

Santa Catarina

General Balance Sheet 2022

Summary



Structuring to Grow



GOVERNO DE
**SANTA
CATARINA**
SECRETARIA DA FAZENDA
STATE SECRETARIAT OF FINANCE
DIRETORIA DE CONTABILIDADE
E DE INFORMAÇÕES FISCAIS
TAX INFORMATION & ACCOUNTING
BOARD OF DIRECTORS

SANTA CATARINA

The geographic and human diversity of Santa Catarina is surprising for a territory of only 95.7 thousand square kilometers, the smallest state in the South of Brazil. It stands out for having the best economic indexes within the national scenario. It is the 20th Brazilian state in territorial area and the 10th in population, with 7,762,154 inhabitants. The state has 295 cities, with Florianópolis as its capital. The cities of Joinville, Florianópolis, Blumenau, Itajaí, São José and Chapecó feature among the largest in the state.

State Organizational Structure in 2022

26 State Secretariats and Entities

2 Executive Secretariats

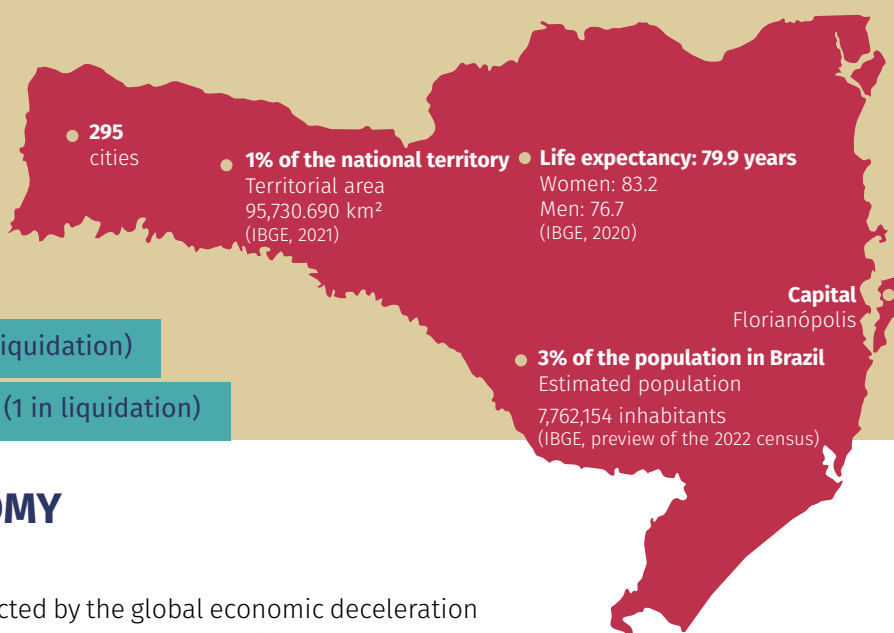
43 Funds

6 Foundations

7 Autarchies

4 Dependent State Companies (2 in liquidation)

12 Non-Dependent State Companies (1 in liquidation)



SANTA CATARINA ECONOMY

In Santa Catarina, the economy was affected by the global economic deceleration in 2022. Nevertheless, Santa Catarina was able to present positive results for the year, based on the diversification of the state economy, which, for the fact of being geographically well distributed, it is able to develop with excellence in all regions.

GROSS DOMESTIC PRODUCT

The Gross Domestic Product (GDP) in Santa Catarina for 2020 (last year disclosed by IBGE) was BRL 349.28 billion, presenting a 2.9% retraction. Despite that, the economy in the state held its position as the sixth largest one in the country, contributing with 4.6% of the national GDP.

In relation to the per capita GDP, Santa Catarina holds the fourth position among the largest GDPs per capita in Brazil.

Year	Santa Catarina - Total GDP		GDP per Capita
	Current price (BRL million)	Growth rate (%)	Current price (BRL)
2017	277,270	4.0	39,603
2018	298,227	3.7	42,149
2019	323,264	3.8	45,118
2020	349,275	-2.9	48,159

Fonte: IBGE

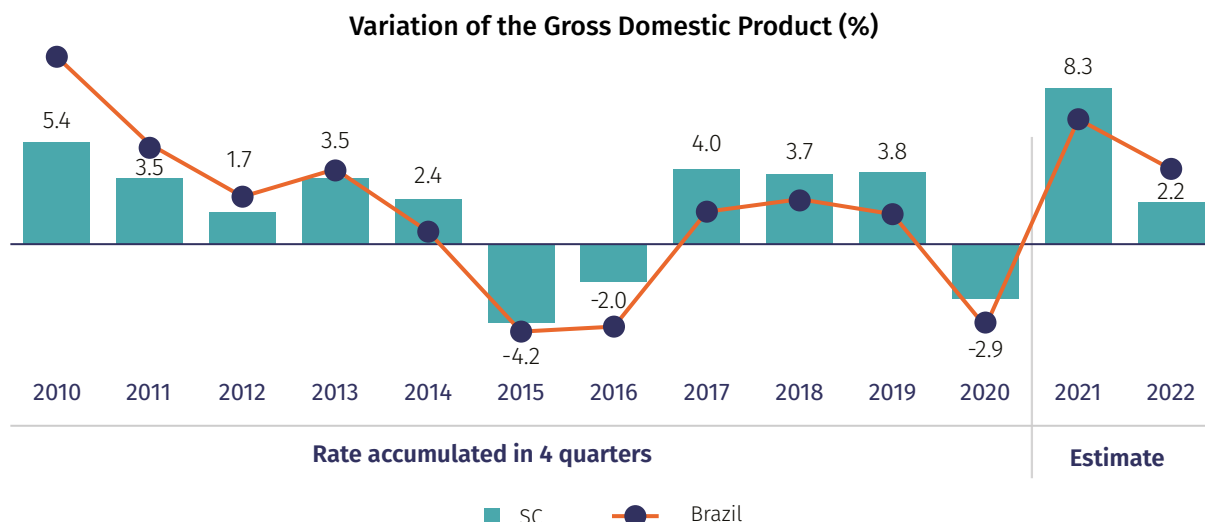
6th Largest National GDP
BRL 349.3 billion

