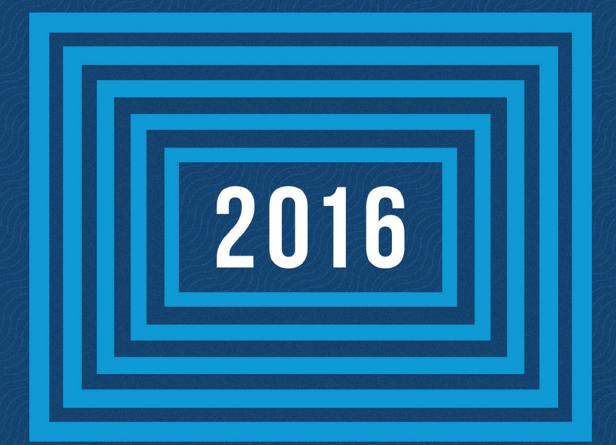
Annual Report



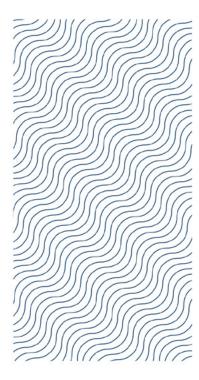


⁴⁴ Transparency in public management is certainly among the top three desires of any Brazilian citizen. Atuação relies on a team of highly qualified people who, with our support, are willing to help make this dream come true.

Personally, I support it and believe that united, we are stronger."

Marcelo Bergerson Investor, Instituto Atuação.

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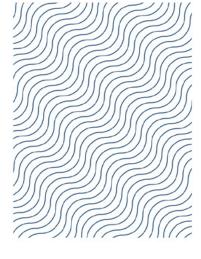
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Message from the Board of Directors

In 2016, some historical landmarks were reached. Brazil has gone through one of its most difficult crises and the world witnessed the resurfacing of authoritarianism, as well as a distortion of the concept of democracy. We are going through a time of skepticism in traditional politics, institutions, democratic regimes and even people. Latinobarómetro's data point to an alarming number of Brazilians who do not believe in democracy and politics in general, any longer.

"A scenario has emerged that asks for a non-partisan work, one that is capable of unifying various actors and movements into a common goal of democracy and politics, one that is sensible and free of radicalization." These issues have left open wounds, and questions: Was the impeachment fair? Will Lava Jato be allowed to continue at full speed? Will the economy begin to grow again in 2017? What impact will the recent American elections have on Brazil, and on the world? What trends have municipal elections set?

There is no way to predict all of these questions and their answers but, despite the critical state of current times, we are positive about the number of people and organizations willing to change this scenario. Global innovations in technology and tools of participation and inspection are expanding. We are witnessing a surprising political engagement of young Brazilians, ranking 3rd among their interests and surpassing interests such as sports. We see other aspects such as the rise of the third sector (with increasing legitimacy and moral power), and the notably reduced tolerance of impunity. A scenario has emerged that asks for a non-partisan work, one that is capable of unifying various actors and movements into a common project of democracy and politics, one that is sensible and free of radicalisms.

All of these indicators give us hope and show us that the significant results that the Instituto Atuação has been

achieving are a consequence not only of our work, but also of social yearnings that make our theme even more relevant.

One doubt, however, remains: How can we help transform the current reality?

With the purpose of producing concrete results, we created both a strategy and a structure for long-term transformations. Thus, we have focused on what democracy in Brazil needs the most: **culture and participation**. We believe that such changes can be achieved through a nonpartisan-based democratic movement, capable of producing the great changes that Brazil needs. We understand that, to transform Brazil into a full democracy, it is essential to start locally, as we have noted a global trend to transform Politics starting in the cities. In 2016, we have had great achievements. Despite being a year with an unprecedented economic downturn, our own income has grown – by receiving the first international contribution of a large foundation and multinational companies, and thus increasing the number of our investors by 50%. Our institution has also developed strategies such as management and teams. We have made outstanding global, national and local partnerships. We have expanded our projects with the Semana da Democracia (Democracy Week) and the Coletânea da Democracia (Democracy Collection), as well as our Cidade Modelo (Model City) program. We have been referred to as part of a global trend by one of the most relevant publications of the social sector worldwide, the Blueprint, among other achievements.

We are very happy with our 2016 results and the validation of so many relevant actors. This report will provide further details on these achievements. Enjoy the read.



Pedro Veiga



Henrique Zétola

Henrique Zétola

Message from the Advisory Board



I discovered Atuação around four years ago. Since then, I've been following the commitment and devotion that the organization has to pursue its primary goal: the promotion of advanced democracy in Brazil.

In fact, we still have only a vague idea of what the democratic experience is. We lack stronger institutions, and means for effective citizen participation. Popular initiative bills still face large obstacles. Our leaders lack responsibility, which requires effective controls to respond to the true demands of the community, in addition to a robust social control. Instituto Atuação promotes all these ideas, supporting each one of them through publications, lectures, meetings and many other activities. All of them emphasize Brazil's possibility and need to become an increasingly effective, sophisticated and irrevocable democracy."

Márlon Reis



Instituto Atuação will rapidly impact the way democracy is experienced in Curitiba, through the Cidade Modelo (Model City) program. It is developing relevant research to guide strategic actions for the initiation of a culture of participation by our community. Programs such as these will certainly result in positive knowledge gains, to be multiplied across all the Brazilian cities, together with the procedures adopted."

Rhodrigo Deda



"Instituto Atuação has pioneering, bold and pragmatic vision and projects. Its cause is one of the most challenging and relevant to humankind – democracy and how we organize as a society – and its savvy team resorts to the wisdom of political philosophers, in addition to the creativityof social innovators.

In an ever-accelerating world, Instituto Atuação provides the balance between its concrete long-term vision and its active short-term prospects. The success achieved on its journey is the result of its considerable ability to identify and unite the most relevant actors, deeply engaging them in the construction of a democratic society."

Liziane Silva



In both global and Brazilian contexts, where many speak without saying, and opinions are superficial and disposable, Instituto Atuação has been acting and serving as an oasis. I especially may refer to the research and content produced in connection with its effective, transforming actions – bringing together experts, thinkers and entrepreneurs from different sectors for a fairer, more modern and more developed country."

Rodrigo Brito

Institutional

Instituto Atuação emerged among young people who, after many political scandals and corruption allegations in the media, decided to participate in the politics in a non-partisan way, in the pursuit of truly significant changes.

As a consequence of this process, they discovered the Democracy Index, which is currently calculated and published by *The Economist Group*. Since its first edition, in 2007, the diagnosis for Brazil is of a flawed democracy – especially with respect to political participation and political culture.

2016 Index	Electoral Process & Pluralism	Functioning of Government	Political Participation	Political Culture	Civil Liberties	Score
FULL DEMOCRACIES						
1st Norway	10	9,64	10	10	10	9,93
16th United Kingdom	9,58	7,14	7,22	8,75	9,12	8,36
FLAWED DEMOCRACIES						
51st Brazil	9,58	6,79	5,56	3,75	8,82	6,90
HYBRID REGIMES						
107th Venezuela	5,67	2,50	5,56	4,38	5,29	4,68
AUTHORITARIAN REGIMES						
165th Chad	0	0	1,11	3,75	2,65	1,50

Democracy Index / The Economist Intelligence Unit

As a result of this diagnosis, we have directed our efforts towards the weaknesses, with two resulting consequences. The first could be summarized as follows: In a continental, heterogeneous country such as Brazil, an effective transformation can only be achieved on a long-term horizon. Thus, we decided to spend most of the first years refining our strategy and developing our organizational structure to support such a comprehensive project. In sum: we aimed at professionalization of the different areas in which Atuação works, with the aim of developing concrete actions. In addition, there is yet another important way this strategic choice unfolds. In short, after research and studies, we concluded that this type of change cannot be achieved through isolated projects and organizations – rather, it depends on movements that share objectives, values and agendas. Then we understood our role inside a more complex whole. We are guided by the Collective Impact approach, which is deeply rooted in research and strategy, to propose and design these common foundations. We seek to understand and share what democracy is, extolling its benefits, valuing new governance formats and supporting the implementation of democratic projects.

Thus, we devised our *Think + Do Tank* model: This results in an organization capable of investigating and understanding major contemporary problems but, also, capable of creating, disseminating and implementing concrete strategies of structural impact.

