



INVEST  
IN BRASIL



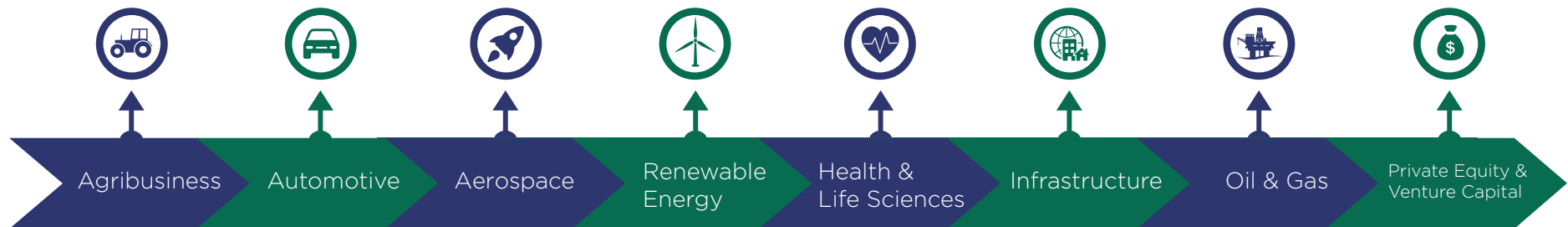
INFRASTRUCTURE.....

# Introduction



The Brazilian Trade and Investment Promotion Agency (Apex-Brasil) supports international investors as they analyze the opportunities to establish a plant in Brazil, start a partnership with a Brazilian company, or commit capital in Brazil through funds and companies. Our goal is to satisfy investors needs and generate results as we attract technology, innovation, new companies and generate jobs in Brazil.

The Agency's service portfolio ranges from **preparing market data intelligence** to **connecting investors to** high-level authorities offering **solutions** mainly (although not exclusively) for the following industries:



We are part of the Brazilian Ministry of Foreign Affairs, through which we count with 120+ offices in the world, and we work in close collaboration with other Ministries, regulatory Agencies, class entities, and so on.

Apex-Brasil is **ready to assist in all steps** of the investor's decision-making process by:



# Why Brazil

Leading Regional Economy:  
Brazil ranks among the **top 10 economies** in the world  
and it's the largest one in Latin America,  
with a GDP of USD 1.8 trillion in 2019.

USD 1 trillion  
INWARD FDI FLOWS TOTALLED



Global Destination for Investment  
6th global recipient of FDI inflows in 2019.  
Inward FDI flows totalled over USD 1 trillion  
from 2010 to 2019.



USD 8,959.02 PER CAPITA GDP

A **population of over 210 million** and a strong and steady **domestic demand** for services, goods and agricultural products (Household consumption of 64% of GDP - 2018). Per capita GDP of USD 8,959.02 in 2018, **above major emerging players** such as India and South Africa.

# Diversified Economy: We Have It All

Brazil's economy relies on a **wide range of economic sectors** – that includes Latin America's largest **aerospace, automotive, oil and gas, mining, capital goods, medical equipment, chemical and technology industries.**

## Large Pool of Workers

With an active working age population (15- 64 years old) of around 69% in 2018, above world average, Brazil's domestic market offers good opportunities for companies seeking to hire locally.



## Extensive Raw Materials

Brazil's is one of the biggest producers and exporters of agricultural and mining products (especially iron ore) in the world. The country is also estimated to hold the world's largest freshwater reserves.



## Energy Powerhouse

10th largest oil producer in the world and the largest in Latin America. One of the top producers and exporters of ethanol biofuel in the world. Renewable sources are responsible for over 80% of the Brazil's electricity generation.



## **Global Player**

Brazil has been an active and engaged global player, **coordinating trade, policies and human rights advocacy**, earning the respect of its peers in the process. With a large economy, **sound political and judicial systems and active engagement in foreign affairs**, Brazil plays an important role in the international community.

## **Gateway to Latin America**

**Brazil has free trade agreements with the largest markets in Latin America and signed Investment Facilitation Agreements with several other countries.** Brazil is a founding member of the Southern Common Market (Mercosur), which has recently signed a big FTA agreement with the European Union.

# INFRASTRUCTURE

Brazil is the **fifth largest country in the world** with an area of 8.5 million square kilometers



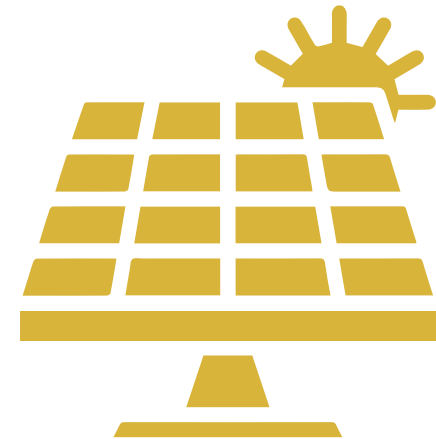
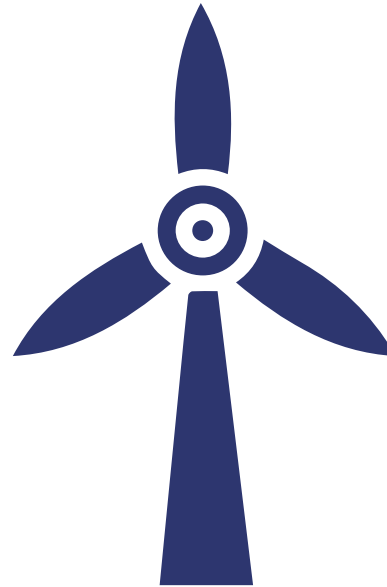


Brazil relies heavily on **logistics and transportation networks** to guarantee its competitiveness and to keep growing.