↓
-2.9%
(IBGE, 2020)

**4th Largest National GDP
per capita**
BRL 48,159.00

(IBGE, 2020)

Considering the 12 months ending in September 2022, the *Secretaria de Estado do Desenvolvimento Econômico Sustentável* (State Secretariat of Sustainable Economic Development - SDE) estimates that the state economy presented a 2.2% growth in the year. For the national GDP, IBGE estimates a 3% growth in the same period.



Source: 2010-2020 GDP: IBGE and SDE/SC: National and Regional Accounts; Brazil GDP 2021 to 2022: IBGE/National Quarterly GDP; State GDP 2021 to 2022: SDE/SC/Diec (estimate from SDE of the Economic Activity Index for Santa Catarina)

LABOUR MARKET

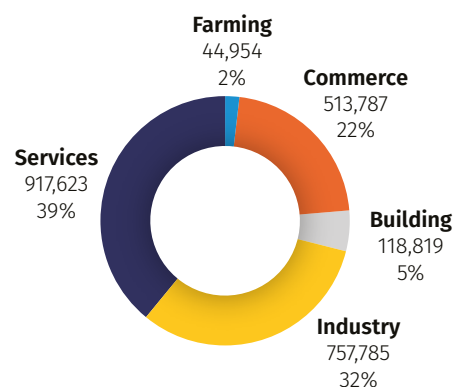
Employment

At the end of 2022, Santa Catarina had 2,352,968 workers employed, a total 4.0% greater than the observed in 2021. The unemployment rate in 2022 was 3.2%.

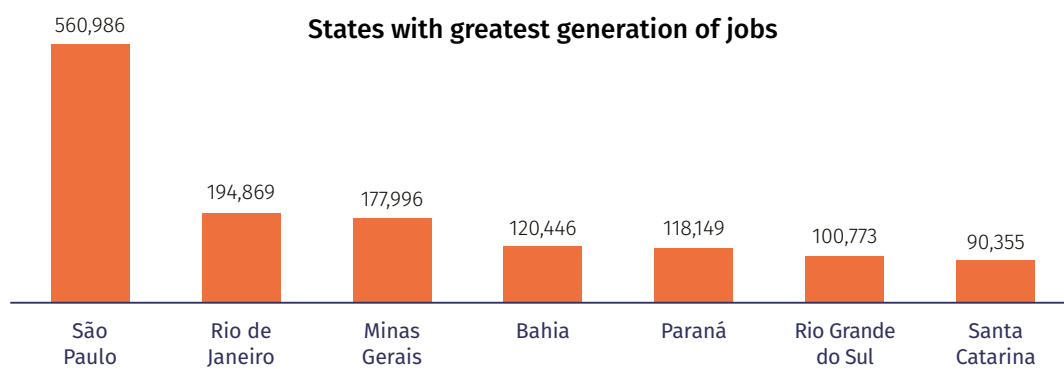
In the year, the State presented a positive balance of 90,355 new formal jobs created, being in the 7th position among the Brazilian states leading the generation of employment in the country.

The five cities in the state that most created jobs were Florianópolis (10,693), Itajaí (7,621), Joinville (5,527), Itapema (4,094) and São José (3,919), being responsible for 35.2% of the new jobs created in 2022. The sectors leading the creation of new vacancies in the State include services (62.4%), commerce (19.5%) and construction (11.5%).

Workers per economic activity in Santa Catarina in 2022



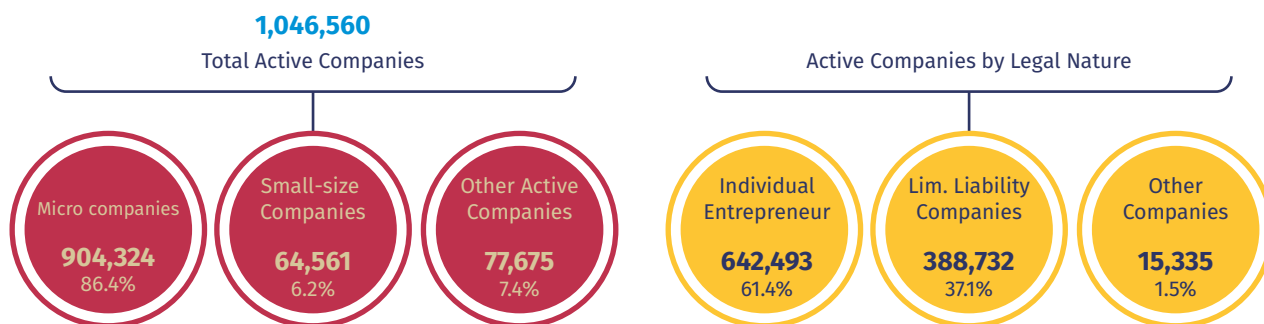
Source: Ministry of Labor and Social Security - Information Panel from New CAGED (December/2022)



Source: Ministry of Labor and Social Security - Information Panel from New CAGED (December/2022)

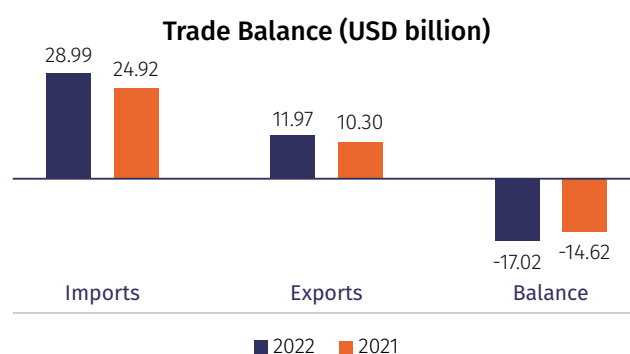
Registration of Companies

In 2022, Santa Catarina had 1,046,560 active companies, according to the Map of Companies from the Federal Government.

