



SUSTAINABLE ECONOMIC DEVELOPMENT: a study on the implementation of the Green Free Zone in the cities of Macapá and Santana-AP

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ABSTRACT

The objective of this study was to learn about the challenges and proposals identified by SUFRAMA's governmental and non-governmental bodies and to analyze the results achieved since the implementation of the Zona Franca Verde in the cities of Macapá and Santana. The methodology used in this research was field and bibliographic, exploratory in nature, with a qualitative approach. The analyzes showed that industrialization in the cities of Macapá and Santana aims to strengthen the economy that is dependent on the state. It is inferred that the re-reading of the theory that public investments and the form of management influence the economic development of the State, especially with regard to the production with the use of incentives in the manufacture of products from regional raw material, which may reveal that the more stimulus the government makes available, the more the municipalities of Macapá and Santana will develop, and, consequently, the greater their economic growth, generating quality of life for the population of the State of Amapá.

Keywords: Sustainable development. Environment. Green Free Zone.

1. INTRODUCTION

In the Amazon region, in its eastern part, is located the State of Amapá, which has competitive advantages with biodiversity, preserved ecosystems, high agro-industrial potential, mineral and fishing resources, in addition to great natural beauty scenarios. The State has a great economic and sustainable use of the natural resources of the Amazon, having a privileged location to the main world markets.

Considering the theme "Regional Development", especially in the case of the Amazon region, the first thought that occurs is public investment in the pursuit of its economic development linked to its economic growth. Currently, economic development is a priority action in view of existing public actions to solve problems

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and around social adversities such as unemployment, low Human Development Index (HDI) and low income, in relation to other regions of the country.

In view of the local development, the economic scenario is presented in a progressive increase of commercial establishments, generation of new jobs, high level of imports, and collection of state taxes, such as, for example, Tax on Operations Relating to the Circulation of Goods and Provision of Interstate and Intermunicipal Transport Services and Communication (ICMS).

With the completion of the Free Trade Area, in the cities of Macapá and Santana, since 1993, there were expectations of a solution to the obstacles that beset the Amapá economy, the “paycheck economy”, and leverage local development in these cities, since trade had to adapt to the new economic standards, of the local and international market.

In view of this context, in December 2015, it was regulated by Decree nº 8,597, the creation of the Green Free Zone (ZFV) in the cities of Macapá and Santana, where it grants tax benefits to industries that exploit regional raw materials, in order to attract investors with the purpose of stimulating trade and accelerating industrial development.

In the pursuit of strengthening the local economy, the Zona Franca Verde Macapá Santana (ZFVMS) appears with exemption from the Tax on Industrialized Products (IPI), granted by the Federal Government, for industrialized products in Free Trade Areas with a preponderance of raw materials of regional origin.

After the regulation of the decree creating the Green Free Zone, bodies such as the Manaus Free Zone Superintendence (SUFRAMA) that manages the Macapá and Santana Free Trade Area (ALCMS) in Amapá, the Amapá State Government, represented by the Agency of Amapá Economic Development (AGEAP), Amapá State Secretariat of Finance (SEFAZ / AP) and non-governmental bodies such as Brazilian Micro and Small Business Support Service (SEBRAE), CHARLES ACHCAR CHELALA, Economist, Master in Regional Development; Professor at the Federal University of Amapá (UNIFAP); among others, they act as partners for the promotion of the Green Free Zone, in the search to provide attractions for the installation of industry in the current area of the ZFVMS.

This article seeks to identify the challenges and proposals of governmental and non-governmental partners in the State of Amapá, in stimulating trade and

accelerating industrial development with the implementation of the ZFVMS industrial park, based on a qualitative research and analysis of the theoretical references on this phenomenon.

To achieve the proposed objectives, this work is structured in three sections. The first deals with theories of economic development, with emphasis on the Amazon region, from a historical re-reading of its economic formation. A brief understanding of Sustainable Development is also presented.

Section two deals with the reading of local development and a diagnosis through socioeconomic indicators through a methodology of bibliographic studies. It presents a proposal, as well as the challenges for the implantation of the Green Free Zone of Macapá and Santana as construction of a new industrial development project for the cities of Macapá and Santana in Amapá.

The last section deals with data analysis, based on four governmental and non-governmental institutions, using a case study methodology based on three key issues.

And in the final considerations, the relevant points of field and bibliographic research are emphasized as the basis for a proactive analysis in the industrial development of the State of Amapá.