On this path, it is always necessary to propose the first step to be taken. And, in our case, we consider it appropriate to begin the journey with a project of deep transformations and democratic innovations at the local level, in our city – Curitiba, Paraná.

Finally, we would eventually pursue broader articulation at both the domestic and international levels. Here, publishing efforts and events such as the Semanas da Democracia (Democracy Weeks) serve as important propellers, enabling the effective fulfillment of our objectives.

What we are: A non-partisan, non-profit institution. What we want to achieve: Transform Brazil into a full democracy.

Our values: Non-partisanship, commitment, transparency and a "people-first" approach. What we do: Perform research, strategy and Collective Impact with a focus on political participation and political culture.

Advisory Board

For its continuous institutional development, Atuação acknowledges the indispensable role of its Advisory Board. Through cooperation and dialogue, the body has performed an essential role to the organization.

In pursuing this goal, a meeting was held in May with the participation of the board members and the team of Atuação. In a proactive manner, different aspects of the Institute's improvements were discussed, investigating strategic possibilities for its growth.

Similarly, the participation of Advisory Board member Guilherme Cunha Pereira as a member of the *Expert Review Committee* in the Cidade Modelo (Model City) program is noteworthy. He has trained the Atuação team in various skills.



Finally, the participation of Advisory Board member Márlon Reis as a lecturer in the 2a Semana da Democracia (2nd Democracy Week) should also be noted. On that occasion, Dr. Reis – who will also author one of the prefaces in the next edition of the Coletânea da Democracia (Democracy Collection) – explained to the audience the participative path that led to the enactment of the *Lei da Ficha Limpa* (Brazilian "Clean Sheet" Law).



GUILHERME CUNHA PEREIRA: Ph.D. in Communication Law from the Universidade de São Paulo. One of the creators of Forum Futuro 10. CEO at GRPCOM – one of the largest communications groups in the country.



LIZIANE SILVA: Co-founder of INK. Fellow at the Global Good Fund. Multiplier of the international certification PMD (Project Management for Development) in Brazil. Founding curator of Global Shapers in Curitiba. Certified by the Innovation Master Series Program from Stanford University and the Social Programs Assessment from MIT Poverty Action Lab as well as PUC Rio.



MÁRLON REIS: Electoral lawyer. Ph.D. in Legal Sociology and Political Institutions. He worked as a Court Judge in the State of Maranhão for 19 years. Co-founder of the Movement Against Electoral Corruption ("MCCE"), which was the basis for the "Clean Sheet" Law. Winner of the 1st Innovare Award and considered by Época Magazine as one of the 100 most influential people in 2009.



RHODRIGO DEDA: Journalist. Co-founder of the Accelerator Libria. Mentor at the accelerator Hotmilk. He has a Master's degree in Journalism: Strategic and Brand Management, from the International Institute of Social Sciences. Lawyer. Specialist in Civil Procedural Law.



RODRIGO BRITO: Operations Manager at the Instituto Coca-Cola Brasil. Co-founder and ex-director of Aliança Empreendedora and INK (an organization that he co-created and where he implemented the program Laboratório, of Fundação Estudar). He was a member of the inaugurating team at WTT (World Transforming Technologies). Co-founder and director of Iniciativa Emerge (fostering and supporting technological innovation in Brazilian universities). Member of networks such as Ashoka and Young Global Leaders – World Economic Forum. Bachelor's degree in Administration from UFPR and certified by Harvard Kennedy School, Yale, Indian School of Business and Stanford.



THOMAS VON BUETTNER: Co-founder of Atuação and currently a consultant at McKinsey. Industrial Mechanical Engineer degree from UTFPR. He has studied General Management at Stanford University. He is experienced in the areas of mergers and acquisitions and corporate restructuring.

The Atuação Team



Instituto Atuação is made up of serious, highly motivated people, who are united around a relevant purpose: a better Brazil, and a democracy that goes beyond the mere exercise of the right to vote."

> Antonio Pacheco Investor, Instituto Atuação.

2016 was remarkable for Atuação team's growth and development, with hirings in the areas of Marketing, Research and Projects. In addition, an internship program was created, receiving the student Natasha Moro Alvarez, from the Bowdoin College, in the United States of America.

Overall, Atuação received essential support from 15 collaborators during the year. The achievements are the result of this work group's commitment and synergy.



PEDRO VEIGA CEO.

In charge of institutional, strategy and fundraising areas.



JAMIL ASSIS

Public Relations.

In charge of the articulation of the Instituto Atuação and the C. M. (Model City) program.



GUSTAVO OSNA Research Manager.

In charge of institutional research management.



ENZO REBELLATO Researcher.

In charge of research on power and governance.



HENRIQUE ZÉTOLA COO and CFO.

In charge of the financial, HR and macro-management areas.



LEONARDO RAGNINI Project and Financial Manager.

In charge of project management and the financial department.



FERNANDO ARCHETTI Researcher.

In charge of research on democratic theory and Local Democracy Index in the C. M. (Model City) program.

ERICK VIZOLLI

LEONARDO CAPEL

Marketing Manager.

administration.

In charge of marketing planning, positioning and

GABRIELA GUGELMIN

Researcher.

In charge of indicators in the C. M. (Model City) program.



NATASHA MORO ALVAREZ Research Intern. Support to the department.



ALESSANDRA SCHMIDT Fundraiser.

In charge of attracting social investment.



RAFAEL BORBA

Designer. In charge of the institutional image.





GUILHERME DOCKHORN Secretary.

In charge of the headquarters, and both internal and institutional communications.



VANILDA RIBEIRO MAIA General services. Headquarters' maintenance.



2016 monthly report



Visit to a community of the neighborhood of Tatuquara, for social activities with the local youth and distribution of copies of the 1a Coletânea da Democracia (1st Democracy Collection).

Development of the Annual Report and accountability of the previous fiscal year.

Public Relations, Jamil Assis, traveled to the United States to meet with strategic partners and visit international foundations. Overall, they participated in 18 meetings held over the course of 5 days - highlighted by the meetings held at Stanford University, Palo Alto, and at the National Endowment for Democracy, in Washington D.C.

The CEO, Pedro Veiga, and the

> The Expert Review Committee (ERC) was created to support the development of the Local Democracy Index. The Committee had the participation of 8 experts from 5 different countries: England, Sweden, The United States, Chile and Brazil.

- May

January — 🔶 February — March —

Start of the Coletânea da Democracia's (Democracy Collection) Distribution Plan. Overall, during the year, 2,000 copies were distributed to 16 Brazilian States and 7 different countries. In addition. in Curitiba, the books were donated to all the 45 Farois do Saber ("Knowledge Lighthouses", i.e., public district libraries), thus providing the population with free access to the books.

The 2ª Coletânea da Democracia (2nd Democracy Collection) project, developed with the support of the Cultural Incentive Law ("Rouanet Law"], was approved by the Ministry of Culture. This allowed the project to receive budget allocation.

🗣 April ——

Atuação intensified the utilization of the **Collective Impact** methodology, developed by the FSG consultancy. This approach relies on 5 general principles: common agenda, shared measurement mutually reinforcing activities, continuous communication and backbone support organization.

• June







Road Show in São Paulo, with some of the leading communications media in the country, including Folha de S. Paulo, Valor Econômico and IstoÉ. The objective was to introduce Atuação and disseminate the 2^a Semana da Democracia [2nd Democracy Week].

July —

During the week of September 15, the International Democracy Day according to the UN, the 2ª Semana da Democracia (2nd Democracy Week) took place. The program involved 8 events, gathering more than 600 people and featured in more than 100 news pieces. The program concluded with a debate between the mayoral candidates of Curitiba.

Strategic Planning Immersion of the Atuação team to define and structure core goals for 2017.

Our Public Relations, Jamil Assis, lectured at FAE Business School on the methodology of Collective Impact.

♦ September → October → November → December

The 2^a Semana da Democracia's program was defined, the debate between the mayoral candidates of Curitiba was confirmed and the lecturers for the event were selected.

August ——

Also that month, the translation of the 2ª Coletânea da Democracia books began.

UM

BRASIL

Atuação participated in a meeting of backbone organizations held by the Collective Impact Forum in San Antonio, Texas.