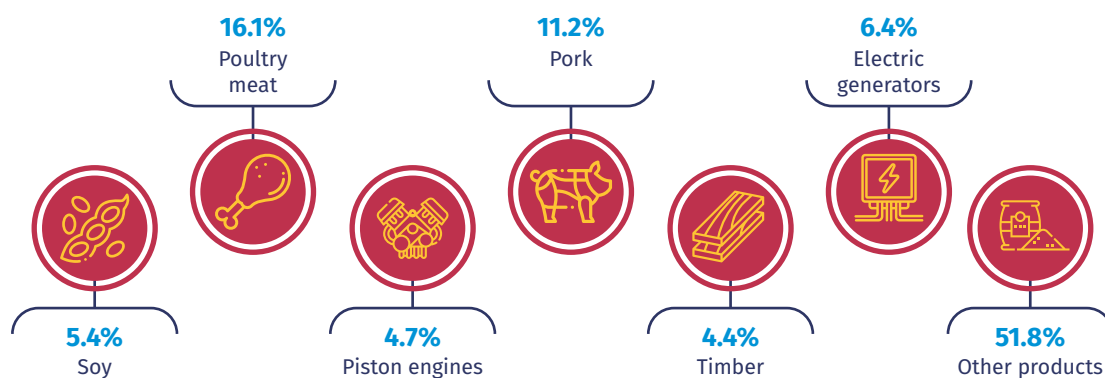


FOREIGN TRADE

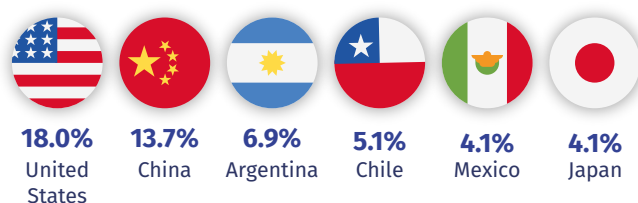
The trade balance of the state of Santa Catarina presented a deficit of USD 17.02 billion in 2022 due to the imports (USD 28.99 billion) having exceeded the exports (USD 11.97 billion). The trade balance result has presented a deficit since 2009.



Main Products from Santa Catarina Exported in 2022

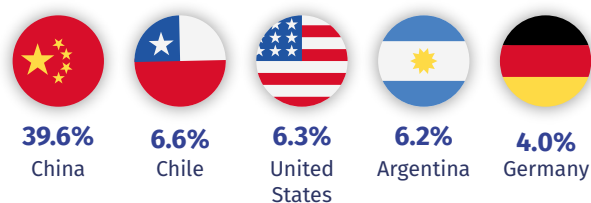


Destination of Santa Catarina Exports in 2022



48.2% – Other countries

Origin of Santa Catarina Imports in 2022



37.3% – Other countries

Source: <http://comexstat.mdic.gov.br/pt/geral/74549>. Visited on: Jan. 26, 2023

ADMINISTRATIVE MANAGEMENT

STATE COMPETITIVENESS RANKING

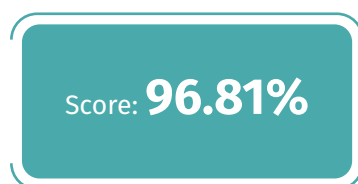
The good economic and social performance of the State was acknowledged in the State Competitiveness Ranking, prepared by the Public Leadership Center (CLP). Santa Catarina reached the second overall position for the sixth consecutive year.

Among the indexes assessed in the promotion of competitiveness and improvement of public management, Santa Catarina excelled in the following pillars:



ACCOUNTING & TAX INFORMATION QUALITY RANKING

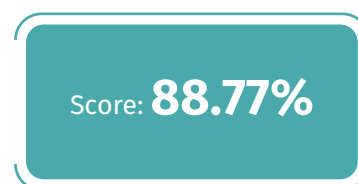
Santa Catarina also stood out in the Accounting and Tax Quality Information Ranking, reaching the second place among the Brazilian states in 2022. The ranking is an initiative of the *Secretaria do Tesouro Nacional* (National Treasury Secretariat - STN) and assesses the consistency of accounting and tax data submitted by the entities of the *Sistema de Informações Contábeis e Fiscais do Setor Público Brasileiro* (Federation to the Accounting and Tax Information System in the Brazilian Public Sector - Siconfi).