2 ECONOMIC DEVELOPMENT: A reinterpretation of industrialization in Brazil until today.

The industrialization process in Brazil had its development late, in the mid-twentieth century. According to Brum (1999), there have been several attempts to implement an industrialization project in the country, with the objective of removing it from the backwardness and driving it towards progress and the construction of its greatness. Industrialization in the view of the holders of central power was seen as the key to development. Concomitant with strong agriculture, it was essential to establish and expand its own industrial park, like the European nations and the United States.

As a priority, industrialization was based on a national company, which should lead the process of accumulating and expanding productive activities from its own economic forces, supported by the public authorities (BRUM, 1999 P. 205). These economic transformations are immediately captured for the development that is more than economic growth, that is, it is a set of determining factors for economic and social development, which must go together in order to avoid the inequalities that plague developing countries.

In this way, the development scenario was, or still is, understood for the most part, only as growth of the economy, in most economic discussions, books, among others, the concern with the factors that result in the increase of capital, exclusively economic factors. According to Schumpeter (1934. apud SOUZA, 1999 p. 20) there is a differentiation between growth and development.

When there is only growth, the economy operates in a system of circular equilibrium flow, whose economic variables increase only as a result of demographic expansion. Development takes place, in the presence of technological innovations, by the work of innovative entrepreneurs, financed by bank credit.

With another view, Siedenberg (2006) states that growth is a process of changes of a predominantly quantitative character, meaning an increase in size, volume and / or quantity.

In this same line of thought, economic growth is considered to be the increase in the productive capacity and production of an economy, in a given period of time, which is measured by the variation in GDP (Gross Domestic Product), which is the sum of all goods produced and services performed as productive activities of a

nation, regardless of the territory in which they were produced.

With regard to the Economic Development, the author considers that it is a process of social and economic changes that occur in a given region. It is evident that the scope of these changes involves a series of interrelations with other elements and structures present in this region, configuring a complex system of interactions and approaches.

In this sense, economic development is not to be confused with economic growth, since its objectives are not restricted to the mere multiplication of material wealth, which is a necessary condition, but not sufficient for the promotion of a better quality of life. The realization of the three generations of fundamental rights and the expansion of material wealth is what reflects the idea of development. (SACHS, 2008)

Therefore, regional economic development is a priority action in view of existing public actions to solve problems around social adversities such as unemployment, low HDI and low income, in relation to other regions of the country. And the Amazon region with its immense unexplored territory is inserted in public government actions.

In this sense, the Amazon region is described according to Silva et al. (2007, p. 30) "as a large industry that produces environmental services for Brazil and for the world", but it did not have an integrated plan to leverage its local development, and the existence of an enormous biodiversity between flora and fauna, the forest provides enormous potential for the exploration of raw materials in the most diverse industrial areas.

Considering the potential of the Amazon, the Federal Government, encouraging the economic development of the region, put into practice in the 1960s the 'Plan for Valorizing the Amazon', which aims at a series of economic measures to boost the region's economy, as mentioned by Lins (2012, p. 294):

The 'Plan for Economic Valorization of the Amazon' had the merit of being the first attempt to consider and elaborate an integrated planning for the region, but the truth is that its proposals were not so original - extraction remained at the center of operations. But, at least, Brazil remembered the Amazon, a region that corresponds to half of the national territory.

Within this formulation of governmental public policies for the region, the creation, introduction and implementation of other instruments for the development of the huge area, lacking development in all senses, were implemented: Superintendence of Development of the Amazon - SUDAM, Banco da Amazônia and

the Manaus Free Trade Zone (ZFM), among others (LINS, 2012).

According to SUFRAMA (2016) the Manaus Free Trade Zone is the most successful economic development model for regional development, combined with environmental protection and quality of life for the population of the states of Amazonas, Acre, Rondônia, Roraima and Amapá, being active in three economic dimensions: commercial, industrial and agricultural.

For SUFRAMA (2016), the ZFM has the objective of enabling an economic base in the western Amazon, promoting the best productive and social integration of this region to the country, guaranteeing national sovereignty over its borders.

Its concreteness is defined by the following mission:

Promote regional economic development, by generating, attracting and consolidating investments, supported by education, science, technology and innovation, aiming at national integration and competitive international insertion (SUFRAMA, 2016).

In this perspective, the regional development vector aggregates factors that constitute the economic development process, which are:

Economic Densities (local production base, labor market, service and production, connectivity index); Technological, Social, Institutional Technical Density, in addition to the Municipal Stability Index and the Local Internal Imbalance Index, measured by the municipality (BRASIL, 2005, p. 63).