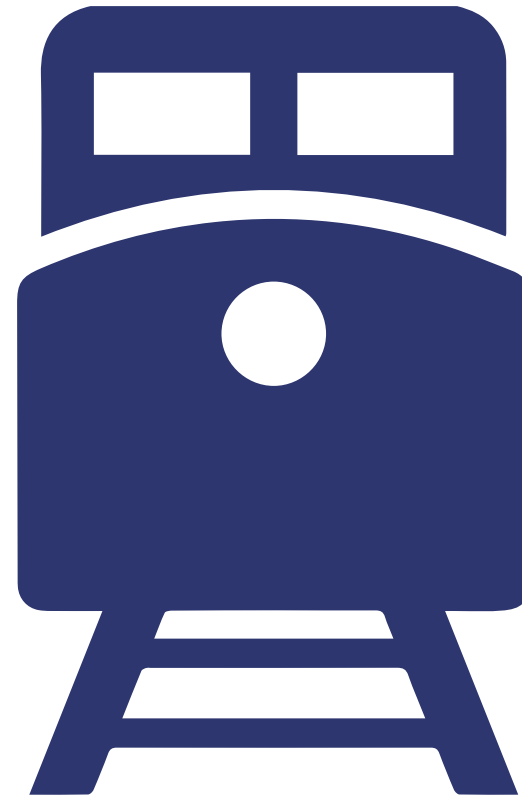
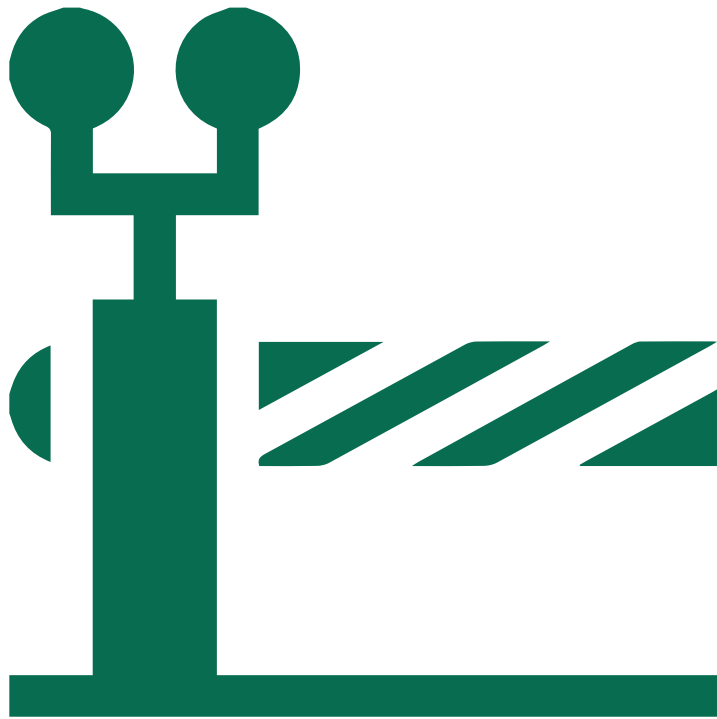
Other infrastructure assets, such as **power generation, mining, national parks and social infrastructure, including sanitation**, are key issues for Brazil's development as well.



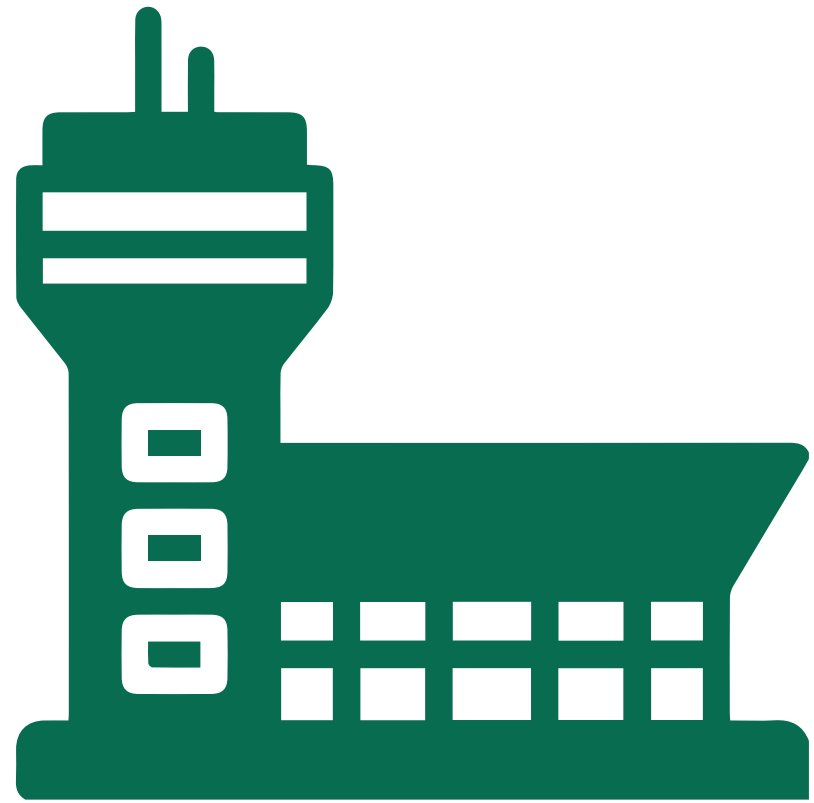
A promising business scenario, with a **diversified energy matrix** and some of the most **important airports, ports** and **connections in Latin America**, are some of the highlights in the country's infrastructure.



There are currently **30,129 kilometers of railroads**, which  
comprise 21% of all freight transportation in Brazil



In 3 years, the Brazilian Government has granted the private sector the **concessions of 16 airports, 10 port terminals and a section of the North-South Railroad**



# 2019 outcomes

**36 auctions** that will trigger investments in the order of R\$446.2 billion in the most diverse areas of infrastructure

- **13 leased port terminals**

- **12 airports** in the northeast, southeast and central-west regions granted to private initiative

- **4 oil auctions** Lotex concession  
BR-364/365/MG/GO highway auction

- Resumption of **mining rights auction** after 40 years (Palmerópolis-TO)

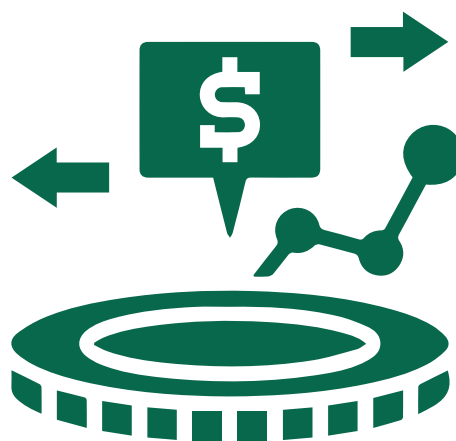
- **Auction of the North-South railway**, considered the backbone of the national railway network



The infrastructure sector has a **central role** both in the **development of Brazilian economy** and in the **increasing of competitiveness**.