Launch of the series "Is there democracy in Brazil?" in partnership with Canal Um Brasil. The project was based on various interviews with members of the public and lecturers of the 2^a Semana da Democracia.

Pilot interviews were conducted with the population of Curitiba, in order to improve the empirical test for the Local Democracy Index – a structural part of the Cidade Modelo (Model City] program. At that time, relevant preliminary results were extracted for use in the next measurement steps.



Projects and Programs



Cidade Modelo (Model City)



To transform Brazil into a full democracy, Atuação determined that the first step would be a municipal program based on the articulation of assumptions. Thus, together with a global trend to start innovations at/from the local level, these were the grounds for the Cidade Modelo (Model City) program.

Its primary goal is making Curitiba a democracy landmark and laboratory in the next five years, in replicable ways. We realized that, in order to deliver such bold results, we would need to have an effective engagement of strong leadership in multiple sectors of the city, along with innovative governance, clear visions and goals, objective indicators and qualified partners to implement projects and solutions. We have decided, along with important local leaders, to focus on three weaknesses, nonetheless of great relevance, that will make up the priority topics of our program: Democratic Culture, Public Transparency and Public Security.

Index

The word "democracy" has its origin in ancient Greek and, in a broad sense, means "people's government". This word, so often used and discussed today, is one of the bulwarks of global society and it is defended by the noblest institutions. However, its effectiveness raises some doubts: after all, what does "democracy" mean? How can we measure it and assess its adherence levels?

Presently, there are some indicators that address this challenge and attempt to assign a score to the democratic performance from some previous definitions. The existing indicators, however, usually measure democracy at the national level – assigning a score to each country. At Atuação, while we consider this evaluation to be relevant, we also believe that the best way to evaluate relative democracy is by starting at the local level, specifically the cities. It is in cooperation with them that we can work to directly strengthen the democratic ecosystem.

In keeping this focus, Atuação is developing the Local Democracy Index, with the primary goal of serving as a benchmark for the Cidade Modelo – the Instituto's leading short-term program. The Index will be the central metrics for a Strategic Plan, jointly with the legitimate leadership of the civil society.

The main benchmarks used to develop the Index were the *Democracy Index*, annually published by the British magazine *The Economist*, and the indicators provided by organizations such as *Latinobarómetro*, *International IDEA*, and *Freedom House*. Within this context, we decided to keep the broad categories presented by the Democracy Index, Using a concept of democracy based on the following: (i) local government operation; (ii) political participation; (iii) democratic culture; (iv) electoral process; and (v) civil rights and liberties.

To improve the assessment content, Atuação studied each of these areas in further depth. From the start, however, we knew that theoretical knowledge and pluralistic experience would be required for this work. With these considerations in mind, a strong, responsive technical support team was created, the Expert Review Committee (ERC).

The Expert Review Committee (ERC) was made up by:



LAZA KEKIC One of the creators of the Democracy Index at The Economist Intelligence Unit.



MICHAEL COPPEDGE Professor of Political Sciences at University of Notre Dame.



MARTA LAGOS Executive Director of Latinobarómetro.



SARAH REPPUCI Senior Director of Global Publications at Freedom House.





KELLY MCMANN Professor of Political Sciences at Case Western Reserve University.

GUILHERME CUNHA PEREIRA

Communication Law from USP.

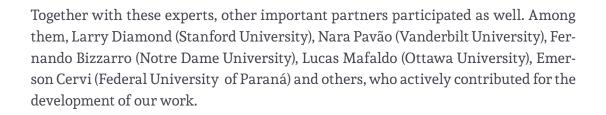
CEO of GRPCOM and Ph.D. in



RAFAEL CORTEZ

Consultant at *Tendências Consultoria* and Ph.D. in Political Sciences from USP.

MÉLIDA JIMENEZ Program Manager at International IDEA.



To obtain as much information as possible from the ERC members, Atuação adopted some strategic measures. Initially, consultants from The Economist *Intelligence Unit* were hired. Together, we structured a methodology and a schedule for meetings to discuss the content produced. After the methodology was defined, there was gradual progress towards the definition of categories, and analyses were often submitted to the ERC members and, at a later stage, critical points and opportunities for improvement were analyzed at joint meetings. Five meetings were held with these objectives.

⁴⁴ Everybody participates in the community where they live, either actively or passively. Being able to actively participate through Atuação is a privilege for the investor – reinforcing the foundational beliefs that sustain society, and the values that comprise the relationship between residents and their communities. I am proud to stand side by side with these brave young men and women, and their optimistic and purposeful attitudes towards Brazil."

Gilberto Zancopé Investor, Instituto Atuação.

After 5 months of studies, research and meetings, the macrostructure of categories and their components was defined as follows:

FUNCTIONING OF OCAL GOVERNMENT	POLITICAL PARTICIPATION	DEMOCRATIC CULTURE	ELECTORAL PROCESS	CIVIL RIGHTS AND LIBERTIES
Checks and Balances	Participation, in a strict sense	Political Education	Democratic Choice	Civil Liberties
Transparency and Accountability	Participation, in a broad sense	Community Life	Fairness	Freedom of Speech
Control	-	Norms and Values	Inclusivity	Economic Freedom
Responsiveness	Responsiveness -		-	Access to Justice
Public _ Security		-	-	Fair Treatment

Categories and attributes of the Local Democracy Index

Together with the *ERC* meetings and the theoretical content production, there was progress regarding the definition of the operational measurement model to be adopted as well. Here, one of the main unique aspects of the project was proposed: to evaluate democracy by combining the population's perception with secondary data, also to interviews with experts on the theme. This type of combined assessment, taking into account the community's opinion, was designed as one of the strengths of our work and an innovative feature.

For content quality guarantee, two important partners were hired to develop operational measurement activities. The first, *Instituto Brasileiro de Qualidade e Produtividade - IBQP* (Brazilian Institute of Quality and Productivity), is responsible for developing the statistical structure and treatment of data required for the assessment. The second, *ZOOM Pesquisas*, will apply the questionnaire to the population (more than 900 people) in the city of Curitiba, in 2017.

Thus, throughout 2016, the main activities developed were the production and development of content categories – and the schedule was strictly fulfilled. And, to improve the final result, a pre-test to empirically check any further possible improvement points was also carried out.

Collective Impact

With this theoretical background, the second major effort of the Cidade Modelo program was to emphasize the implementation of projects and initiatives for the development of democracy in our city. To achieve this goal, we are adapting and testing the Collective Impact methodology.

Originally described by John Kania and Mark Kramer in an article published in 2011 in the *Stanford Social Innovation Review*, the Collective Impact methodology introduces processes and practices that enable collective and structured solutions to largescale social issues. Even though some practices described there had already been disseminated, the article conferred systematization and organization upon them, to impact social causes. Today, the main disseminators of this methodology are the strategic consultancy FSG (founded by Harvard professor Michael Porter, and where Kania is a director) and the Canadian *Tamarack Institute*.

To understand this methodology, it is important to realize that broad-scale social issues, such as municipal education, have been traditionally treated in isolation by various actors finding insufficient solutions. These systems are not linear and require a broad articulation of different

⁴⁴ It is already known that the life quality index of a nation will improve the more democratic the latter is. Therefore, if we want to improve our country, one of the starting points is to understand, discuss and disseminate democratic values.

That is why I believe that the work developed by Atuação has invaluable importance and a broad scope - whether for a city, a region or the whole country."

> Isabel Raad Investor, Instituto Atuação.

sectors (government, companies, third sector, civil society), demanding an efficient understanding of the critical factors and the main points for a possible action.

When this multi-sectorial group of actors focuses together around a common agenda, to understand the problem and propose shared solutions, a new initiative of Collective Impact begins. Then it is possible to establish common and agreed metrics of success, as well as constant lines of communication. All this ensures that the effort of each member reinforces the whole. In this articulation, it is important to have a team dedicated exclusively to the core program, called backbone. This program is responsible for ensuring collective performance, aggregating specific knowledge, articulating the community and facilitating meetings.

There are numerous cases of application of these requirements in social projects in the United States, especially concerning education, justice and health. However, the adaptation to a broader scale project, involving the governance of an entire municipality and aiming at plural issues (such as public security and political culture) is innovative in itself. In addition, the explicit use of the methodology by Instituto Atuação also has a pioneering aspect in the Brazilian reality.

