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Position paper – Brazilian speaker

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Brazil and the Netherlands enjoy strong trade and investment relations.

In 2018, trade reached USD 14,7 billion. The Netherlands are the fourth largest destination country for Brazilian exports.

In 2017, the Netherlands held the largest foreign stock of investments in Brazil: USD 134 billion. More than half of the investments from the European Union into Brazil came from the Netherlands in that year.

Brazil hosts a wide array of Dutch companies, including Unilever, Philips, Heineken, Makro, C&A and Akzo Nobel. The Netherlands are currently significant partners in infrastructure projects in Brazil. Examples of this include the involvement of Dutch companies in the development of ports in the Northeast of the country, as well as in the North Corridor project, contemplating both ports and waterways. A number of major Brazilian companies have also set up offices in the Netherlands.

Frequent flights operated by KLM to Rio, São Paulo and, more recently, Fortaleza, contribute significantly to this positive scenario.

Brazil’s goal is to continue to expand and deepen these mutually beneficial trade and investment relations.

Opportunities abound. Despite a few difficult years, Brazil’s GDP has remained within the 10 biggest in the world – in 2018, Brazil’s was the 9th largest. And economic activity is once again picking up, with projections of 2% growth for 2019.

There is a strong commitment in Brazil at the moment to enact important reforms, which should contribute to increasing the dynamism of the economy. The initial priority is to reform the country’s pensions system, but plans for overhauling and simplifying the country’s tax system are also already underway, amongst other liberalizing initiatives, aimed at improving Brazil’s business environment.

A clear agenda has been set for concessions in several sectors, under our Investment Partnership Program, with excellent opportunities for Dutch investors.

A sixth round of airport concessions has begun, with the aim of granting to the private sector, by 2021, the operation of 22 airports, encompassing approximately 24 million passengers. Between 2003 and 2017, the average annual growth rate of the civil aviation sector in Brazil was 8.5%.

Three major railway concession auctions are set to take place between this year and 2020, connecting municipalities in the Provinces (States) of Mato Grosso, Tocantins and Bahia to ports in Pará, São Paulo and Bahia. The length of the envisaged railways varies from approximately 1500 to 500 km.

An important concession of mineral rights, comprising copper, zinc and lead in an area of 6050 hectares in the State of Tocantins is expected to go into auction in the second quarter of this year.

2019 will be a busy year in the Brazilian oil and gas sector as well. As is well known, Brazil is home to the largest offshore oil discoveries in the last decade. The National Council for Energy Policy is organizing several bidding rounds for production sharing and blocks, to take place until the end of the year.

Bids for leasing of terminals in 5 important Brazilian ports are scheduled for this year. The port sector in Brazil handled over a billion tons in 2018.

A number of road concessions are also in the pipeline for the period from 2019 to 2021, the largest of which comprises 970 km.

In addition to all this activity in infrastructure, Brazil also has a keen interest in the further promotion of its science, technology and innovation sector. We already have 15.000 small and medium companies focusing on technology, and will seek to augment this figure through the adoption of a new legal framework for the operation of startups in Brazil.

Given that today’s discussion is taking place in the Netherlands Parliament, it must be mentioned that recently the Brazil-Netherlands Parliamentary Contact Group was reinstalled in the Brazilian Parliament. The group is expected to have a strong focus on trade and investment, as well as cooperation in the field of science and technology.

All of this augurs well for the future of Brazilian-Dutch trade and investment relations. Brazil’s economy has the necessary scale, and its economic actors the required dynamism for fostering myriad opportunities for foreign investment. The country is open for business. We invite the Netherland’s impressive business community to continue to strengthen the mutually beneficial cooperation with Brazil that has historically been a mainstay of the relations between our two countries.

The Embassy of Brazil in the Hague is an active promoter of the strengthening of this cooperation, through the regular organization of “Brazil Network Days” in different localities in the Netherlands and assistance to economic actors from both countries looking for partnerships and opportunities. We stand ready to engage with all interested parties and provide further information on the aforementioned concessions, as well as other projects in fields in which Brazil has attained excellence and scale – such as agriculture – but have not been included in this presentation, in the interest of brevity.

Thank you very much.