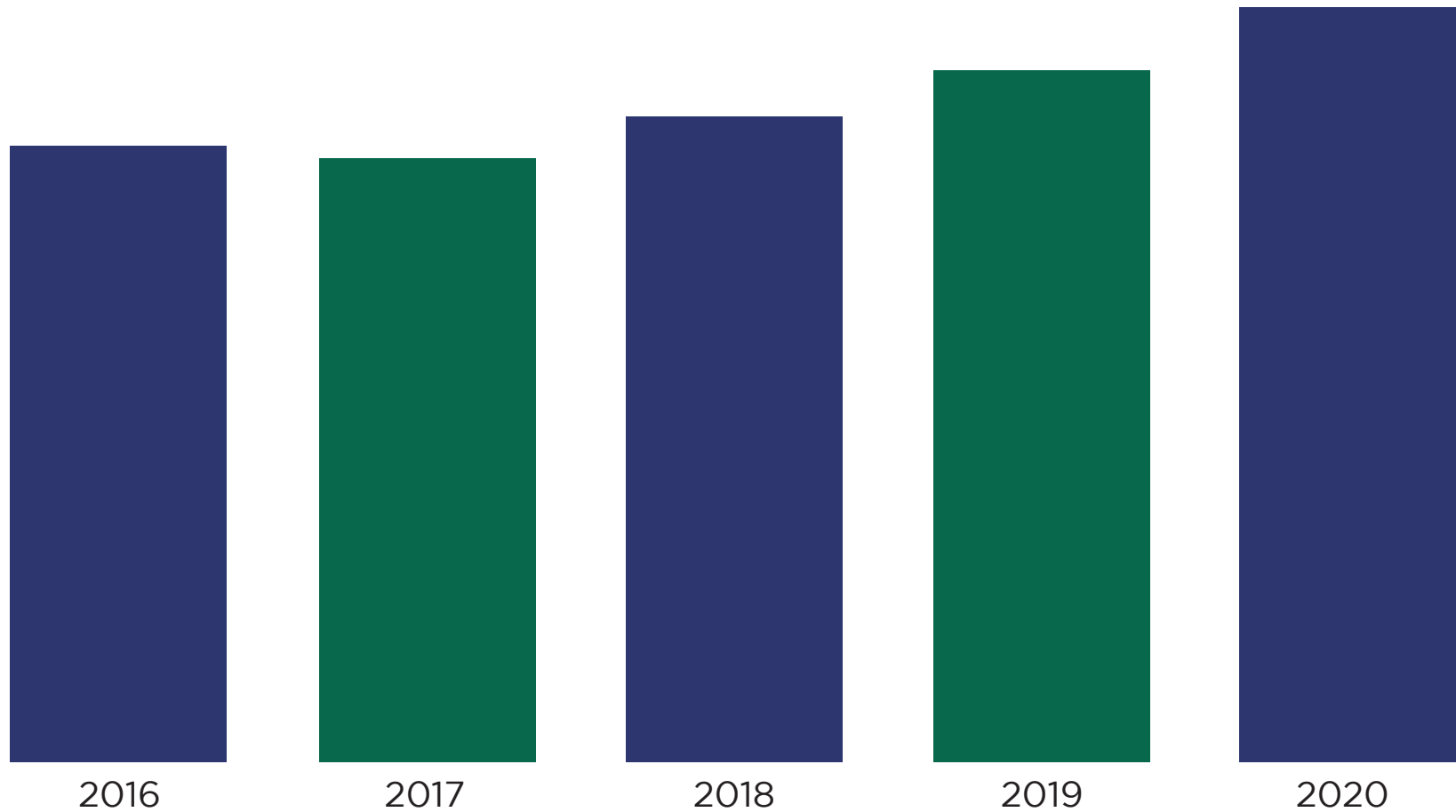
The government has been reshaping its efforts in order to boost this sector.

The infrastructure projects portfolio has been increasingly diversified and there will be **several investment opportunities** in the coming years for the **supply chain, prison systems, national parks, basic sanitation** and even bid for **construction and operation of new structures**.



# Evolution of Infrastructure Investments in Brazil

in R\$ Billion



Source: Brazilian Association of Infrastructure and Basic Industries (Abdib)  
Note: Includes electricity, transport, basic sanitation and telecommunications. Does not include oil and natural gas. For 2019, value indicates forecast

# AIRPORTS



Brazil has the **largest aviation market** in Latin America and one of the largest in the world.



Brazil is the **first country** in the world that **allows 100% foreign participation in air transport**



By 2023, **all Brazilian airports will be delivered to private companies**, which shows great investment potential.