It is on these grounds that, in the context of the Cidade Modelo project, the Collective Impact methodology is being tested to solve the huge governance challenge of a future project for Curitiba – based on legitimate leaderships of the civil society. After some appointments with the FSG consulting team, and the study of various successful cases of multi-sectorial initiatives of collaboration, Atuação was able to establish the following guidelines, which have yielded good results in their first year of application:



- Closed measurement of results;
- Individualized accountability.



- Multi-sectorial alignment;
- Active coordination;
- Shared objectives and indicators.

- **Engagement** of legitimate leaders (of various sectors, regions and histories), in a group that will provide the direction of the project;
- **Development**, by this group of leaders and with the knowledge generated by Atuação, of a common agenda for the future of democracy in Curitiba;
- *Mapping* and engagement of people and organizations with a history of involvement in projects and initiatives focusing on the themes to be addressed by the Cidade Modelo program for a further alignment of efforts around a common agenda – using the existing synergy of these partners and their actions;
 - *Exercise of the role of backbone organization*, facilitating connections, projects and content dissemination among the participating partners.

In following these guidelines, in 2016, Instituto Atuação made important achievements for the Cidade Modelo program concerning Collective Impact.

Initially, an inaugurating meeting was held with some of the leaders and partners during the 2^a Semana da Democracia (2nd Democracy Week), for a presentation of the program's governance proposal. At that time, businessmen, municipal managers and leaders of the local civil society attended the meeting. Similarly, the theme has been presented throughout the year to different actors, who are relevant in the municipal sphere, enabling articulation and knowledge dissemination about our context. These dialogues enabled the connection with Community Safety Councils, private and public schools, civil society groups/movements and various sectors of the municipal government.

CIDADE MODELO (MODEL CITY) **2017**

We have great expectations for 2017. In January and February, we will start with an analysis of the pilot questionnaire and the new partners, who will be in charge of interviewing experts as well as collecting secondary data. Then, this questionnaire will be employed with the population at large in Curitiba between March and April – generating the data for further statistical treatment and score definition. After these steps, the final report will be produced and will establish the bases to transforming Curitiba into a model of democracy.

We also expect, as the Collective Impact Methodology becomes effective, further engagement of some of the main leadership actors in the city – thus consolidating the group as an actual Steering Committee, responsible for designing a common agenda and operating through different work groups.

Thus, 2017 promises to bring significant challenges to the program, as complex as the problems faced by our municipality today. However, with the present supporters and partners, Atuação is braced to seize the moment and propose a viable and positive alternative to the issue of democratic governance at the local level.

2ª Semana da Democracia (2nd Democracy Week)

One of the ways Atuação seeks to foster Democratic Culture and Political Participation is to hold its Semana da Democracia (Democracy Week) on an annual basis. The event aims to be a convergent moment of the sector in Brazil, giving maximum visibility to the theme through the participation of national and international speakers, as well as connecting the main people and organizations working on the theme.



With these objectives, the 2ª Semana da Democracia featured events, debates and lectures held between September 14 and 16, 2016.

Overall, 8 events took place in 3 days, reaching more than 600 participants and obtaining more than 100 pieces of media coverage.

During the 2^a Semana da Democracia, Atuação prepared a cycle of opinion articles with unpublished content for the leading communication media outlets in Brazil. The initiative involved some of the world's most relevant researchers of the theme, disseminating core ideas for the democratic progress:

"Tensions and Obstacles to Representative	"Challenges of Democracy in Europe"
Democracy" - Pablo Valenzuela	- Laza Kekic (The Economist
(Latinobarómetro);	Intelligence Unit);
"Challenges of Democracy in Decline"	"What is the concept of democracy"
- Sarah Repucci (Freedom House);	- Fernando Archetti (Instituto Atuação);
"Democracy's Critical Infrastruture"	"Democracy and Its Challenges" - Michael
- Lucy Bernholz (Stanford University);	Coppedge (University of Notre Dame);
"Challenges of the Brazilian Democracy"	"Democracy in Discussion and in
- Humberto Dantas (Movimento Voto	Practice" - Gustavo Osna (Instituto
Consciente);	Atuação).

The 2^a Semana da Democracia commenced on **September 14**, at the headquarters of Instituto Atuação, with the official launch of the Cidade Modelo (Model City) project. It is the main short-term program of Atuação, having the objective of transforming Curitiba into a democracy benchmark and laboratory in five years, in a replicable manner.

⁶⁶ The Cidade Modelo program's presentation was very effective, opening a communication channel between members of Instituto Atuacão, scholars and local leaders. In addition to clarifying doubts and objectives, the event also received feedback that will be highly valuable for Instituto Atuação. In general, this type of interaction helps validate and legitimize the Instituto's actions with various sectors of Curitiba."

> Nara Pavão Researcher, Vanderbilt University.

The launch incorporated the presentation of the **Local Democracy Index**, prepared by Atuação in collaboration with some of the main leaders in the city, in addition to partners and experts on the theme. Among them, there were representatives from various sectors, including universities, the educational sector, the business community, media, government, and the third sector, among others.



During the first day of the program, the guest speakers were invited to a lunch with Atuação. After the lunch, there was a visit to the main tourist attractions of Curitiba – offered by Renault, an official sponsor of the 2ª Semana da Democracia. The tour included places such as Barigui Park, the Historical Downtown, Largo da Ordem and Tanguá Park.

The first day of the program closed with a cocktail reception at the SIM Galeria, an official partner for the event. At this event, many businessmen, scholars and political innovators were present.

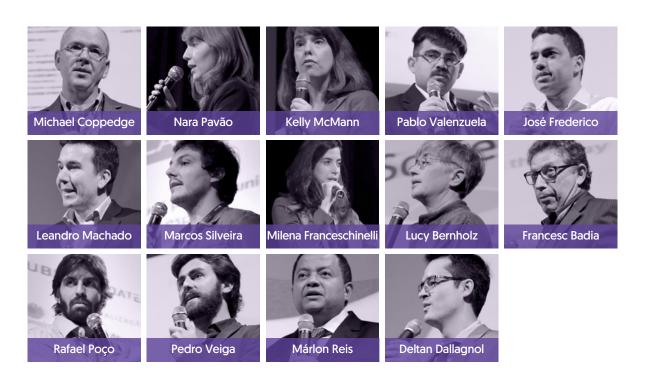




On **September 15**, International Democracy Day, Atuação held a free event at Museu Oscar Niemeyer (MON), with 14 lectures regarding different topics on the theme of democracy. The event featured national and international speakers, more than 450 participants and more than 5,500 interactions in the social media.

⁴⁴ It's been an honor to participate in the 2^a Semana da Democracia. It was a very well organized event, with the participation of an extremely representative audience that believes in the development of a more participatory and vibrant democracy in Brazil."

Márlon Reis / Lecture: The Power of Popular Initiative.



The event had moments of both online and offline connections, through an application developed exclusively for the occasion, in addition to exclusive coffee breaks sponsored by Aquarius Gastronomia as well as a happy hour event at the Hop'n Roll bar. Thanks to the 'app', participants were able to be in touch with each other and the lecturers, as well as ask questions and participate in raffles. Among the prizes, was a semi-annual scholarship for language studies granted by our partner, Centro Europeu. The event also relied on the partnership with Um Brasil, a multimedia platform for interviews, debates and documentaries with important names from the academic, intellectual and business sectors. Um Brasil recorded a series of interviews with the lecturers, available on our social media.

⁴⁴ The 2^a Semana da Democracia has consolidated the event as a convergent moment for democracy in Brazil. The large number of participants enrolled, along with the quality of events and lecturers, prove the strength of the Atuação mission: to transform Brazil into a full democracy. I left the event excited, and was encouraged to continue participating in this historical initiative that will change the course of our country."

Filipe Biscaia Demeterco Investor, Instituto Atuação.







On the morning of the last day, **September 16**, the Instituto promoted a networking session for different organizations involved with political innovation. The objective was to enable dialogue about and generate familiarity with the initiatives that are changing the national scenario. The event, sponsored by Instituto Arapyaú, was supported by the partnership with Update Politics and took place at Fábrika, mediated by Reos Partners – a consultancy company that works with future scenarios, and the engagement of a series of actors.