In this sense, the Free Trade Areas (FTAs) were created to promote the development of cities with international borders located in the western Amazon and in Macapá and Santana, with the aim of integrating them with the rest of the country, offering tax benefits similar to those of the Manaus Free Trade Zone in the commercial aspect, as incentives of the Tax on Industrialized Products (IPI) and of the Tax on Operations related to the Circulation of Goods and Provision of Interstate and Intermunicipal Transport and Communication Services (ICMS).

Also included are nthe FTAs the incentives in relation to the Social Integration Program (PIS / PASEP) and Contribution to the Financing of Social Security (COFINS), by the recent inclusion of § 5, art. 2ndof Law No. 10,637 / 2002, which, in addition to adding FTAs, also extended the benefit to commercial legal entities. In other cases of sales, for the industry, the different criteria and rates will be observed. With this framework, the FTAs have as main objectives, the improvement in the inspection of goods entry, the strengthening of the commercial sector, the opening of new companies and the generation of jobs.

With these prerogatives “theLocal economic development is a process of

participatory development that encourages partnerships between the main stakeholders in the private and public sectors in a defined territory "(SORGI, 2009 p. 36). The objective of this is to generate jobs and develop economic activity, while allowing the design and implementation of development strategies using resources and competitive advantages in a global scenario (SORGI, 2009).

In this sense, the State could rather promote economic growth if it were based on investments in strategic areas that make national products more competitive, or that have the capacity to generate an increase in the 'potential product', to be pursued by private companies as idle market.

Corroborating the idea, Sorgi (2009) states that local economic development encourages development actions, establishes dialogue between local economic actors, trains institutions and organizations, and supports micro and small companies and cooperatives.

However, in the process of structuring the economic system, countless relationships between activities and economic growth are identified. Therefore, this relationship must be balanced, without threats to the local environmental potential.

2.1 Sustainable Development and the concept of nature object

The Federal Constitution of 1988 prescribes, in its article 170, that the economic order, based on the valorization of human work and free enterprise, must observe the defense of the environment, that is, the right to an ecologically balanced environment exposed in article 225 if makes it a principle to be respected by economic activity in article 170, VI.

The constitutional legislator wanted to show that the freedom to undertake must be concerned with the act of protecting in order to achieve the balance between rational use of natural resources, social development and economic growth. It is necessary for man to use nature economically.

The principle of sustainable development is a mandatory subject in discussions about development policies, as a theory that calls for revitalizing the growth of the global economy in order to reduce environmental degradation and poverty, since existing models of development are not sustainable in the long term, with its assumption being the change in economic growth, to make it less intensive and more equitable in its impacts (CHERNI, 2002).

It is worth mentioning that the principle is not intended to prevent economic development, but to find a middle ground, a balance between the economy and the environment, as it represents economic activity often an immeasurable environmental degradation.

The idea of Sustainable Development was established in the Brundtland Report prepared in 1987 by the World Commission on the Environment and United Nations Development. The Report called "Our Common Future", defined Sustainable Development as being "one that meets the needs of the present, without impairing the ability of future generations to meet their needs".

From the 1990s onwards, people's concern with maintaining environmental balance and understanding that the harmful effect of a waste exceeds the limits of the area in which it was generated or disposed becomes evident. One of the priorities for sustainable regional development in the Amazon is the consolidation and integration of public policies regarding the allocation of territorial spaces, especially on public lands, often the object of social conflicts and illegal acts of exploitation of natural resources. In this sense, it is necessary to strengthen the instruments of spatial planning and planning.

In this context, government policies should encourage economic sectors that degrade our planet less, seeking a balance between economic development and the environment.

2.2 Theoretical understandings about the Environment

The concept of development as a synonym for economic growth and environmental protection emerged in the mid-1960s. From the observation of the growth of environmental problems, a new vision was created, through international mechanisms, of choosing to reform processes development in compliance with the concept of sustainable development (SOUZA, 2000).

Cavalcanti (2002) is another author who also discusses the topic. According to him, the environment creates essential aspects along with the existence of the economy, where capacity, absorption and regeneration are essential. For this reason, the author emphasizes that ecology sustains the economy, since for sustainability to exist it is necessary to have biophysical boundaries in the environment of the economic process.

Within the scope of environmental standardization, in 1981, the National Environmental Policy was created by Law No. 6,938, which defines its Art. 3 types of environmental problems and Art 4, regulating one of the objectives of the National Environment Policy which must to support social and economic development with the preservation of the environment and ecological balance.

The environmental regulation of any productive activity, in addition to being mandatory, is an essential measure for socio-environmental sustainability. Compliance with environmental legislation represents a great opportunity to reduce production costs, and to improve the quality of life for human beings and other living forms.