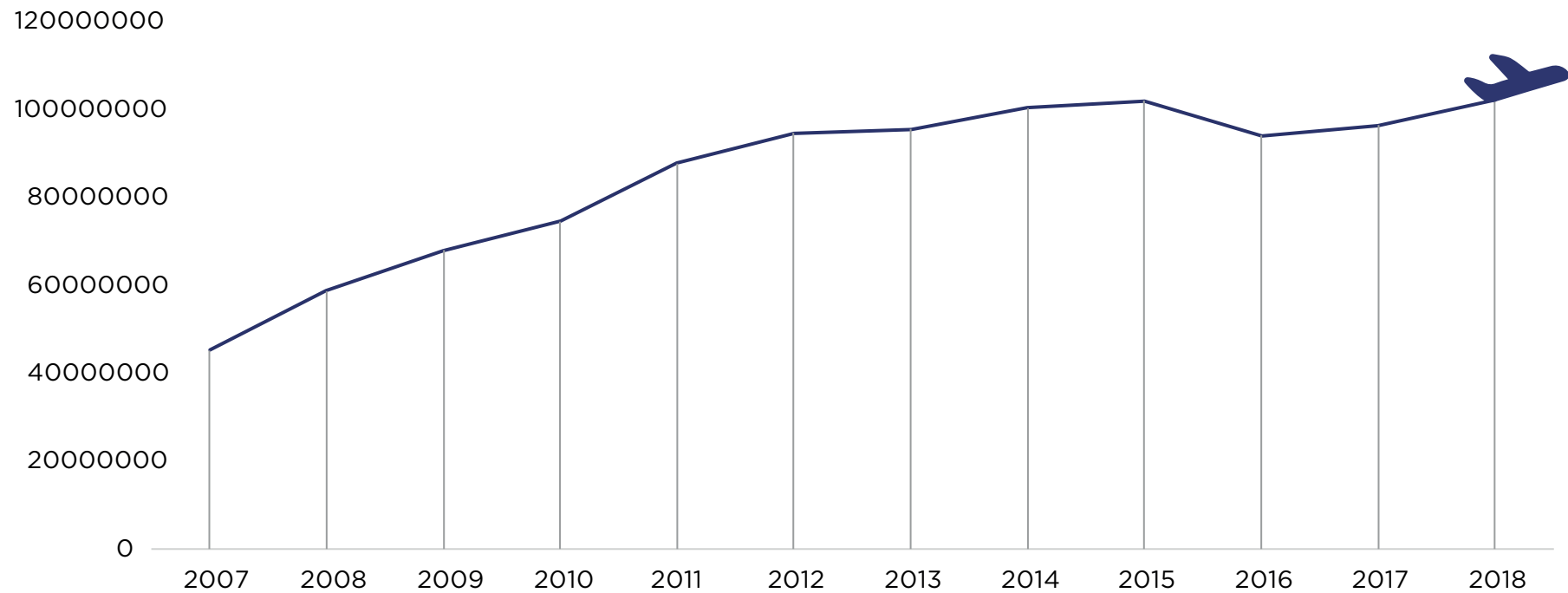
Approximately **218.6 million passengers** used Brazilian airports in 2019 (+1.6% over 2018)



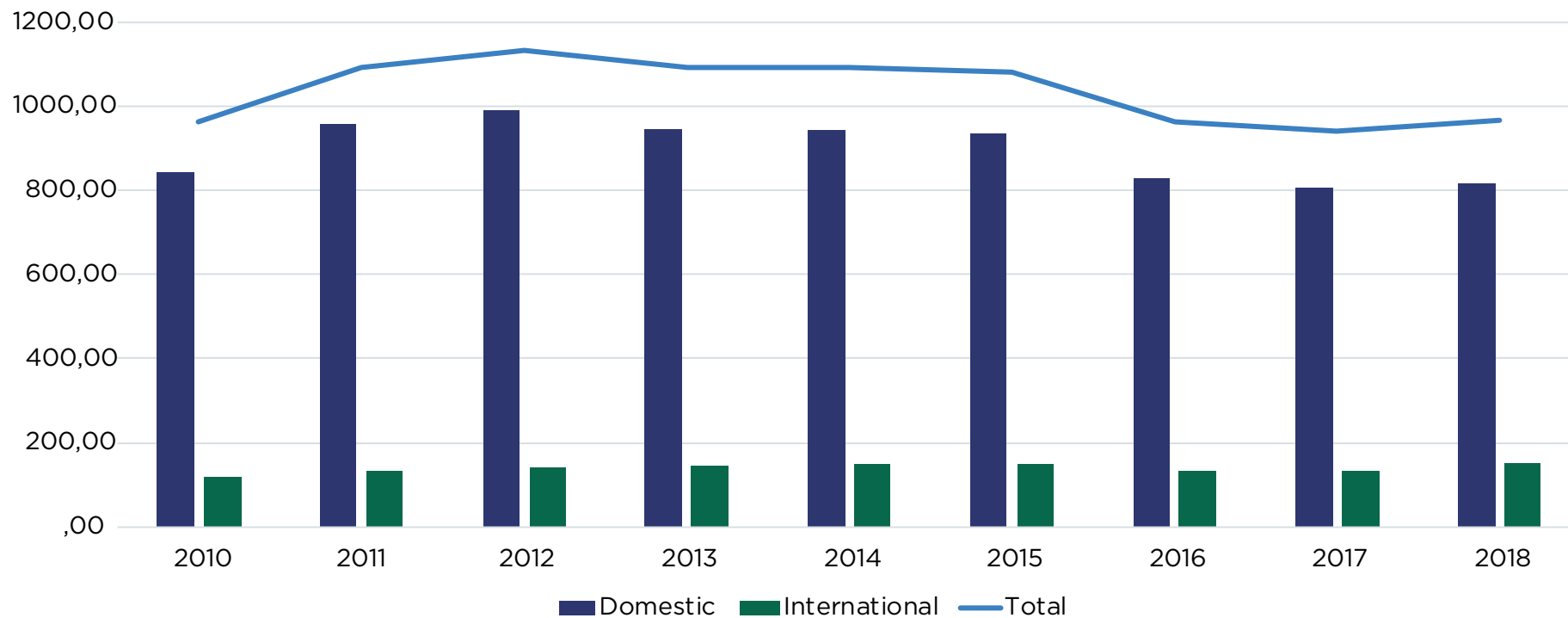
The paid air **cargo transportation** in 2019 has registered **1.2 million tons** - Second-best result since the 2000s.



# Air transport, passengers carried



# Number of flights domestic + international thousands



# PORTS



Brazilian ports integrate the necessary infrastructure for the country's economic development, mainly to **support foreign trade activities.**



The port infrastructure in Brazil consists of public and private ports, having **235 port facilities**, between public and private, both maritime and fluvial.



The ports are expected to receive investments of **USD 10 billion by 2042**, mainly due to the expansion of agricultural production and mining products, as approximately 95% of the total flow of Brazilian goods trade passes through the ports.