⁴⁴ It was a brief moment, but it was the bedrock of fertile ground for collective construction and for the co-creation of actions. There were so many political innovations in a single room that I'm still inspired by the power generated in this connection meeting. Our challenge now is to create a continuous process, a platform that enables us to consolidate the changes we want for our country!"

Mariana Miranda / Reos Partners.

Organizações que participaram



The 2^a Semana da Democracia closed on the afternoon of **September 16**, with a debate between the mayoral candidates for Curitiba. Questions focused on the theme of democracy, based on the Cidade Modelo indicators. Thus, topics that were prominent in the program such as Public Security, Democratic Culture and Public Transparency, made up the agenda.

The debate, held in partnership with the Gazeta do Povo newspaper at the Radisson Hotel (a partner for the event) included the presence of 7 of the 9 candidates for the office. Among them was Rafael Greca, who won the election. ⁶⁶We saw in the initiative of Instituto Atuação an opportunity to support and structure a replicable, inclusive and democratic government plan."

Frederico A. L. de Oliveira

Investor, Instituto Atuação.



SEMANA DA DEMOCRACIA (Democracy week) 2017

In 2017, Atuação plans to expand the event and redesign its content. The 3^a Semana da Democracia (3rd Democracy Week) will again take place during the week of September 15 - International Democracy Day, as established by the UN. The event schedule will be solidified during the first quarter of 2017.

Coletâneas da Democracia (Democracy Collection)

Even though Brazilian democracy has been evolving and developing over the last several decades, we are still far from being on the ideal path. We have had significant achievements and progress, but a lot more effort is still necessary to achieve a full democratic consolidation – through a balanced and fruitful dialogue between our major actors. And reaching this level of maturity requires the dissemination of important knowledge.

C O L E T Â N E A D A D E M O C R A C I A

To contribute to this movement, Atuação launches its **Coletânea da Democracia (Democracy Collection)**. These are meant to disseminate key concepts relating to the theme, to create common grounds and to strengthen the democratic culture. The two official **Coletâneas (Collections)** are pioneering, introducing Portuguese versions of highly impactful, internationally acknowledged books.

1^a Coletânea da Democracia (1st Democracy Collection) was launched in November, 2015, during the 1^a Semana da Democracia (1st Democracy Week), and was comprised of the following books:



"There Are Realistic Alternatives" and "How Nonviolent Struggle Works" / Gene Sharp.



"When the People Speak -Deliberative Democracy and Public Consultation"

/ James S. Fishkin.



"Bowling Alone – The Collapse and Revival of American Community"

/ Robert D. Putnam.



"The Spirit of Democracy - The Struggle to Build Free Societies Throughout the World"

/ Larry Diamond.



"Democracy at the Local Level – The International IDEA Handbook on Participation, Representation, Conflict Management, and Governance"

/ Timothy Sisk, et al.

The project was funded through the Federal Law of Cultural Incentive, the Rouanet Law, which enabled the **2,000** collection copies produced to be distributed for free. Countries such as Sweden and the United States, in addition to more than 16 Brazilian States – including a large part of the Northeast Region and the Amazon, received the books. Among the main beneficiaries, we would especially highlight the universities, partners, investors and organizations that work with the theme. We also wanted to reach the public education audience, and 20 Collections were delivered to public state schools, such as the Colégio Estadual Júlia Wanderley, in Curitiba. The 1a Coletânea da Democracia can be found at every municipal library, *Farol do Saber* ("knowledge Lighthouse"), with easy, free access for the city population.

2.000

(USA, Portugal, England, Sweden and Brazil)

States that received the 1ª Coletânea da Democracia, 2015/16.

After the high demand for, and successful distribution of, these books, Atuação decided to produce the **2^a Coletânea da Democracia (2nd Democracy Collection)**, with a prelaunch in September 2016, during the **2^a Semana da Democracia (2nd Democracy Week)**. This new version included four books:





"The Anti-Coup" / Gene Sharp and Bruce Jenkins.



"Democrazia: cosa è" / Giovanni Sartori.





"To Understand Democracy" / Larry Diamond.

/ Ernst W. Böckenförde.

"Rule of Law and Democracy" 34

The works of the 2^a Coletânea are underway. In 2016, the focus was on the processes of translation, review and search for partners for the prefaces/forewords. In addition, there are important definitions relating to prefaces, such as confirming the participation of names such as the electoral lawyer Márlon Reis and the USP Professor José Alvaro Moisés.

This new version of the Project is also being funded through the Cultural Incentive Law, the Rouanet Law, and will print **3,000 collections** in 2017, of which 900 will be offered for free across the national territory. It should be noted that this will only be possible thanks to investments made by Instituto JMalucelli, Neovia Engenharia, Plenaventura, RPC and Tradener Comercialização de Energia.

⁴⁴ When Instituto Atuação presented the project for the 2ª Coletânea da Democracia in 2016, it drew our attention to the novelty and relevance of the theme at this particular moment in the Brazilian national life. Through it, we believe to be contributing to the dissemination of democratic concepts, strengthening organizations of the Brazilian civil society and maturing our democratic model."

Guilherme Ávila Investor, Instituto Atuação.

COLETÂNEA DA DEMOCRACIA (DEMOCRACY COLLECTION) 2017

With the progress achieved so far, Atuação foresees the official launch of the **2^a Coletânea da Democracia** (**2nd Democracy Collection**) in May 2017, with an event in Curitiba and another event in São Paulo – the latter in partnership with Um Brasil. At both events, we will count with the presence of author Larry Diamond, who will sign the books and give a brief speech about it and the relevance of the subject today.

In addition, selling the 2^a Coletânea da Democracia will be the first time in the history of Atuação when the Instituto will have an income source from its own products. Accordingly, we intend to work both with direct sales (in strategic events, making works available in the largest national bookstores), and with corporate sales (negotiating sales of volumes directly with partner companies, and allowing distribution to their own employees). In both cases, they will contribute to the dissemination of democratic principles in our country.

Research

The Atuação's **Think + Do Tank** nature requires the research department to take on a protagonist role. In a nutshell, for the Instituto to effectively achieve its goals (contributing to the democracy improvement), this sector must develop solid tools and theoretical bases. This process could be observed in 2016.



Think 🕀 Do Tank

In this context, the first aspect to be mentioned is the decisive structuring of the research department at Atuação. At the same time that the team increased in personnel, the internal systems and control processes were also improved. All of this being done with the same purpose: to improve this strategic area of the organization.

Also, when analyzing specifically what the sector focused on throughout the year, the first aspect which calls one's attention was its active dedication to the Cidade Modelo (Model City) program. In short, considering that the program aims at diagnosing democratic performance at the local level, conceptual doubts immediately arise. To fill this gap, the research department has undertaken an essential role.

After all, what would make a more democratic society? Which characteristics are required for this evaluation? Under which parameters would it be possible to establish the standards of democracy as experienced at the local level? Which elements would be decisive?

To establish the program's solid foundations, the research department had to face each of these questions during the year. In this journey, in addition to identifying the essential aspects of democratic perfection, it also investigated the different characteristics and possibilities of each one. Topics such as public freedoms, democratic culture, political participation in governmental operations and the electoral process – observing all of their different nuances. In parallel with this broad and continuous study, the department also developed analyses centered around the three main lines of investigation at Atuação: what democracy is; the reason why democracy is beneficial or necessary; and in which ways democracy can be established and maintained through power and governance arguments. This prompted great studies throughout the year, contributing to the Instituto's strategies and goals.

In particular, theoreticians such as Schmitter, Bobbio, Saward and Dahl emerged on the scene to frame the concept of democracy. With the same purpose, the philosophy of Giovanni Sartori was investigated in depth for studies to be published in Portuguese in the next Coletânea da Democracia (Democracy Collection). Next, investigating the crises of democratic thought and the possibilities of its affirmation, Larry Diamond's and Francis Fukuyama's beliefs deserved special attention. And to evaluate issues such as the importance of social capital or empirical measurement amidst the pieces of this jigsaw puzzle, we focused on the works of Putnam and Morlino.

Finally, this above progress was followed up with important studies relating to the typical philosophical issues of the contemporary political thought. Thus, authors such as Walzer, Kozinski and Kymlicka were studied. Similarly, the team completed the online program on The Moral Foundations of Politics, taught by Ian Shapiro of Yale University. In all of these situations, the organization made important achievements and learned valuable lessons.