Thus, those who defend the environment not only defend the river, trees or forests, but also the traditional ways of people living in it, the way people use natural resources while respecting nature. The environment is a common use of the people, it is a public good, but it does not mean that it is the property of the people. Everything in my environment is goods of public interest, that is, everyone has the right to protect it.

2.3 Harmonization between society and the environment.

Civil society has a fundamental role on the environment, but this can only occur if government officials exercise the laws in a transparent manner, so that they act actively and critically, based on the availability of information for analysis. Through awareness, the process of transforming nature economically is necessary, but man must use it in a healthy way and not in a predatory way as it happens until now. Derani (2001, p. 238) states that:

The problem of the destruction of natural resources is not directly proportional to the increase or decrease in economic growth, as it is related to the way used by society for its appropriation. It advocates that, in order to achieve a real change in the way in which the environment is treated, it is necessary to discuss the reason and purpose of production, with the proper interpretation of Article 170 of the Federal Constitution and the elaboration of public policies based on constitutional principles. This is because the principles, in addition to revealing the purpose of production and defining what is lawful or not, also define values, bases, goals, for the realization of an economic, social and environmental policy.

In the light of the legislation, the Local Agenda 21 will address specific issues of each territoriality, addressing issues whose decisions are within its sphere of action and has the active participation of partners. In this way, harmony between

competences and mutual support is combined in the formulation and implementation of actions for sustainable development.

Composing an extremely varied mosaic of urban and rural territories, the Amazon region has a close relationship with communities, ethnic groups and other social groups, which establish connections and relate to nature and incorporate intense cultural and symbolic meaning.

The realization of the integrating link begins with environmental education, which becomes a guideline for the conscious preservation of nature and healthy habits of using natural resources, which must be practiced by the citizen in daily life and by society. The embryo of society is the family. A transformation that should take our economic growth to levels of sustainable social and cultural development.

In a way, that development is a phenomenon with wide effects in society, which affects the social, political and economic structure, which studies strategies that allow raising the standard of living of the community, that is, to ensure the economic and social development of the region and the country on an ongoing basis.

3 IMPLEMENTATION OF THE GREEN FREE ZONE IN AMAPÁ: Challenges and proposals.

The denomination Zona Franca Verde is a new incentive, which provides for exemption from the Tax on Industrialized Products (IPI), granted by the Federal Government, for industrial production in Free Trade Areas (FTAs), with a preponderance of raw material of regional origin.

The FTAs were created to promote the development of international frontier cities located in the Western Amazon and in Macapá and Santana, with the aim of integrating them with the rest of the country, offering tax benefits similar to those of the Manaus Free Trade Zone, such as incentives from the IPI and the Tax on Operations related to the Circulation of Goods and Provision of Interstate and Intermunicipal Transport and Communication Services (ICMS). The main objectives of the FTAs are to improve inspection of goods entry, to strengthen the commercial sector, to open new companies and to create jobs. (SUFRAMA, 2016)

Currently, there are seven FTAs, located in the Municipalities of Tabatinga, in

the State of Amazonas; Guajará-Mirim, in the State of Rondônia; Macapá and Santana, in the State of Amapá; Brasileia, with extension to the Municipality of Epitaciolândia and Cruzeiro do Sul, in the State of Acre; and, finally, Boa Vista and Bonfim, in the State of Roraima. (SUFRAMA, 2016).

Incentives linked to LACs have a defined term. According to Law No. 13,023 of August 8, 2014, the tax incentives for Free Trade Areas were extended until December 31, 2050 (SUFRAMA, 2016). The continuity of the fiscal incentives is in line with the Federal Government's strategy to establish free trade areas in the Amazon, to promote the integration of municipalities with the rest of the country, to attract and fix the population in the localities and to generate jobs and income through strengthening of the commercial, agro-industrial and extractive sectors. This distribution in the sectors occurs through the appearance and development of dominant centers in regional centers of economic growth.

Hosted by the FTAs, the Green Free Zone (ZFV) is considered an important economic alternative for the FTAs, seeking to strengthen regional development, with regard to the industrialization processes of regional products related to the fruition of incentives.

3.1 Socioeconomic profile of the Macapá and Santana Free Trade Area (ALCMS).

In the State of Amapá, the Macapá and Santana Free Trade Area (ALCMS), created by Law No. 8,387 of December 30, 1991, regulated by Decree No. 517, of May 8, 1992, was officially implemented in March 1993, with the objective of boosting only local commerce. It is worth mentioning that the cities of Macapá and Santana are not located in the western Amazon, however, the State of Amapá has a border with French Guiana, one of the factors resulting from the creation of this LAC, whose activities are aimed at national and foreign imports, under the administration of SUFRAMA (ALCMS, 2014).