2nd Place Overall
in the 2022 Tax and
Accounting Information
Quality Ranking

TRANSPARENCY RANKING

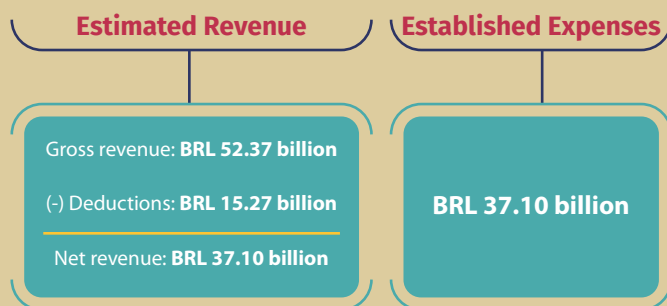
Santa Catarina reached the 3rd place among the states, the Federal District and the Federal Government in the 2021-2022 Transparency Ranking, prepared by the *Núcleo de Estudos da Transparência Administrativa e da Comunicação de Interesse Público* (Center of Administrative Transparency and Communication of Public Interest Center) from the Faculty of Law at University of São Paulo (FDUSP). The ranking analyzed the level of transparency the Brazilian Public Administration grants to its activities, especially how it provides accountability to its administrators. The Transparency Portal of the Executive Branch in the State of Santa Catarina scored 332 points.



3rd Place
among the States,
Federal District and
Federal Government

BUDGETARY MANAGEMENT

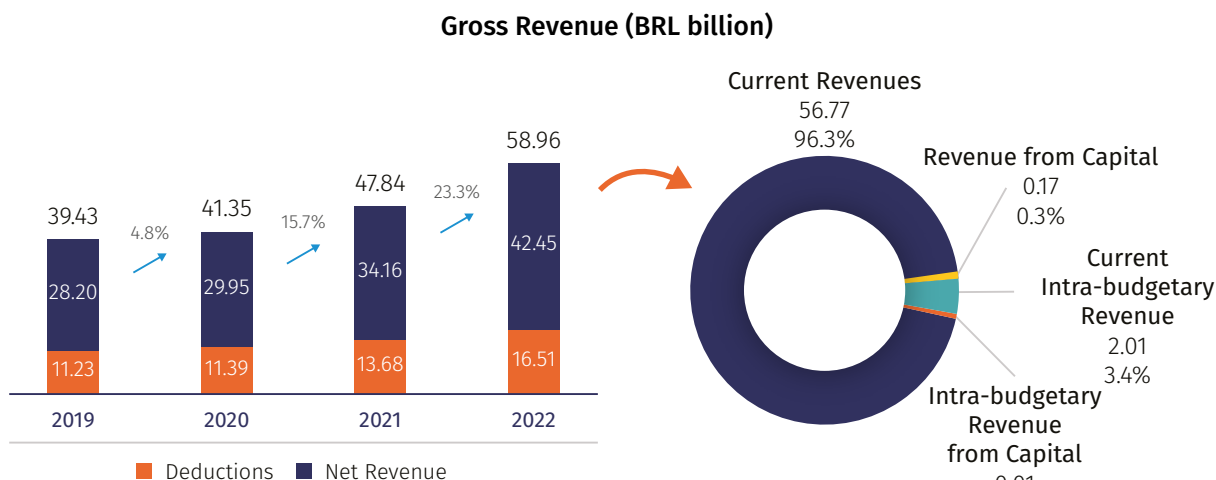
For the execution of the public policies and the availability of the public assets and services to the population in Santa Catarina, the State Annual Budgetary Law (LAO) (Law No. 18.329/2022) estimated the revenue and established the 2022 expenses in the following amounts:



REVENUE

The state revenue corresponds to the resource input the State has available to maintain the services and finance its needs for public investments. In 2022, the revenue originated from several sources, with the key ones being taxes, fees, contributions and transfer of resources from the Federal Government.

The 2022 gross revenue estimated by LOA was of BRL 52.37 billion. The total collection for the year was of BRL 58.96 billion, exceeding the amount stated in LAO in 12.6%. The accomplished amount, when compared to 2021, represented a 23.3% increase in nominal terms. In actual terms, there was an increase of 16.5%, considering the value restated by the *Índice Nacional de Preços ao Consumidor Amplo* (National Extended Consumer Price Index - IPCA), which varied 5.79%¹ in the period.



From the gross revenue, amounts related to the mandatory transfer to cities as provided in the Federal Constitution, the transfers to Fundeb that bind the resources to education, as well as the restitutions of state taxes made to the taxpayers. These discounts are referred to as revenue deductions and account for BRL 16.51 billion in 2022.

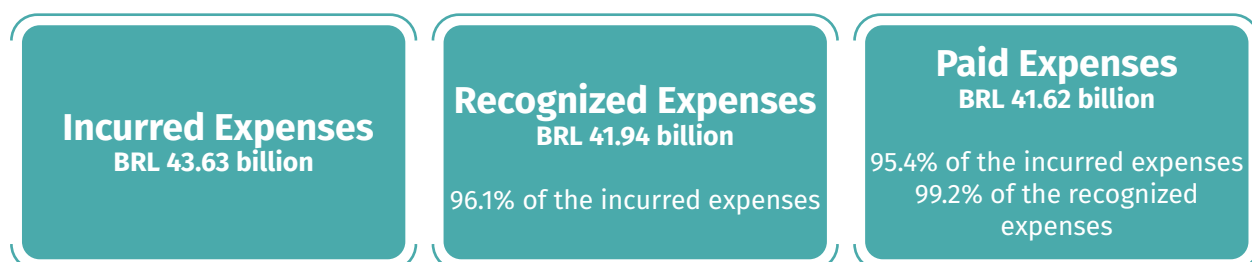
In this way, the net revenue is reached, which is the amount the State uses to pay the public expenses. The net revenue forecast in LOA was of BRL 3710 billion. In 2022, the State accomplished BRL 42.45 billion, reaching 114.4% of the forecast in LOA.