RESEARCH **2017**

The prospect for 2017 is for the sector to capitalize on the maturity reached in 2016, and to achieve even greater density in its research areas – remaining as a structural support for the projects at Atuação, as well. Thus, the Instituto will ensure cohesion between its short, medium and long term goals, and undertake a transforming role in the current democratic system.





Public Relations

Crucial to the objectives of Instituto Atuação, the department of Public Relations is responsible for articulating partnerships for project execution and developing the organization's relationships.

In 2016, this department's activities were expanded and qualified. Atuação not only increased its relationship circle and reached distinctive organizations, but also developed partnerships with some of the most prominent researchers worldwide, in addition to approaching relevant local actors.

Below, we highlight some of these major partners, which were critical for the development of the ideas and the performance of joint activities.

Research Partnerships

The remarkable progress in the partnerships of Atuação was possible through the support of the research developed by our team. We sought the world's best authors on our investigation themes, with great results achieved and key contacts made.

Instituto Atuação is one of the few institutions whose purpose is the strengthening and deepening of democratic ideals in our country. Neither results are immediate nor acknowledgement is direct, but our future will certainly be more prosperous and our institutions will be more solid if the Instituto is successful and long-lasting."

> Denis Minev Investor, Instituto Atuação.

Here, we emphasize an increasingly closer relationship with Professor Larry Diamond. Moreover, there has been a closer connection with professors and researchers involved in the international cooperation project V-Dem – Varieties of Democracy – particularly with Professors Michael Coppedge and Kelly McMann.

Additionally, the relationship with other organizations in defense of democracy in different countries was also significant – such as collaborations with Sarah Repucci, director of *Freedom House* and responsible for publishing the influential report *Freedom in the World*; with Marta Lagos, director of *Latino-barómetro*, an organization that researches political culture in Latin America; with the creator of the *Democracy Index* of the *The Economist Intelligence Unit*, Laza Kekic; and with Mélida Jiménez, researcher at the *International IDEA*, an intergovernmental organization with a permanent seat at the United Nations for democracy-related matters. We should also highlight the support of political consultant Rafael Cortez, of the prestigious *Tendências Consultoria*, of São Paulo.

Project Partnerships

When developing joint projects, there was an important articulation of organizations and people who, as well as Atuação, struggle for the strengthening of democracy.

In this context, the *Journal of Democracy*, Atuação's partner and leading international publication on the theme of democracy, and the *Albert Einstein Institution*, main research center on nonviolent revolutions worldwide, were essential to the construction of the 2ª Coletânea da Democracia (2nd Democracy Collection). To this relationship, we also added the important contacts made with the authors of the books to be published.

In addition, to make the Cidade Modelo (Model City) effective, we contacted a diverse range of partners in Curitiba, from businessmen to public officers and civil society organizations. Here, we should highlight the lessons learned from FSG, founded by Michael Porter and disseminator of the Collective Impact methodology, which is the fundamental to the Instituto today. " In our second year of collaboration, my relationship with Instituto Atuação reinforced the belief in the ideals that underpin their work and partnerships always with a focus on clear, relevant objectives that prioritize quality and transparency. The valuable initiative of political awareness, added to the open, friendly dialogue, makes Atuação an institution with which I have a great pleasure to work."

Vitor Liebel

Translator, 2nd Democracy Collection.

Atuação in the Media

Reports

In 2016, more than one hundred news related to Atuação and its activities were published – generating coverage in the leading communication channels in the country.



On September 15, 2016, the Public Prosecutor Deltan Dallagnol, coordinator of the task-force Lava Jato, lectured at the 2^a Semana da Democracia (2nd Democracy Week). His speech raised important points for reflection, and had national repercussion in media outlets such as the newspaper Folha de S. Paulo, TV Globo News and the local newspaper Gazeta do Povo.

Publications

Explaining some of the reflections developed throughout the year, our researcher Fernando Archetti published an academic article in the magazine Revista de Ciências do Estado, issued by Universidade Federal de Minas Gerais. In the essay, titled "Regimes Autoritários e Regimes Híbridos: Velhos Fenômenos, Novas Dinâmicas" ("Authoritarian Regimes and Hybrid Regimes: Old Phenomena, New Dynamics"), the focus was on the crisis experienced by the democratic model and its impact in state composition – generating new possibilities and different challenges. The study can be accessed online at https://seer.ufmg.br/index.php/revice/article/view/3665/2734.



Besides being spotlighted in the national media, Atuação is proud of the international acknowledgement it has achieved. The organization has been mentioned as a global trend by the Blueprint Report, a relevant annual publication of the social sector. This document can be viewed online at www.grantcraft.org/guides/blueprint2017. In addition, Atuação's fundraiser Alessandra Schmidt was the only Brazilian invited to proofread the document before it was published – a very prestigious role that acknowledges our work.

Blueprint 2017

Social Media

You can find Atuação at:





Facebook numbers:

OUTREACH 182.982 THOUSAND OF:
TADI Sers 7.401 FOLLOWERS (LIKES)

International Travels

Our guideline to working alongside the best in our theme worldwide resulted in trips to the United States twice. On the first trip, we were represented by our CEO, Pedro Veiga, and our Public Relations, Jamil Assis, and had an extensive and diversified agenda. On the second trip, our Public Relations participated in an event at FSG addressing backbone organizations.

The first trip, in March, prioritized meetings with some of our most important partners, as well as fundraising with foreign foundations.







From March 8 through 10 we were in Washington, DC, for meetings with the Omidyar Network – a foundation founded by the creator of the website eBay –, The Economist Intelligence Unit, Brazil Institute at Woodrow Wilson Center and the abovementioned National Endowment for Democracy (NED). We also held meetings at the International Forum for Democratic Studies and conferred with the editor of the Journal of Democracy, Marc Plattner. While still in Washington, we held the first meeting with FSG to get acquainted with their projects and work methodology.

On **March 11**, we had great meetings in **New York**, with Columbia University Professor Ester Fuchs, Freedom House's director Arch Puddington, Columbia University Professor Michael Schudson and MIT Professor Ethan Zuckerman, and also with Suzanne Hollmann, manager at the School of International Public Affairs, connected to Columbia University.

We closed this trip with excellent meetings in **Palo Alto**, at Stanford University, with Professor James Fishkin and his team, who work with an innovative methodology called Deliberative Poll. On that occasion, we also held meetings with Professors Larry Diamond and Lucy Bernholz.











In the second half of the year, we made our second trip to the United States with the objective of participating, in **San Antonio**, **Texas**, in the event *Champions for Change: Leading a Backbone Organization for Collective Impact*, organized by the Collective Impact Forum, a joint initiative between the FSG Consultancy and the Canadian Tamarack Institute. The event, aimed at the qualification and exchange of information relating to the Collective Impact methodology, was attended by our Public Relations, Jamil Assis. In addition, it gave us access to people and organizations that have been using this approach for some time, facilitating our task to bring it to Brazil in pioneering ways. Finally, the opportunity also provided an important dialogue with FSG and its director, John Kania.





⁴⁴ The central concern is to make the silent majority aware and active. I truly believe that the work developed by Atuação will be essential to this transformation."

> João Claudio Fontana Investor, Instituto Atuação.

Events

With the aim of improving its logic of articulation, Atuação seeks to be present at the different events of our partners and organizations with correlated thematic approach. Below are some of these events.



UPDATE POLITICS LAUNCH / MAY 4

Launching event of the Latin American political innovation ecosystem mapping research, held by Update Politics. Besides meeting new partners and organizations who already worked with us, we had the opportunity to distribute copies of the 1^a Coletânea da Democracia (1st Democracy Collection) to the participants.



INTERNATIONAL LITERARY FAIR OF PARATY - FLIP / JULY 2

It was very rewarding to be able to participate in the International Literary Fair of Paraty – the FLIP, by invitation of the organizers of the Casa da Liberdade – a venue that held cultural events and discussions about democracy, politics and economics. We also realized this venue's potential for promoting future publications of Atuação.