In this new economic scenario, based on tax incentives, the cities of Macapá and Santana show greater evolution of economic and social growth and development. The reflex caused by the increase in the demand for goods and services stimulates the generation of employment and directly affects the increase in state and municipal revenue (FGV; ISAE, 1998).

It is worth mentioning that the Industrial District of Amapá is located in the municipality of Santana, located on the left bank of the Matapi River, a tributary of the

Amazon River. Currently, the District has few installed industries and the basic infrastructure of the place is visibly deficient.

Santana's geographic positioning is strategic for exporting Brazilian products to the European, Asian, American and Caribbean markets, a fact that is attracting grain exporting companies from the State of Mato Grosso, which have already started investments in the Porto Público Companhia Docas de Santana (CDSA), for the construction of grain export silos.

3.2 Viability of the Industrialization of the Zona Franca Verde Macapá and Santana (ZFVMS): legal, economic and administrative aspects.

The State's participation in the economy aims to improve the regional and sectoral distribution of investments, promote a better distribution of income, in the sense of expanding the domestic consumer market, controlling the entry of foreign capital into the country, reducing external financial dependence, and offering more autonomy in the execution of public policies (FURTADO, 1961).

Therefore, with the new economic formation of the municipalities of Macapá and Santana in the State of Amapá and with the participation of the State, there was an emphasis on economic development and growth. of cities from the 1990s onwards from the Macapá and Santana Free Trade Area - ALCMS. Complementing the economic development of the State in the area encouraged, the industrialization of regional raw materials appears.

With the prerogatives of the regulation of the Free Zone Green Macapá and Santana (ZFVMS), industrialized products at ALCMS can benefit from the exemption from the Tax on Industrialized Products (IPI) in the operation of selling the product, whether intended for internal consumption by ALCMS, or commercialization in any other point of the national territory.

In fact, to take advantage of the tax incentive, it is necessary that the product is composed predominantly of raw material of regional origin, among other requirements and conditions according to the relevant legislation.

It is worth mentioning that the incentive is granted to the product, and not to the company as a whole. This is due to the nature of the legal requirements, to be assessed individually for each production process. Therefore, there is nothing to prevent a particular company from industrializing various products, but that only a

few of them satisfy the legal requirements and enjoy the tax benefit.

3.2.1 Legal Aspects.

According to SUFRAMA (2016), the Zona Franca Verde Macapá Santana (ZFVMS), was constituted by Federal Law No. 11,898 of January 8, 2009 and regulated by Decree No. 8,597, of December 18, 2015, and Resolution nº 001/2016 of February 26, 2016, by the Board of Directors of SUFRAMA (CAS) (SUFRAMA, 2016).

According to SUFRAMA (2016) after its implementation, industrialized products at ZFVMS with a preponderance of raw materials of regional origin, can enjoy the incentives granted by the Federal Government, only as exemption from the Tax on Industrialized Products (IPI), in the sale of the product, which are destined for the internal consumption of ZFVMS, or for commercialization in any other point of the national territory. Thus, the incentives granted are limited to products that undergo the industrialization process within the geographical limits of ALCMS, according to Decree-Law No. 517/1992.

Still on this aspect, to be able to take advantage of the tax incentive it is necessary that the product is composed of preponderance (absolute, relative and by importance) of the raw material of regional origin. The ZFVMS incentive is added to other tax benefits already consolidated in the ALCMS. Although the legislation is not uniform, varying in terms of the forecast of some economic activities that may benefit, among other exceptions, such as the rule on tax benefits linked to the ALCMS.

3.2.2 Economic Aspects

Amapá's economy is predominantly of activities in the tertiary sector, with a strong concentration in urban areas, mainly in the capital Macapá. Strategically located in an international border region, the State of Amapá presents a favorable situation for the establishment of commercial partnerships with neighboring countries, as is already the case for French Guiana.

But the State of Amapá stands out on the national scene for being the best preserved state in the environment, with considerable and diversified natural heritage, which differentiates it from other Amazonian states. Among the predominant ecosystems, the following stand out: upland forest, lowland fields, cerrado, lowland

forest and mangrove. With this favorable economic outlook, Amapá also offers entrepreneurs a series of federal and state incentives, covering the financial, tax and location sectors.

