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:

- Offering personalized Consulting
- Sharing general information on tax, legal and regulatory matters
- Providing tailored market and industry information
- Providing deal flow of funds and companies
- Fostering partnerships between Brazilian and foreign companies
- Softlanding tech companies
- Networking to public and private institutions at federal and state levels
- Supporting projects in site location
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.

- 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.

**USD 1 trillion INWARD FDI FLOWS TOTALLED**


**USD 8,959.02 PER CAPITA GDP**
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.
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.
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
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.
Long-distance water transport Export and Import (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)
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.
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.

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