MEETING IN SUPPORT OF THE "10 MEASURES AGAINST CORRUPTION", CIVIL SOCIETY OF CURITIBA / JULY 11

Amidst the different efforts to collect signatures in support of the project of popular initiative known as the "10 Measures Against Corruption", leaders in Curitiba, together with MPF, held a meeting to discuss strategies for the progress effectiveness. At this meeting, we also had the participation of the Public Prosecutor Deltan Dallagnol who later participated as a lecturer for the 2^a Semana da Democracia (2nd Democracy Week).



EXPERIENCES AND PROSPECTS OF PUBLIC MANAGEMENT POSITIONS IN BRAZIL AND IN CHILE, AGENDA BRASIL DO FUTURO / AUGUST 9

To discuss possible ways of hiring high management public positions, *Agenda Brasil do Futuro* brought together experts on the theme. Topic-related case studies were presented with a focus on the Chilean experience, detailed by the country's executive managers themselves.



PRÊMIO EQUILIBRISTA / OCTOBER 27

The Instituto Brasileiro de Executivos de Finanças do Paraná - IBEF/PR (Brazilian Institute of Financial Executives of Paraná) awarded the *Equilibrista* Prize, in tribute to the leading personalities in the assessment area during the year. Atuação was invited to participate in the event due to its partnership with IBEF/PR.



RD SUMMIT / NOVEMBER 3-4

One of the main sales and digital marketing events in Brazil, it was attended by more than 5,000 people in Florianópolis, Santa Catarina. At the event, digital trends were presented and explanations were provided by economist Ricardo Amorim and by the President of Microsoft Brasil, Paula Bellizia.



BRAZIL OPPORTUNITIES J.P. MORGAN / NOVEMBER 29-30

Annual J.P. Morgan conference, exclusively for guests, in which the Brazilian economic and political scenario for 2017 was addressed. The event was attended by world personalities such as President of Brazil Michel Temer, J.P. Morgan's CEO Jamie Dimon, Brazilian Ministry of Finance Henrique Meirelles, and the president of Itaú Unibanco Roberto Setubal, among other important luminaries.



LAUNCH OF THE AMERICAS QUARTERLY SPECIAL EDITION / DECEMBER 10

The only publication that seeks to jointly address political and economic aspects of the American continent, the Americas Quarterly issued a special edition on Brazil in an event held jointly with Instituto Humanitas360, São Paulo. The launch event was followed by fruitful discussions on the country's political future and the importance of a common project, a new "gravity center" to aggregate the civil society around and produce great transformations.





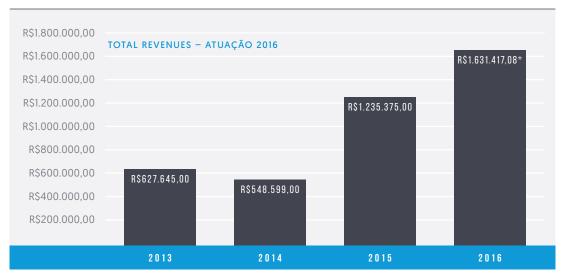
Atuação in Numbers

The funds raised by Atuação are essential to the development of our activities. To pursue this objective, we rely on important investments from the private sector, including individual and institutional, Brazilian and foreign, who trust our capacity to strengthen the democratic system.

Thanks to the results achieved so far, we have seen throughout the years a significant increase in the number of investors: more than 50% between 2015 and 2016.

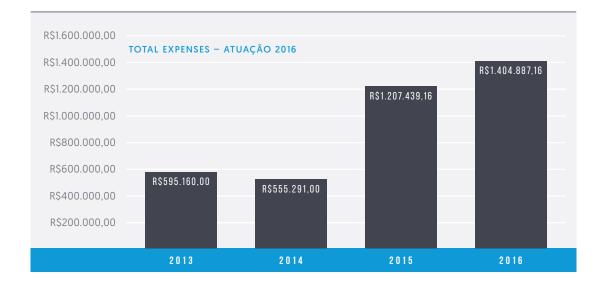


Also, despite it having been a year of deep economic downturn, we have also increased our revenues significantly. In sum, a 32% increase compared to the 2015 data, totaling nearly 200% over the recent years.



[*] - Includes income and amounts paid by investors directly to suppliers.

The 2^a Coletânea da Democracia (2nd Democracy Collection) is made in partnership with Sagre Consultoria Empresarial and funded through the Cultural Incentive Law (Rouanet Law). In this arrangement, Atuação is in charge of fundraising and project execution, whereas Sagre accounts for its planning and accounting. Then, out of the total amount of R\$1,631,417.08 raised in 2016 by Atuação, R\$395,060.00 were used from the project's exclusive account, which is regulated by the Ministry of Culture. Additionally, the amount of R\$88,615.59 was obtained through payments directly made by sponsors and suppliers.

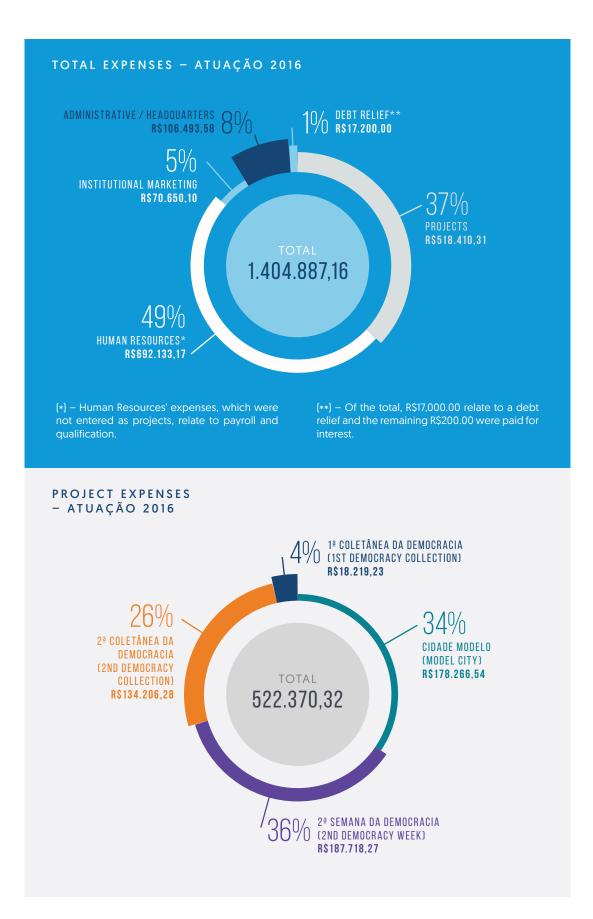


In the last year, our projects had more robust scopes, complexities and deliveries, which demanded the growth of our staff.

We share the belief that democracy is the best way to build a fairer society. The J. Malucelli Group supports this initiative by the Instituto Atuação, and its seriousness and professionalism devoted to this cause."

> Cristiano Malucelli Investor, Instituto Atuação.





Of the total funds allocated to our activities, the amount of R\$174,670.08 was paid from funds obtained through the Rouanet Law. In addition, as highlighted above, expenses in the amount of R\$88,615.59 were paid directly by our investors.



This excellent financial result was made possible mainly by the work of the Fundraising area and the increasing support of our investors. Additionally, our organizational culture of internal savings totaled **R\$444,614.65**, amount negotiated with suppliers and sponsors contributed towards expenses, not charged to the Instituto. The surplus in 2016 was very encouraging, giving rise to the optimism that we will continue expanding and diversifying our investors to enable a steady revenue growth.

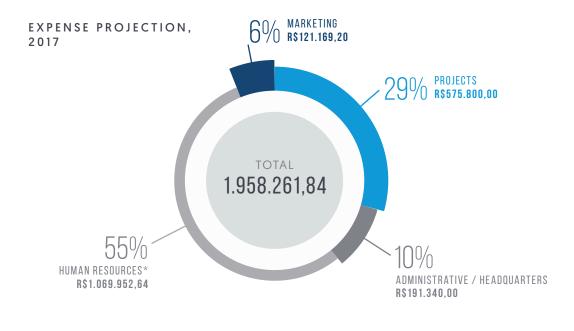
⁴⁴ After so many absurdities that we have experienced in Brazilian politics, I see Atuação as the best choice for us, businessmen (who are not directly involved in politics), to help improve our country. I know Atuação works well and I'm sure that investing in this process is an excellent choice – and I hope that more businessmen see it that way."