According to the understanding of Schumpeter (1982), entrepreneurs are responsible for economic development, as they promote the rupture of the economy in a circular flow towards a dynamic, competitive economy that generates new opportunities. In the author's view, the emergence and seizure of opportunities in the business field, generated by competitive advantages and new achievements, produce innovation in the economic sphere, as new alternatives for the use of resources are created, thus stimulating new forms and new opportunities.

3.2.3 Administrative Aspects SUFRAMA.

The Superintendence of the Manaus Free Trade Zone - SUFRAMA, which administers the tax incentives, is responsible for the entire institutional administrative order to grant the usufruct of the benefit in the implementation of the Green Free Zone in their respective FTAs.

SUFRAMA's actions aimed at launching the Zona Franca Verde in the State of Amapá, materialize from the structuring of a state management committee, which will count on the participation of several entities, in which various actions will be promoted, including training and consultancy aimed at dissemination of opportunities, as well as the construction of specific procedures for the presentation, analysis and approval of projects, always listening to the actors involved and, in particular, the State of Amapá, which played a decisive role in making the ZFV viable.

4 ANALYSIS AND DISCUSSION OF RESULTS.

This research was carried out with the governmental and non-governmental bodies that are partners of SUFRAMA, in the process of implementing the industrialization of the Amapá ZFV. For application of the field research, information was sought in Amapá State Government, represented by the Amapá Economic Development Agency (AGEAP), Amapá State Finance Secretariat (SEFAZ / AP) and non-governmental bodies such as Brazilian Micro and Small Business Support Service (SEBRAE) and Professor MSc. Charles Achcar Chelala, Economist, Master in Regional Development, Professor at the Federal University of Amapá (UNIFAP).

Books, theses, research and materials available in electronic media for bibliographic research were also used to fill a space of knowledge regional economic and sustainable, whose objective was to identify the challenges and proposals of public management in the State of Amapá, stimulating trade and accelerating the industrial development of the ZFVMS, linked to the governmental and non-governmental partners that make up the study.

The questionnaires were presented to the respondents in order to enable the exploration of the context with greater ownership and to keep the focus on the proposed theme. The contact was made in March 2017 with four partners, through a representative of each institution indicated. Data were collected from questionnaires with three open questions, allowing respondents to construct the answer in their own words, thus allowing freedom of expression (GIL, 2008).

The data were analyzed qualitatively, using the content analysis approach that, for Bardin (2008), it uses systematic and objective procedures to describe the content of messages, but the main objective is to abstract information from the contents after being treated. All questionnaires were delivered to respondents and later returned, duly answered. Was made the organization of the collected data, as well as content analysis and reflection on this, which validates the present research.

The presentation of the sequenced data of this research, were achieved through the analysis, of the inferences obtained with the answers of the open questions about the challenges and proposals of public management in the State of Amapá, in stimulating trade and accelerating industrial development with the implementation of the Zona Franca Verde in the cities of Macapá and Santana.

Thus, representatives of the aforementioned bodies were first asked, what were such challenges faced by the same Bodies for the construction and implementation of the Zona project (ZFVMS). In the opinion of the respondents, considered as biggest challenge is the procedure for the regulation of the ZFVMS Highlighting Professor MSc. Chelala that exposes the path of the process and its mishaps,

THE first initiative in this regard was the Bill 4141/99, presented in June 1999 by Senator José Sarney (PMDB-AP), granting tax benefits equal to those of Manaus for the following items, according to the annals of Federal Senate (interview conducted, March / 2017).

And he continues to argue that the Amazonas bench tried to hinder the project by imposing resistance to its progress, causing delays in processing in mid-2002, when the project received an amendment by Senator Arthur Virgílio (PSDB-AM), which extended the benefits of the new Free Trade Zone to all states in the Western Amazon, including the interior of Amazonas, leaving only the state of Pará out of the North Region. Approved in the Senate on October 30, 2002 and going to the Chamber, which was paralyzed by a strong campaign originated by the parliamentarians of Pará and by the industrial lobby of São Paulo, having been shelved.

Chelala emphasizes that, a legislative maneuver allowed to “revive” the process of the ZFVMS. The ProjectLaw 2105/2007, initiated by the Federal Executive and which replaced a Provisional Measure (MP 431/2007) which created a single tax regime for goods imported from Paraguay, soon called “MP dos sacoleiros”, because it benefited the purchase and internalization of goods from the neighboring country.

During his processing in the Chamber, Federal Deputy Sebastião Rocha (PDT-AP) coordinated the presentation of an addendum to the aforementioned PL 2105/2007, which redeemed and included the PL items 4141/99 that Senator Sarney had presented and that had already been filed in Congress. The difference is that, in this case, there was no extrapolation from the customs exception area, as it was limited to the expansion of the benefits of the free trade areas existing in the Amazon.