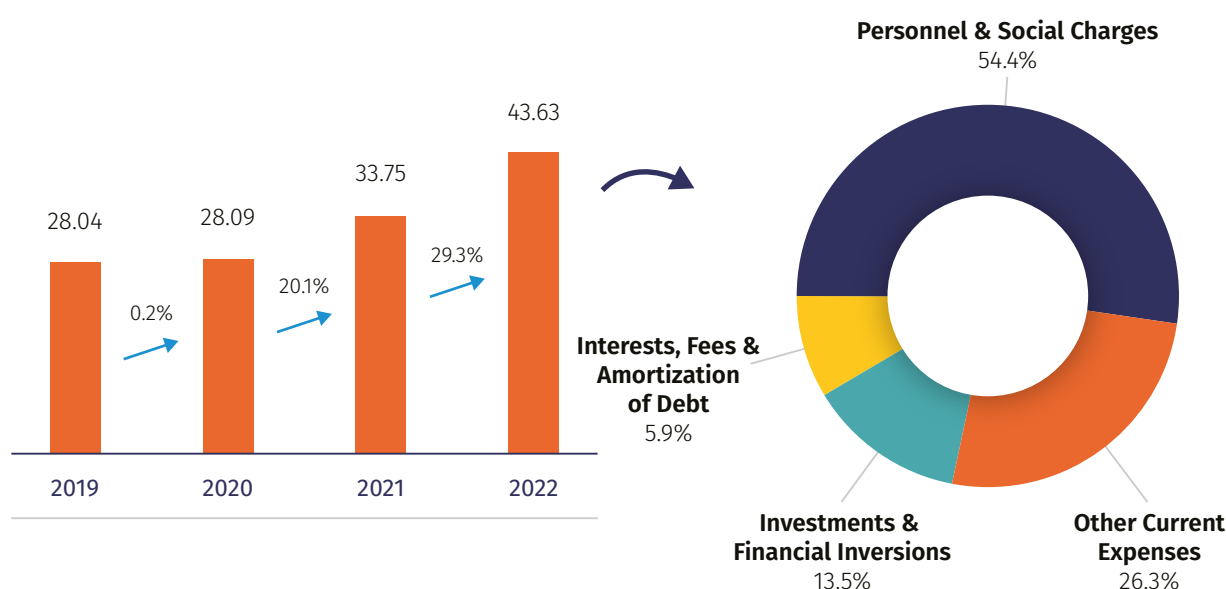
¹ The National Extended Consumer Price Index (IPCA) accumulated from January to December 2022 was of 5.784840%.

EXPENSES

The behaviour of the expenses throughout 2022 reflected the budgetary policy adopted by the State Government of Santa Catarina, with emphasis on increasing investments. The total incurred expenses presented 29.3% growth in nominal terms, and 22.2% in actual terms, when compared to 2021.



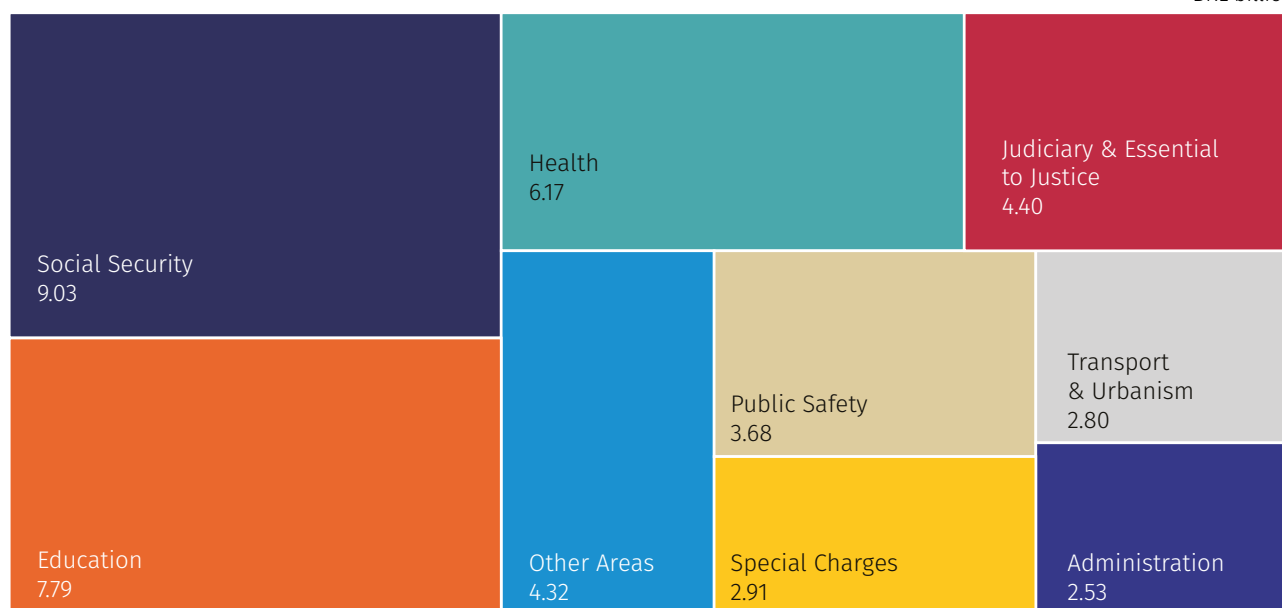
Incurred Expenses (BRL billion)