In order to foster investments, the Federal Government created tax incentives for the sector, which include:



- **The Tax Regime to Incentivize the Modernization and Expansion of the Port Structure - Porto**



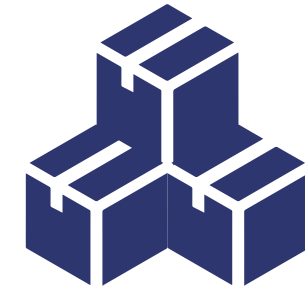
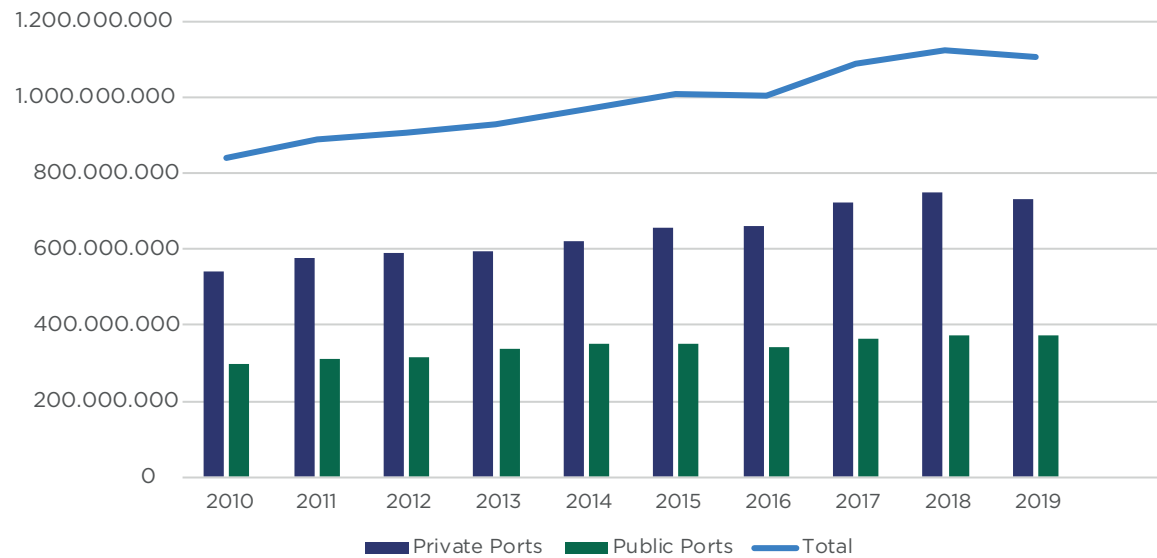
- **The Special Incentive Regime for Infrastructure Development (Reidi)**



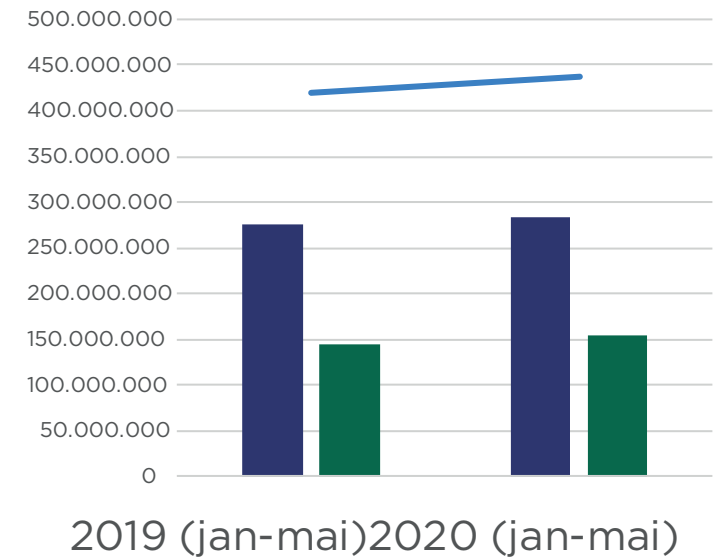
- **The Infrastructure Debentures, in addition to the Merchant Marine Fund (FMM).**

