental actions.

It is worth emphasizing that there is a forecast of expenditure for the realization of the Military World Games, involving 110 countries and 7,000 athletes, enter-petidores and technicians.
The Ministry of Development, Industry and Foreign Trade is the main agency for promoting industrial development in the country, contributing to economic growth through the intensification of foreign trade and strengthening the internal market. Specifically on the issue of foreign trade, the Ministry is responsible for promoting the implementation of trade defense mechanisms, in order to protect domestic producers of commercial practices such as subsidies and illegal exports to the country at prices below the cost of production (dumping), participate in negotiations of international treaties, such as Mercosur and the European Union, propose measures to improve the sector, formulate policy information, and develop and disseminate information related to this area.

Besides him, three other bodies have a stake in this area: (i) Ministry of Mines and Energy, which, through the Research Company for Mineral Resources (CPRM) and the National Department of Mineral Production (ANP), performs this function in the areas geological and mitigation, respectively, (ii) Ministry of National Integration, which has its share in promoting the development and sustainability of strategic areas in Brazil, and (iii) Ministry of Tourism, which aims to develop tourism as a sustainable economic activity, with a relevant role in generating jobs and income, providing social inclusion and privileging the perspective of those involved in the activity from three angles: the tourist, service and tourist destination.

Of the R$2.4 billion to be allocated in the area of foreign trade, most of the resources (financial expenses) are to provide the Brazilian export financing terms equivalent to the international market.

For the area of Industrial Promotion, will be allocated R$739.9 million, aimed at financing for companies in order to expand capacity or upgrading of machines and processes and also to small and medium enterprises, construction, maintenance and revitalization of the pole Industrial Manaus.
In the area of Tourism, will be R$ 666.2 million for the development of tourism infrastructure, focusing on improvement of municipal areas with proven attractiveness, and vocational training, mainly in hospitality and attention due to tourists, promoting national and inter-national tourist destination and promoting the renovation and expansion of the national hotel, por meio offering financing with varying interest rates by the Banco Nacional de Desenvolvimento Economico e Social (BNDES) and Banco do Brazil (BB), Bank Amazon (BASA) and Bank of Northeast Brazil (BNB).

With regard to the area of Standards and Quality, will be R$ 358.3 million. We highlight the activities of industrial metrology and quality developed by the National Institute of Metrology, Standardization and Industrial Quality (Inmetro). The actions and results that reflect the public policy effort to make Brazilian society rely on measurements and products with internationally accepted standards in imesures and conformity assessment, harmonizing relations between producers and consumers.

There are other important areas that are grouped in the Other item, such as funding for companies to regain their position in domestic and foreign markets, improve their financial health and hence resume hiring.
The Ministry of Foreign Affairs is the agency responsible for assisting the President in formulating and implementing foreign policy of the country, besides the maintenance of relations with foreign states, international agencies and organizations, to promote national interests and articulate the government’s actions externally, in order to create favorable environment for sustainable development in Brazil.

This body, through its diplomatic corps, acting in the consular area (passports, visas, legalization, records of the cement, power of attorney and other services rendered abroad) and technical cooperation, promotes the culture, promotes trade and Brazilian seeks to strengthen the integration between countries and economic blocs, such as South America, Africa and Asia.

<table>
<thead>
<tr>
<th>Area</th>
<th>PLOA 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diplomatic relations</td>
<td>820,9</td>
</tr>
<tr>
<td>Personal Assets</td>
<td>773,0</td>
</tr>
<tr>
<td>International Cooperation</td>
<td>72,5</td>
</tr>
<tr>
<td>Other</td>
<td>298,8</td>
</tr>
</tbody>
</table>
The approximate value of R$ 2 billion to be invested in foreign stocks geared to participation in major regional and international forums, demonstrating the scope of Brazilian foreign policy on issues such as peace and security, finance, trade, environment and energy, among other; in the process of consolidating the integration of markets in Latin America and the Caribbean (MERCOSUR, UNASUR and ECLAC), on improving the provision of consular services, the expansion of jobs overseas representation, sponsorship of international events, cultural and technical cooperation between countries, and the promotion of Brazilian foreign trade in order to meet the intensification and multiplication of its activities in 2011. We emphasize that the running costs by 2008 consider the payment of contributions to international organizations under the Ministry of Foreign Affairs, which have joined the lineup of Financial Burdens of the Union, from 2009.

For next year, are planned acquisitions and construction properties abroad, specifically in Berlin (Germany), Paramaribo (Surinam), Sao Tome (Sao Tome and Principe), Dili (East Timor), New Delhi (India), Maputo (Mozambique) and Abuja (Nigeria).
The Public Safety is the theme for in art. 144 of the Constitution, which provides for the state's duty to ensure the preservation of public order and protecting individual and public property.

The body responsible for implementing many of the policies related to this area is the Ministry of Justice, whose mission is to ensure and promote citizenship, justice and public security through joint efforts between state and society. Under the Ministry of Justice, such tasks are carried out by the Departments of the Federal Police (DPF) and the Federal Highway Police (DPRF), the National Department of Public Safety (SNSP), manager of the National Public Safety (FNSP); Department National Penitentiary (Depen), and by the National Justice (SNJ).
The total of R$ 7.9 billion Public Safety is focused on the activities of policing and border roads and combat crime, to enhance the professionalism and operators of public safety to campaign for re-registration and disarmament, the implementation of the Plan National Anti-Piracy, the refitting of the police, the formation and maintenance of the National Public Security Force; restructuring the prison system in the country, through construction, renovation, equipping and refitting of penal institutions, including further actions for reinstatement prisoner’s social, domestic and egress. Of this amount, the Federal Police is covered with R$ 3.4 billion and the Federal Highway Police with R$ 1.6 billion.

The main highlight of the area lies in the implementation of the National Public Security and Citizenship (Pronasci), which operates in the prevention, control and suppression of crime, and improve their qualifications for public safety. The program relies on the project Training Scholarship, aimed at military and civilian police, prison officers, firefighters, crime experts and city police officers, who receive financial aid for participation in courses organized by the Ministry of Justice, upon confirmation of some criteria for selection of these servers, such as gross pay up to R$ 1,700, was not liable or convicted of serious administrative violations in the last five years, among others. This Ministry is also investing in strengthening the institutions of public security, construction and renovation of prisons, and in supporting implementation of the politics of public safety and citizen safety. Pronasci count in 2011 with funds of around R$ 2.1 billion. This amount includes R$ 780 million for actions aimed at achieving the World Cup matches in 2014 and 2016 Olympics, with R$ 280 million for the implementation of measures of intelligence and preventive efforts of public safety as a way of preparing activities leading up to World Cup 2014 and R$ 500 million for the payment of financial assistance to 63 000 public safety professionals skilled, among military and civil police, firefighters, military and city police officers of loved stinks-tives which will host the 2016 Olympic Games.