Continuing the saga, after being processed in the Federal Senate, the PL was sanctioned and transformed into Law 11.898, of January 8, 2008, but it was shelved and those same pressures that always opposed the Free Zone of Macapá and Santana, took care to keep it. him asleep for almost eight years without regulation.

Finally on December 18, 2015, through Decree 8597 signed by President Dilma Rousseff, the Green Free Zones were regulated. However, there were still some obstacles to be overcome, particularly the definition of what would become “pre-dominance of regional raw materials”. The regulation requires that at least one of the following attributes be taken into account: volume, quantity, weight or importance in relation to the final product.

Following considering the same question, the State Secretariat of Finance of Amapá (SEFAZ), represented by Dr. Neiva, sees several challenges for the Amapá ZFV, such as geographical positioning in relation to other FTAs located in the Wes-

tern Amazon, characterizing an isolation in the sale of inputs. Another highlighted data is the acquisition of inputs limited to the States (AM, AP, RR, RO and AC) with areas encouraged according to constitutional matters.

It also highlights, land regularization as a challenge of great proportions, however, it is already being overcome, because without the ownership of the land, the investor will not be able to effect bank loans for the necessary investment. Secretary Neiva stresses that,

In the tax aspect, we have the legislation ready for submission to the Legislative Branch, to create a specific law for the ZFV. The ALCMS legislation itself already provided for tax benefits for industrialization, which were never integrated into local legislation, Convention ICMS 65/88.(interview conducted, March / 2017).

With a different look, the Brazilian Micro and Small Business Support Service(SEBRAE), represented by Mr. Valdeir Garcia Ribeiro, the biggest challenge was “post” regulation, understanding the structure of Amapá's ZFV and the competencies of each body. Another challenge presented by Waldeir (2017, p.1),

Prepare our team of technicians to understand the peculiarities and requirements for the implementation of industrial projects in our ZFVMS, so that we could pass this information on to the entrepreneurs who came to us and who were interested in the subject. (interview conducted, March / 2017).

Concomitantly, the consolidation of local industrialization comes from regulation and incentives given by the Federal, State and Municipal governments, with the objective of attracting investors who want to invest in industrial projects to offer competitive products to local, national and international markets.

Fundamentally it's relevant the importance of industrialization with regional products for the development of the local economy, with fiscal benefits from the Federal Government. A fact that, contextually, there is a relationship, based on conceptual work by Lins (2012). Having as differential in this development process is the innovative capacity of entrepreneurs who are the decisive actors in finalizing the investment. While for Sorgi (2009) previously mentioned, this thought leads us to strengthen partnerships regarding the industrialization of Amapá with sustainability.

Continuously, the following question arises, which is related to the prospects for implementing the ZFVMS, in the view of the partners responsible for implementing industrialization for local and regional economic development.

For SEBRAE the Amapá has a privileged geographical location and raw material in abundance in some sectors, such as fish, açai, chestnut, ore, etc. Therefore,

the ZFVMS can be an important instrument for the development of our state, as long as the bodies and institutions involved in the process are properly committed and aligned with the purpose of the Law, which is to promote the development of our green industry.

According to SEFAZ / AP, industrialization is strategic and capable of removing Amapá from the eminently extractive market, exporter of raw materials, to a transforming market, using the inputs that are underutilized or being sold in natura, in the generation of new products, adding value and opening new work fronts with qualification differentiated. It is a promising market for both domestic and foreign supply.

As a visionary Professor MSc. Chelala points out that only a coordinated and effective action by SUFRAMA and the state and municipal governments with these entrepreneurs can demonstrate the advantages of settling in the region, including it in their investment portfolios.

Still regarding the perspectives, AGEAP has the following reasoning,

Leverage local and regional development, initially attracting investments in an industrial pole focused on the industrialization of products manufactured from regional inputs in its production process, transforming the state's economy from extractive to productive, that is, adding value to our "commodities" "And resources of Amazonian biodiversity, which will bring as main benefits:

- Increase in the generation of tax revenue; Expansion of the number of jobs; Growth of local production chains and; The creation of a favorable environment for the development of the region, from the installation of bases and technological competences in Amapá (interview conducted, March / 2017).

In this phase of economic formation, the products of this process constituted spill over effects, overflows, also helping in the growth of other productive economic sectors and services, such as transport and logistics, communications, among others (AGEAP, 2017).