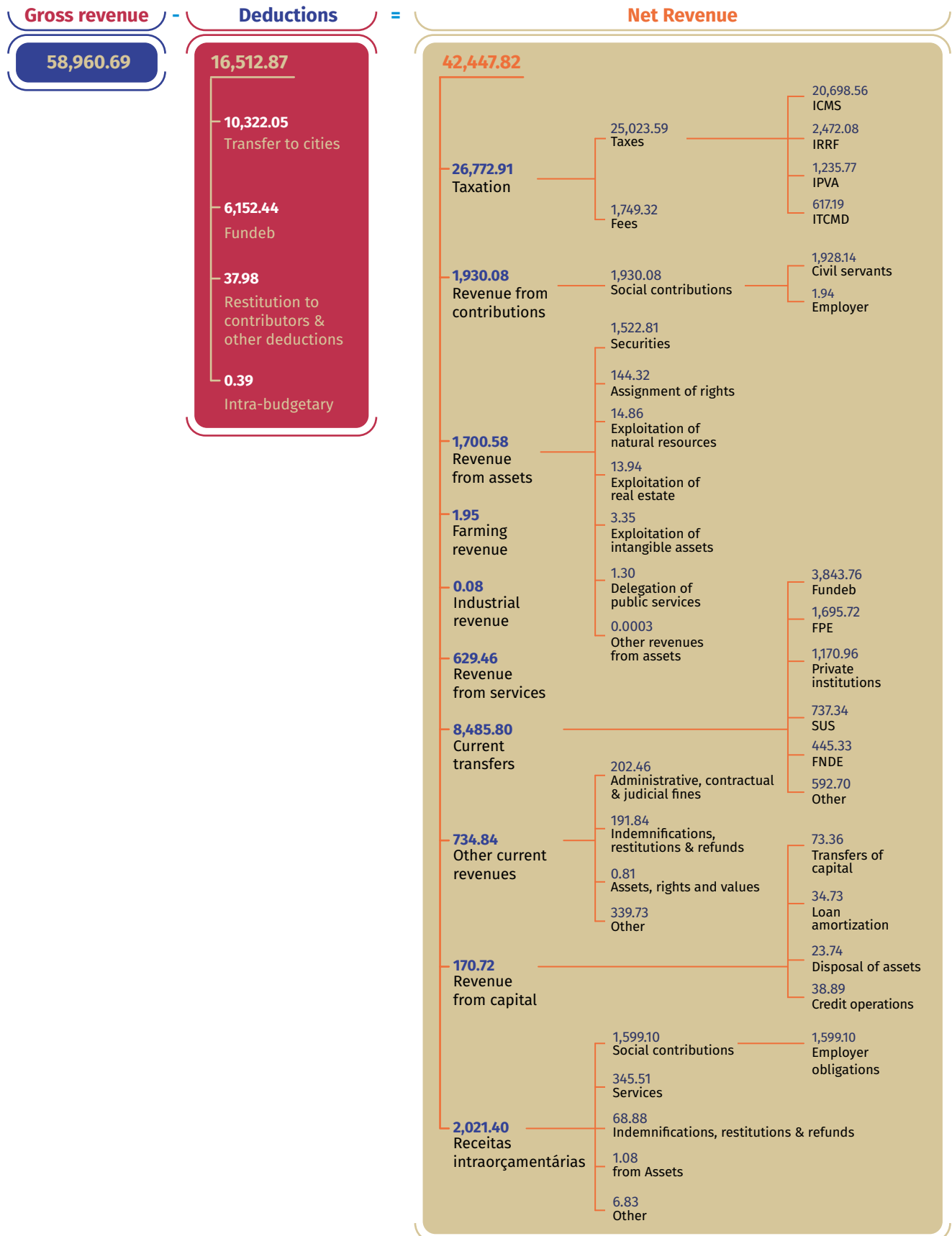
Expenses by Government Operation Area

Total: BRL 43.63 billion

BRL billion

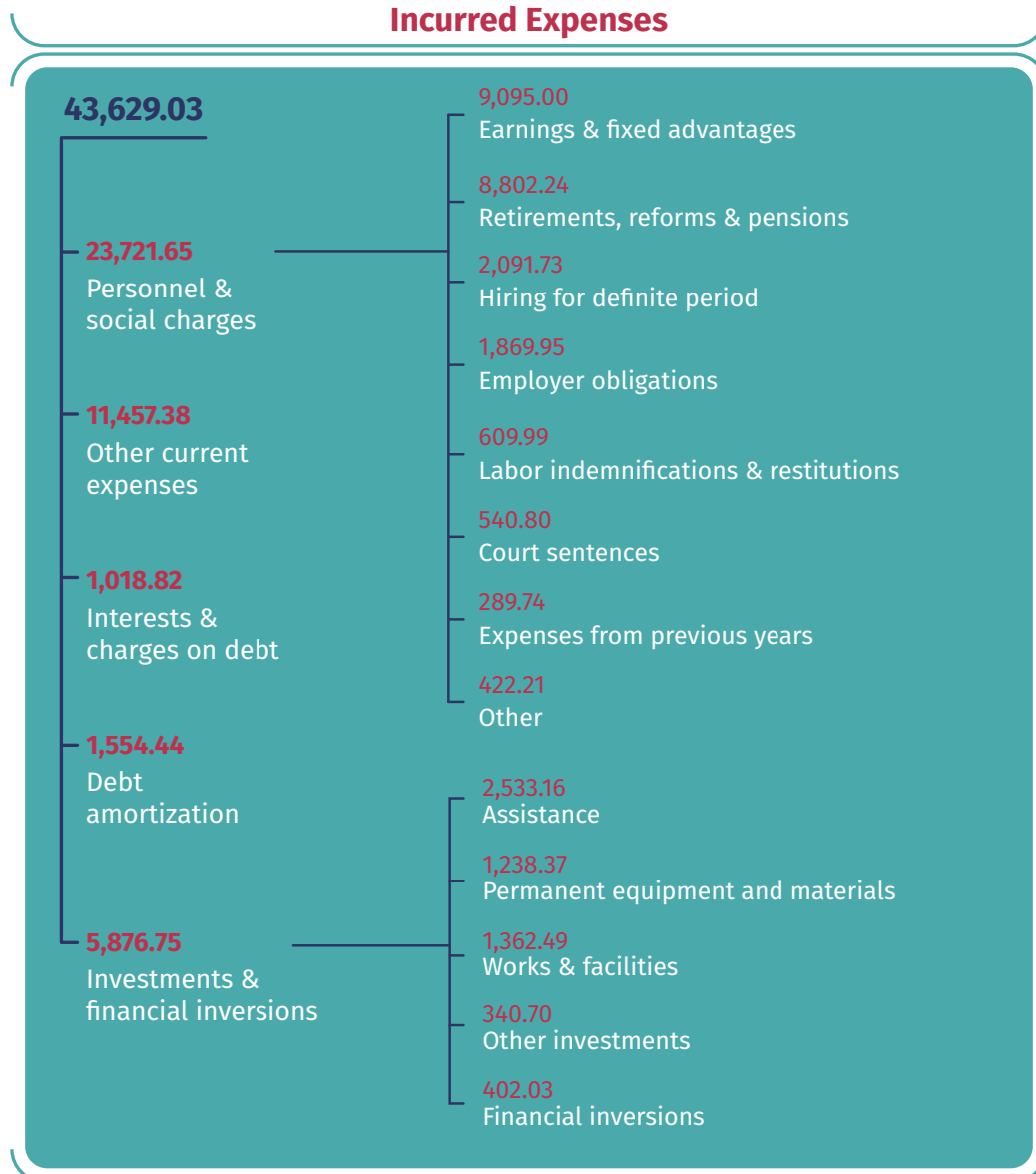


Origin of 2022 State Resources (BRL million)



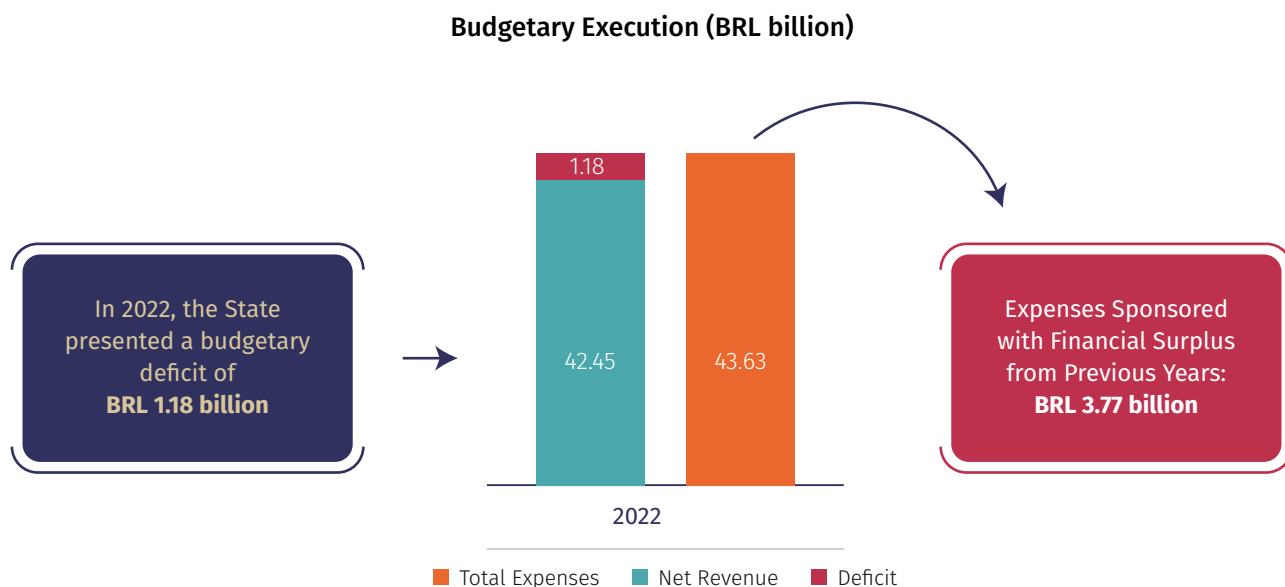
Destination of 2022 State Resources (BRL million)

Incurring Expenses



BUDGETARY RESULT

The difference between the net revenues accomplished and the expenses incurred in 2022 generated a BRL 1.18 billion in deficit in the budgetary result. Nevertheless, it is important to emphasize that part of the incurred expenses was sponsored with resources from financial surplus from previous years (BRL 3.77 billion), which constituted the cash flow from previous years and financed the 2022 expenses.