In 2019, **1,104,298,070 tons of cargo** were transported in Brazilian ports

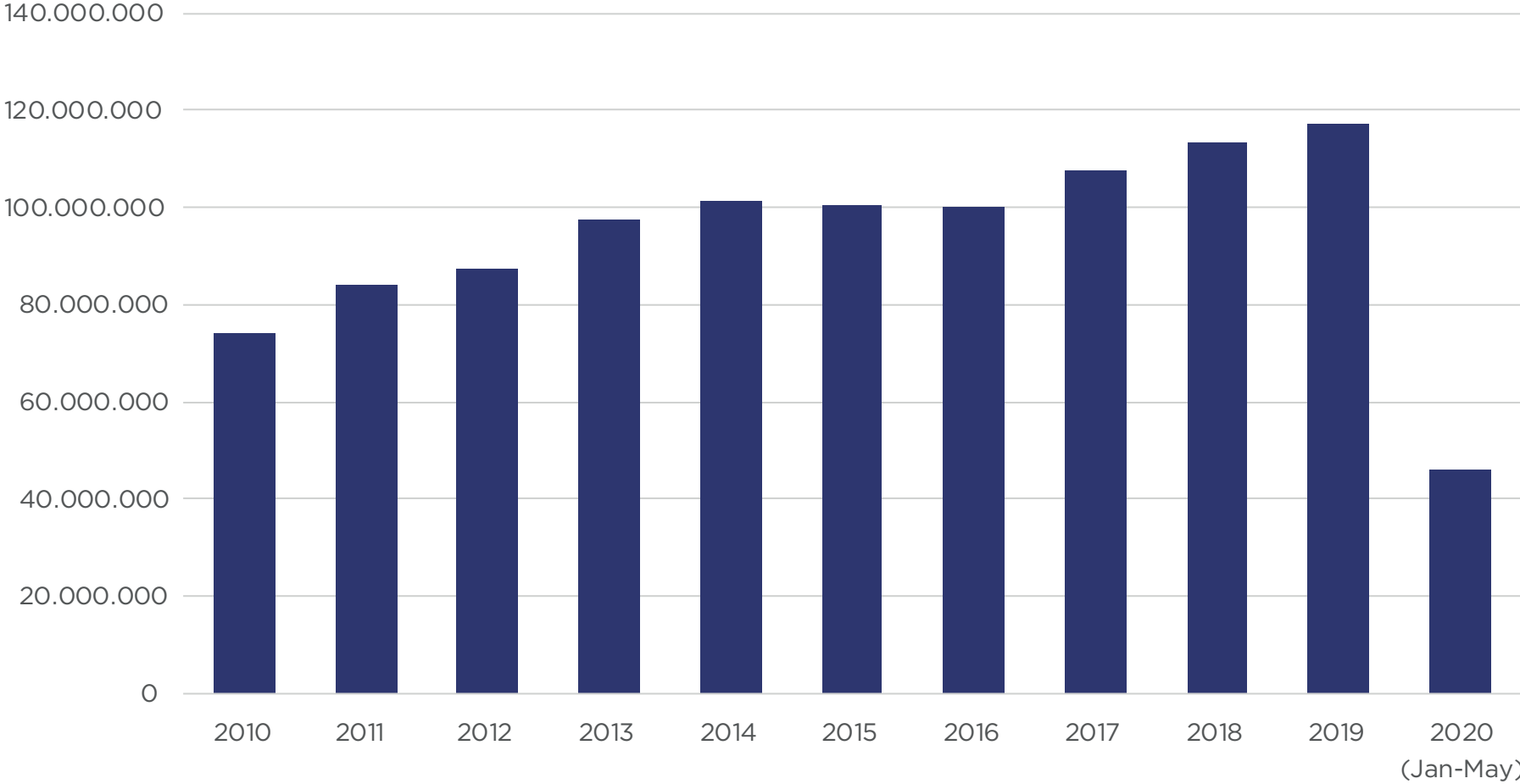
Cargo Handling - Facility Type in tons 2010 -2019



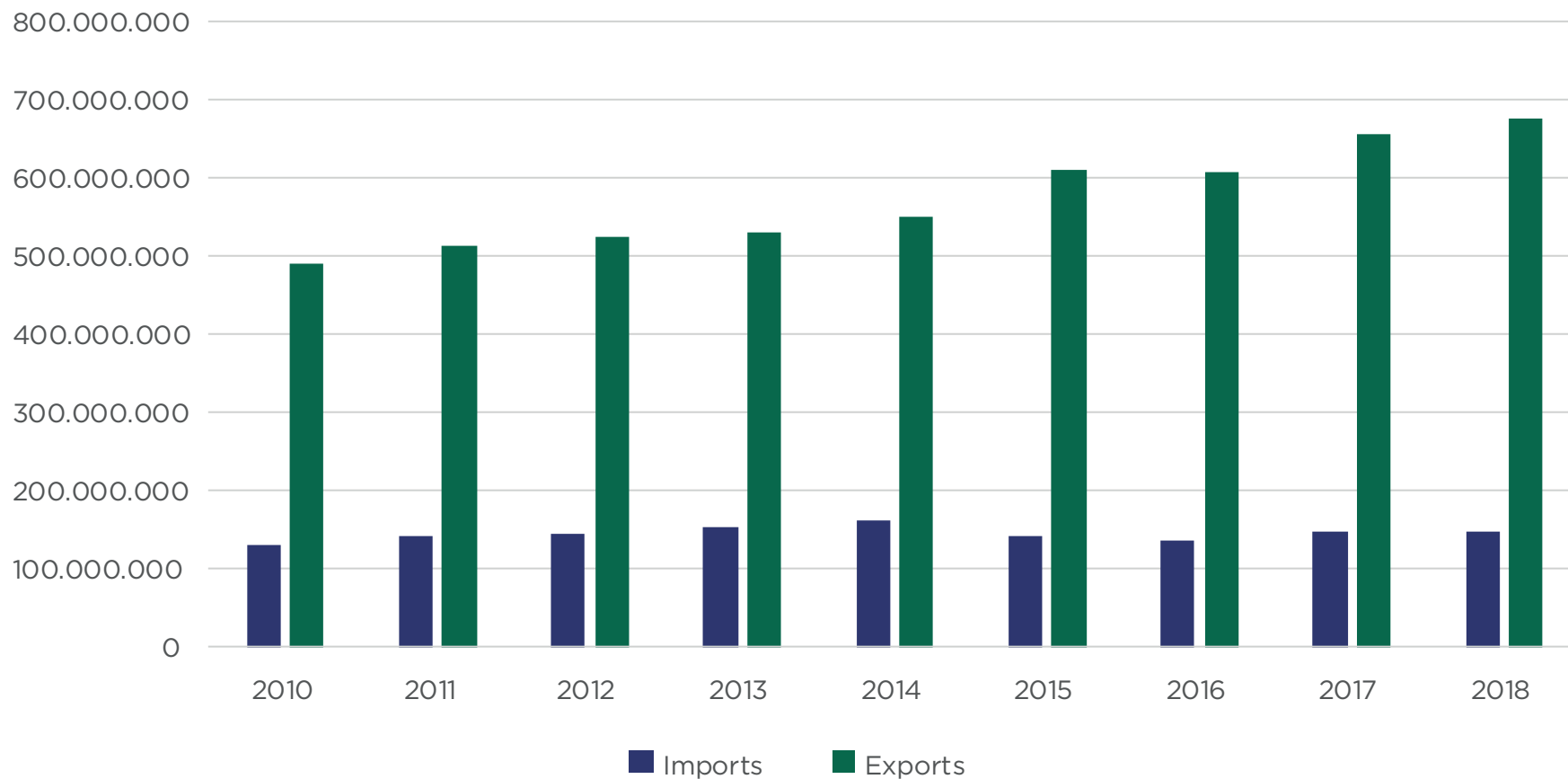
Cargo Handling - Facility Type in tons Jan/May 2019 -2020