Pedro Prosdócimo Neto / Investor, Instituto Atuação.

2017

The objective of our 2017 financial planning is to diversify revenue sources through the rendering of services, national and international fundraising and the sale of the Coletâneas (Collections). We also expect to raise our income to approximately R\$2,100,000.00 as we project revenue growth of approximately 28%.

Given this financial projection, we plan to invest more on projects and programs – and hire people who develop activities that are more relevant to the institution, especially to the Cidade Modelo (Model City) program, which has been gaining more and more strength and visibility each year.



(*) – Human Resources' expenses, which were not entered as projects, relate to payroll and qualification.

Investors and Partners



Investors and Partners

2016 was a year of growth for Atuação. We were able to develop both counterparts and benefits, and build channels for more frequent communications – such as our monthly Newsletters and the Annual Cocktail Reception, held at the SIM Galeria, during the 2ª Semana da Democracia (2nd Democracy Week). The number of investors has increased by more than 50%. We were able to become even closer to those who already believed in our work.

We are very happy with our 2016 results and we know that they were only possible thanks to the people and companies who invest in our project, and have a relationship with us.



Investors / Institutional:



BERGERSON

INSTITUTO ARAPYAÚ / WWW.ARAPYAU.ORG.BR

Arapyaú is a non-profit association that seeks to promote sustainable development. In practice, it takes place through articulation and providing strategic and financial support to organizations and groups focused on the green economy, to the improvement of politics and its leadership, and to the engagement of society. The Instituto was founded in 2008 and has two offices, one in São Paulo and another in the municipality of Uruçuca, in the south of Bahia.

BERGERSON / WWW.BERGERSON.COM

One of the five largest jewelers in the country, recognized as a synonym for excellence in jewelry, in all regions where it operates. Each piece comes to life from a handmade design, a process that retains the sensitivity and richness of its detail. In addition to producing and outsourcing the production of jewelry and watches of its brand, Bergerson also works with the best, most sophisticated watch brands worldwide.



GAIA SILVA GAEDE & ASSOCIADOS

Joel Malucelli

GAIA, SILVA & GAEDE / WWW.GSGA.COM.BR

From its inception, this organization has had its resources focused on assisting companies with complex corporate legal issues, while operating under their unique feature of thorough knowledge and understanding of the specificities of the corporate activity through a precise notion of the clients' needs. Technical excellence is a basic assumption for the services rendered by Gaia, Silva, Gaede & Associados Advogados.

INSTITUTO JOEL MALUCELLI / WWW.INSTITUTOJOELMALUCELLI.COM.BR

Instituto Joel Malucelli was created in 2012 to fulfill a dream of its founder. Its main objective is to centralize, integrate and manage social responsibility actions in for the J Malucelli Group. We aim to contribute to a fairer Brazil through the exchange of experiences and support to innovative social projects.



LAGUNA / WWW.CONSTRUTORALAGUNA.COM.BR

Construtora e Incorporadora Laguna has been operating in the real estate market for twenty years. The company is a recognized standard in the construction of high quality residential, commercial and corporate buildings. Laguna's main distinction is innovation, reflected in the uniqueness of its developments, built in upscale areas of Curitiba. The company is a pioneer in the use environmental certification, and was awarded the LEED (Leadership in Energy and Environmental Design) seal, the highest international acknowledgment in its field, with its Condomínio Logístico São Carlos, in São Paulo, and the Edifício Iguaçu 2820, in Curitiba, and also constructed the first residential building with a LEED Gold pre-certification, the LLUM BATEL.



NEOVIA / WWW.NEOVIAENGENHARIA.COM.BR

Neovia Engenharia provides users with comfort and safety, rendering road paving and maintenance services.



PLENAVENTURA / WWW.PLENAVENTURA.COM.BR

Plenaventura Investimentos is a company that invests capital in various industries. Since its foundation in 1998, it has been working to ensure the profitability and satisfaction of its stakeholders, always with a focus on business longevity.



RENAULT / WWW.RENAULT.COM.BR

The Renault Group is an international company of French roots and a rich history of more than 115 years. It is present in 128 countries, designing, manufacturing and selling passenger cars and light commercial vehicles under three brands: Renault, Dacia and RSM. Through its exclusive alliance with Nissan, the Group has 120,000 employees around the world today, and it is the fourth largest car manufacturer globally.

RPC / WWW.GRPCOM.COM.BR

RPC is a Brazilian TV network headquartered in Curitiba, Paraná. It was created in 2000 through the merger of the TV channels of former TV network Rede Paranaense: Paranaense, Coroados, Cataratas, Esplanada and Cultura, all affiliated to Globo TV.



THÁ / WWW.THA.COM.BR

The Thá Group is one of the most traditional real estate groups in the country. Throughout its history of more than one hundred years, it is proud to have built landmarks in numerous Brazilian cities. It is a solidified brand, with a strategic business platform that integrates three units: Thá Incorporadora, Thá Engenharia and Imobiliária Thá.



TRADENER / WWW.TRADENER.COM.BR

Tradener is one of the largest independent power and gas traders in the country, with a focus on both consumers and independent producers. A pioneer in this segment since 1998, it was the first company to be authorized by ANEEL to trade energy with consumers and producers in a free market environment. With investments in renewable resources, the company ranks among the largest and finest businesses in Brazil. It has been acknowledged by magazines Valor 1000 and Exame, as well as the newspaper Estadão.



VÊNETO GELATO / WWW.SORVETESVENETO.COM.BR

In 1984, this ice cream production company started as a family business, the traditional Aquarius Gastronomia. In July, 1999, the brand Vêneto was acquired and, beginning in 2008, the popsicle line was launched. Every year the company develops new flavors, offering products with continuous quality improvement.



VERONA-FRESO / WWW.PLAYGROUNDFRESO.COM.BR

Freso is a national company specializing in the manufacturing of polyethylene products, a resistant-, non-toxic type of plastic, through the rotomolding process. The first generation of Freso toys was developed by Italian designers, with molds imported from Italy.

Investors / Individual Persons:

A - Ana Amélia Filizola / Andre Nacli / C - Claudio Lubascher / Cristiano Malucelli
 / Cristina Cunha Pereira / D - Daniela Almeida / Denis Minev / F - Filipe Demeterco
 / G - Gilberto Zancopé / Guilherme Cunha Pereira / I - Irene Sandke / J - João Claudio
 Fontana / Jorge Nacli / L - Lucas Guimarães / M - Marcos Moro Zétola / Marilys
 Castanho / R - Ricardo Almeida / Ricardo Andriani / T - Teresinha Döring.

Ambassadors:

C - Clécio Chiamulera / **L** - Leon Grupenmacher / Luiz Alberto Cezar / **P** - Pedro Prosdócimo.

Partners:



Final Message

Atuação has unique prospects and opportunities, a fascinating theme and a growing number of excellent partners, who stand ready to contribute. We are gratified with the achievements attained in 2016 and we are confident that we will be able to deliver, step by step, a future of deeply-rooted political transformations.

In 2017, we expect to further ingrain the development of our institution, team and strategy. We also intend to structure the publishing house, launch the 2^a Coletânea da Democracia (2nd Democracy Collection), expand the 3^a Semana da Democracia (3rd Democracy Week) even further, perform the measurements for the Cidade Modelo (Model City) project, and deliver the Strategic Planning for a replicable transformation of the city of Curitiba.

These and all other achievements have only been, and will continue to be, possible thanks to the support of our investors and partners and their confidence in our work. With each passing year, we become more prepared, structured and well accompanied to face the challenges that the solidification of democracy demands. We feel that we have built a strong, resilient and recognized organization. Our enthusiasm and energies continue to grow together with a competent and idealistic team, capable of delivering the results expected by Atuação.

Thank you.

We wish you an excellent and prosperous 2017.

⁴⁴ I believe in Instituto Atuação because I see in the people who work for it a spark in their eyes when they talk about its objectives. It's an impressive idealism, only surpassed by their strategic methodology and objectivity. This combination of traits makes me believe that the Instituto can significantly contribute to a long-term structural change towards full democracy. It has what is needed to overcome obstacles and gather ever more people, like me, around the idea that a transformation into better days is possible."

Ricardo Andriani

Investor, Instituto Atuação.





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www.atuacao.org.br