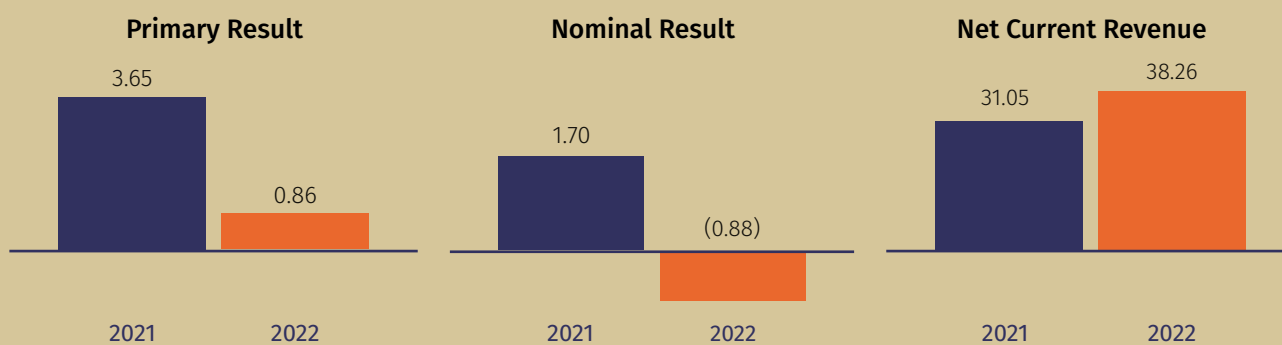
BALANCE SHEET ON 12/31/2022

BRL billion

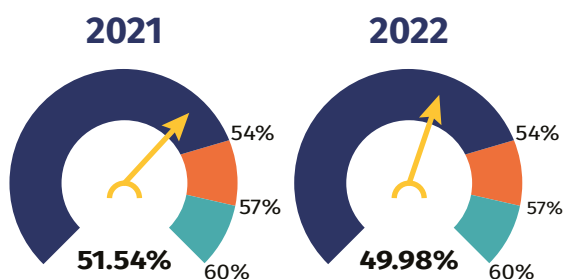
	ASSETS	Amount	LIABILITIES	Amount
CURRENT	Cash & Cash Equivalents	13.40	Labor, Social Security, and Assistance Obligations Payable	1.34
	Credit Receivable	5.39	Loans & Financing	1.06
	Other Assets	9.12	Suppliers	0.46
			Provisions	5.62
			Other Liabilities	7.76
NON-CURRENT	Credit Receivable	2.01	Labor, Social Security, and Assistance Obligations Payable	1.85
	Investments	4.84	Loans & Financing	17.53
	Fixed Assets	39.03	Suppliers	0.40
	Intangible	0.44	Provisions	113.40
	Other Assets	1.11	Other Liabilities	3.41
TOTAL			TOTAL LIABILITIES	152.83
			NET EQUITY	(77.48)
	TOTAL ASSETS	75.34	TOTAL LIABILITIES AND NET EQUITY	75.34

TAX INDEXES

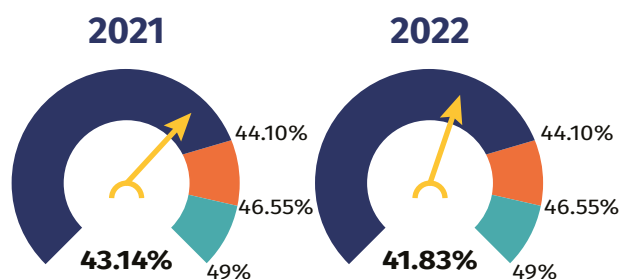
BRL billion



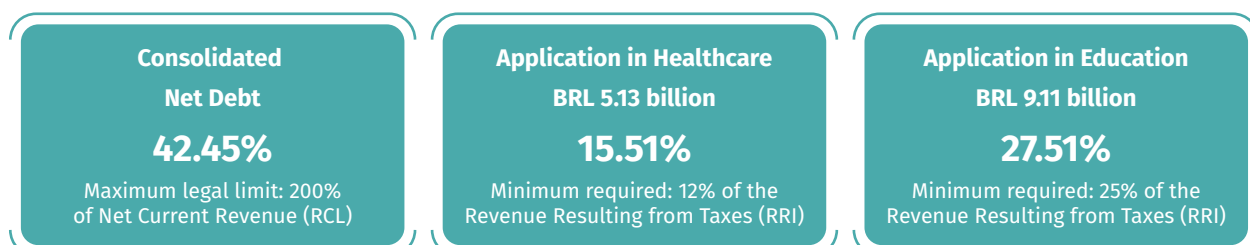
Expenses with Personnel (% RCL) – Overall Consolidated



Expenses with Personnel (% RCL) – Executive Branch



Warning Limit: 54% Prudential Limit: 57% Legal Limit: 60% Warning Limit: 44.10% Prudential Limit: 46.55% Legal Limit: 49%



Social Security Result

BRL billion

	2021	2022
1 - Social Security Revenues - Capitalization Fund	2.36	3.30
2 - Social Security Expenses - Capitalization Fund	5.82	6.88
3 - (1-2) = Social Security Result - Capitalization Fund	(3.46)	(3.59)
4 - Social Security Revenues - Military Social Security Protection System	0.24	0.37
5 - Social Security Expenses - Military Social Security Protection System	1.62	1.94
6 - (4-5) = Social Security Result - Military Social Security Protection System	(1.38)	(1.57)
7 - Social Security Expenses - Benefits Sponsored by Treasury	-	0.17
8 - (3+6+7) = TOTAL SOCIAL SECURITY RESULT	(4.85)	(5.33)

Further information on the performance of the State of Santa Catarina can be obtained in the 2022 General Balance Sheet available at the State Secretariat of Finance Website:



www.sef.sc.gov.br

The Balance Sheet is divided into four volumes, as well as the Message from the Governor presented to the Legislative Assembly. Volume 1 provides administrative, economic, social, financial, and accounting information related to the State. Volume 2 contains the exhibits as provided in Federal Law No. 4.320/1964 and other legal standards. Volume 3 presents the Report on the Activities of the Executive Branch of the State of Santa Catarina, which allows the physical and financial monitoring of governmental programs, as well as the actions that are prioritized in the Budgetary Guidelines Law (LDO). And Volume 4 presents the Report from the Central Entity of the Internal Control System of the Executive Branch.

VOLUME 1



VOLUME 2



VOLUME 4



VOLUME 3



For further information on the State of Santa Catarina, the government operation areas, the secretariats and the entities in the Executive Branch, please visit:

www.sc.gov.br

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