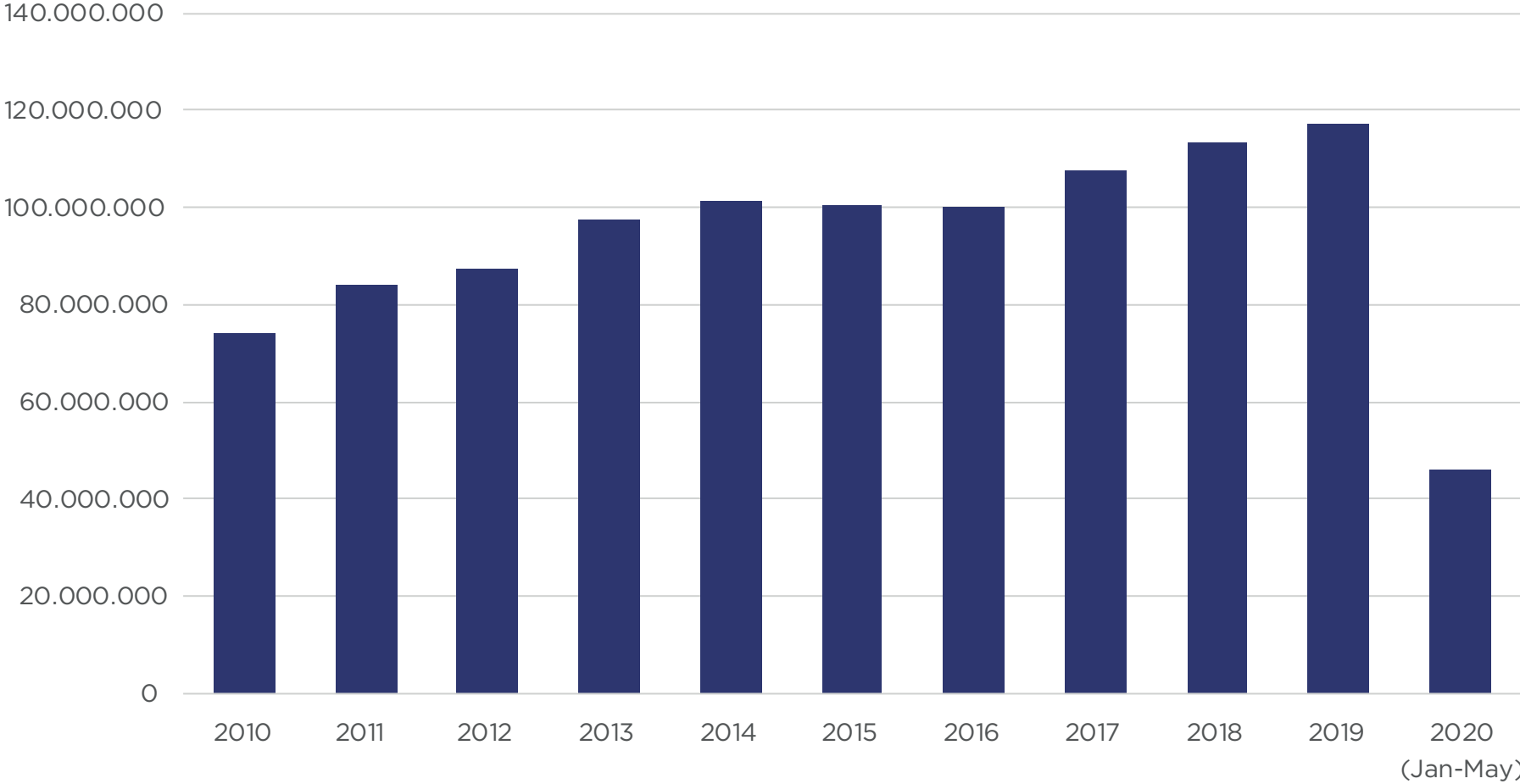
# Total Container Handling in Tons



## Long-distance water transport Export and Import (tons)



# Total Container Handling in Tons







Brazil has one of the **largest road networks** in the world, with a total of 1,719,991 kilometers.