Based on the above, most respondents share the same thought, that with the industrialization of Amapá, it will provide a structure to attract new ventures, boosting new possibilities, including experimentation, discovery and innovation. Without being guided by the environmental dimension, which includes the concern with the potential of natural resources and ensures environmental sustainability. This factor is preponderant in the efficient mobilization in the chain of available resources in the region.

Thus, it is essential to promote through public policies that encourage the installation and development of enterprises, but that economic transformation has a

harmonious relationship with the environment, as mentioned by Derani (2001) previously.

An interesting fact, in the relation of sustainable economic development, is the use of the sustainability tripod (economic, environmental and social), based on the assumption that all are essential for sustaining local economic growth and regional development. In this regard, the representatives of governmental and non-governmental bodies were asked about the results already achieved (positive and / or negative) since the implementation of the ZFVMS to the present day.

For the representatives, the ZFVMS is still in the administrative operational structuring phase, being promoted for the short and long term, through actions aimed at speeding up and guaranteeing the success of the ZFVMS.

In the conception of Dr. Neiva (SEFAZ / AP) the negative points are being digested, some "bottlenecks" are already being overcome. And the positive points to be achieved are economic warming that ensures tax collection; increase in jobs means more consumption; higher exports means compensation by the Export Fund (FEX), causing an increase in the Gross Domestic Product (GDP) and a consequent increase in the State Participation Fund (FPE).

Proactively, according to the SEBRAE representative, there was a significant demand by local and other businessmen, looking for information on ZFVMS. But, as for the number of projects carried out, demand is still low.

The same holistic view is shared between the AGEAP representative and Professor MSc. Charles Chelala, regarding the results. All express that expressive results (positive and / or negative) have not yet been identified in practice, however, during this period, there was a mobilization to disseminate information from the ZFVMS, through events such as courses, lectures, seminars and work meetings, with the participation of society in general.

The dissemination of knowledge at the first moment is a strongly differentiating item for the consolidation of economic growth. The most advanced economies are based on greater availability of knowledge.

In this sense, when an industrialization process begins in a certain center, this regional space becomes capable of creating a chain of a series of effects that have a favorable impact on the competitive potential of that region, such as Furtado (1961) already mentioned. In relation to this line of reasoning, the implantation of

industrialization in Amapá will add value to products from regional origin, functioning as an agent of dynamism of local life, subsidized by the incentive policy, as an attraction for the growth of the industrial pole and consequently the regional economic development. .

5 FINAL CONSIDERATIONS

At the present time, the State of Amapá is undergoing a new economic formation. After a few years stopped, was regulated on December 18, 2015 by Decree No. 8597, the Green Free Zone, including the Green Free Zone of Macapá and Santana. The project provides for the same tax incentives for Macapá and Santana destined for the Manaus Free Trade Zone (AM).

This change in the economic development model suggests a proposal for alternative strategies for the organization of the regions. Thus, the great differential is that in Amapá the incentives will be for the manufacture of products from raw materials in the region, such as wood, herbs, roots, grains, plants, fish and ore, emphasizing the reconciliation between economic growth and environmental preservation. The same incentives on tax exemptions, such as IPI, are now used for products originating in the Amazon, whether of animal, mineral or vegetable origin.

In this sense, balanced economic development corresponds to sustainable development and requires institutional action in cooperation with society in a multidimensional way, involving the interrelationship between economic, social and environmental segments, in the search for sustainability.

Thus, the initial proposal of this study was to verify the process of sustainable economic development, its challenges and proposals in the implementation of the Zona Franca Verde in the cities of Macapá and Santana. In the end, it was noticeable that the Despite the presence of factors to be improved, the ZFVMS, as a development model of the Eastern Amazon, based on tax incentives conditioned to social and environmental aspects, is essential for sustainable development, not only in the Amazon region, but in Brazil and the world.

Therefore, ZFVMS transforms Amapá's redemption in terms of short, medium and long term economic development, characterized by the integration of the human and ecological dimensions into the economic process. This innovation in the

economy will strengthen the economy that is dependent on the State, but with the industrialization of Amapá, this scenario will be positive, with emphasis on two direct results, the generation of employment and the reduction of prices, and consequently the increase in the quality of life of the population.

Finally, due to the scope of the theme and the nature of this study, it is suggested to deepen this research, looking for more up-to-date social and economic indices providing field research in all municipalities in the state. At the end of the present research, it is hoped that the presentation of these suggestions will be able to demonstrate that the reflections in the present study aim to contribute to future researches that are related to the studied topic and that favor new investigations on this theme, making it possible to direct to several lines of future research.

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