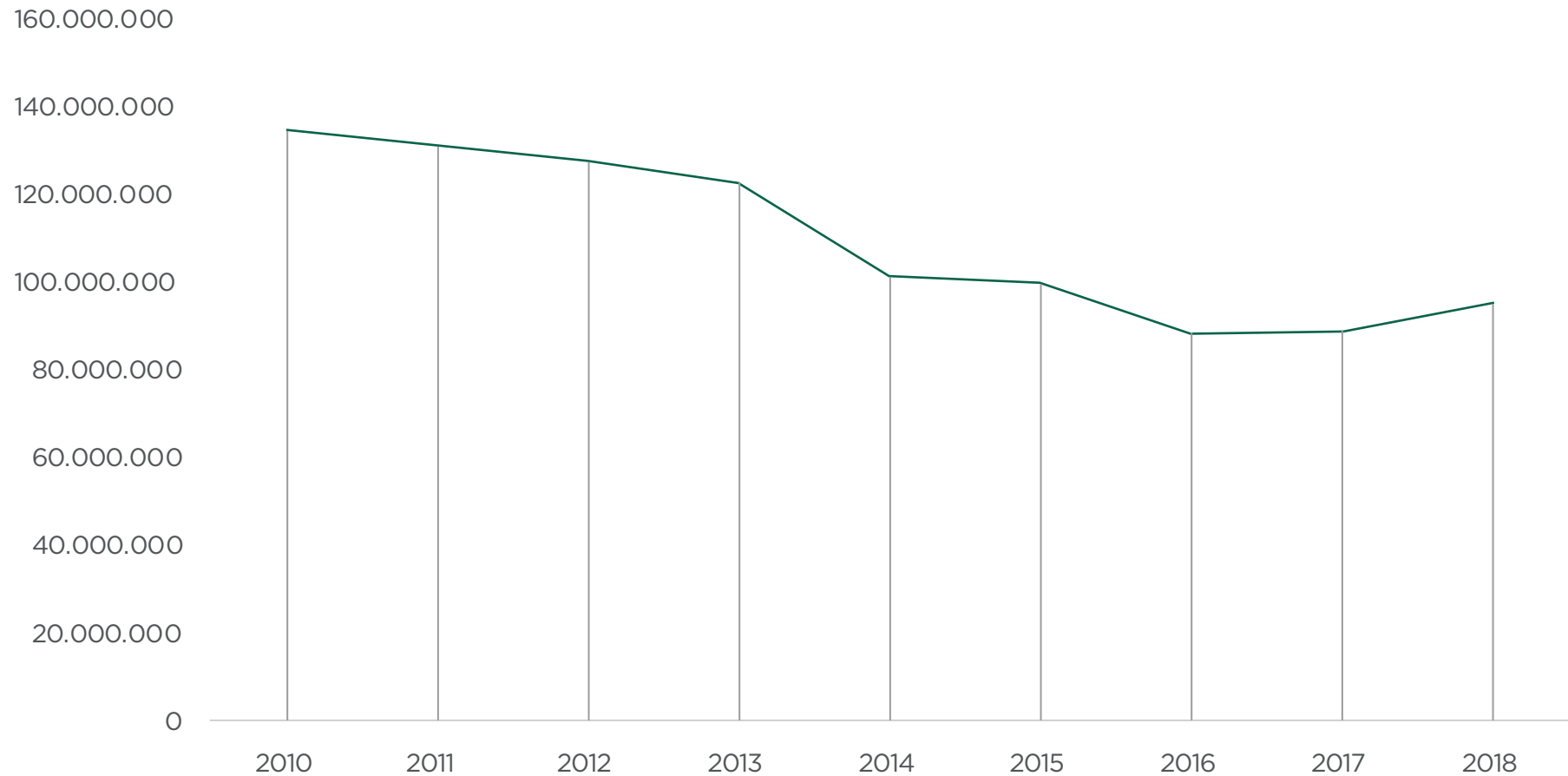


In the first half of 2018, **the government invested USD 588 million in road maintenance, improvement and expansion.**



In 2020, the federal **government's portfolio of projects reaches 18,870 kilometers**, including concessions, feasibility studies and new bids, which means USD 35.2 billion in investments.

## Road passenger transport -Number of Passengers (millions)



Source: National Authority for Terrestrial Transport (ANTT)

# RAILS



Currently, there are 28,190 kilometers of railways, which represent **21% of all freighted transport in Brazil.**



The highlight is the **transport of iron ore and agricultural bulk.**

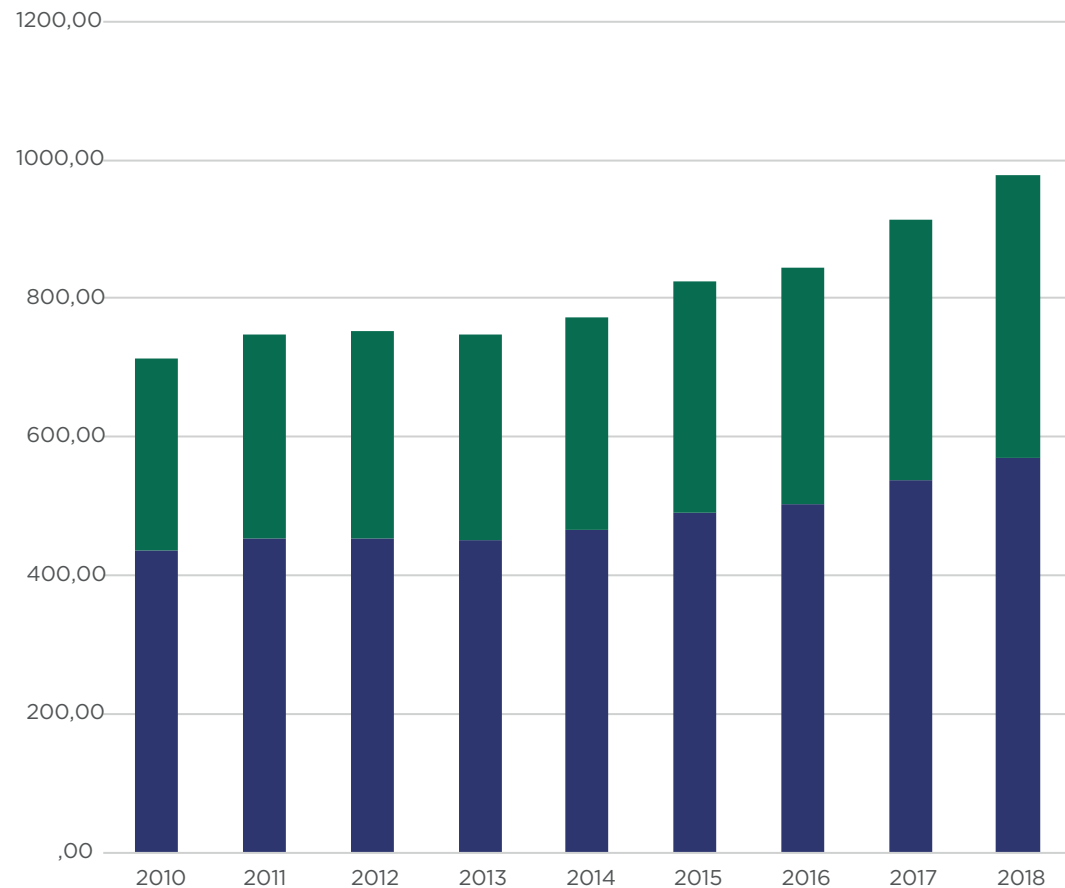


It is expected that **14,530 km in projects will be awarded by the Government**, which includes new railways and renovations.

Cargo railways significantly expanded the volume transported, which was a record of 538 million tons in 2017, representing an **increase of 112.5%** since 1997.



Rail transport -Volume and transport -Million





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# Contacts

Apex-Brasil has been working with the infrastructure sector since 2016. We have a comprehensive expertise on promoting Brazilian infrastructure projects around the world, while building a strong interaction with the Brazilian government, infrastructure associations, and every relevant player in each Brazilian state. We can also support site location for investment projects. Talk to us and get to know how we can be useful to your investment plans in this sector.