



Scenarios for Brazil 2020

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Guideline

1) A Country
in Reforms

2) Scenarios
for 2020

Brazil: A Country in Reform

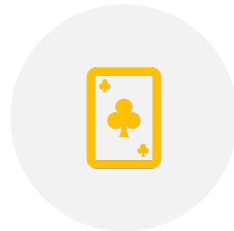
A Country in Reforms (2014-2019)



OPERATION CAR
WASH



POLITICAL
REFORM



IMPEACHMENT



SPENDING CAP
REFORM



STATE
COMPANIES LAW

A Country in Reforms (2014-2019)



Labor Reform



Outsourcing Law



Oil and Gas Law



Concessions and
Privatization Program

Country in Reforms (2019)

Clean Record Law (Credit Score)

Economic Freedom Law

Telecom Law

Cessão Onerosa (Bidding of Oil Fields)

Social Security Reform

Foreign Capital Civil Aviation

New Regulatory Agencies Law

Scenarios 2020



Structural Fundamentals

Reasonable
independence of
the government
branches

Good government
institutions

Reliable electoral
system

Political plurality

Reasonable
freedom of the
press

Structural Fundamentals

Strengthening
Compliance

Fight against
corruption

Increasing
Political
Participation

Strong Third
Sector Presence

Entrepreneurship

Convergence of
Agendas

Country in Reforms (2020-2021)

Autonomy of Central Bank

New Chapter 11 Law

New Bidding Law

Water and Sewage Law

Administrative Reform

Tax Reform

Concessions Program

PRIVATIZATION/ CONCESSIONS

Ministry of Infrastructure - Secretary of the Investment Partnership Program PROJECTS DIVIDED BY SECTOR AND PERIOD



HIGHWAYS

→ 2019

CONCESSIONS

- BRs 364/365/MG/GO (437 km) and 101/SC (220.4 km)
- Total 657.4 km | Total R\$ 4.9 bi

→ 2020

CONCESSIONS

- BRs 262/381/ES/MG (672 km), 163/230/MT/PA (1,001 km), 153/414/080/GO/TO (851 km), 470/282/153/SC (544 km), 040/MG/RJ (211 km), 116/SP/RJ (Dutra) (635 km) e 116/RJ/MG (711 km)
- Total 4,625 km | Total R\$ 46.6 bi

→ 2022

CONCESSIONS

- BRs 280/SC (307 km) e 476/282/153/480/PR/SC (401 km)
- Rodovias Delegadas do Paraná (1,839.7 km)
- Estudo BNDES e EPL (5,500 km)
- Total 8,047.7 km | At least R\$ 6,5 bi



RAILWAYS

→ 2019

RENOVATIONS

- Rumo MP (1,643 km), EFC (978 km), EFVM (895 km), MRS (1,686 km) e FCA (7,223 km)
- With investments in: FICO (383 km), Ferroanel (53 km) e Rio-Vitória (580 km)

The Ferroanel and FICO projects are in the study phase

- Total 13,688 km | At least R\$ 47.2 bi

→ 2019/2020

CONCESSIONS

- FIOL (537 km), Ferrogrão (933 km)

The Ferrogrão project is in the public consultation phase. The notice is to be published in the fourth quarter of 2019 and the auction is to be held in the first quarter of 2020.

The FIOL project is in the public consultation phase. The notice must be published in the third quarter of 2019 and the auction should be held in the fourth quarter of 2019.

- Total 1,470 km | Total R\$ 15.7 bi

→ 2021/2022

- Rumo Malha Sul (7.265 km) e Malha Oeste (1,945 km) FICO – Água Boa-Lucas (380 km) FIOL – Caetité – Barreiras – Figueirópolis (1,005 km)
- Total 10,584 km | Pelo menos R\$ 8.1 bi



PORTS

→ 2019

RENTAL LEASES

- Cabedelo (3), Vitória (1), Belém (5), Vila do Conde (1), Paranaguá (2), Santos (2), Suape (2), Macapá (1) e Itaqui (1)

One of the Suape Port leases (SUA 01 - Vehicle Rental at Suape Port / PE) is in the public consultation phase. The period for the announcement and the auction has not yet been determined.

Suape's other lease (SUA 05 - Container Lease at Suape Port / PE) is in the judgment phase of the TCU. Its notice is due for the third quarter of 2019 and the auction for the fourth quarter of the same year.

The lease of Itaqui Port is in the public consultation phase. The notice is scheduled for the first quarter of 2020 and the auction for the second quarter of 2020.

The two Port of Santos leases are in the auction phase, within the period set for the third quarter of 2019.

The terminal at the Port of Paranaguá is in the auction phase, scheduled for the third quarter of 2019.

- Total 18 terminals - Total R \$ 3.63 bi

*Investment Authorizations:
Belém, Nordeste, Açores*

→ 2020/2021

RENTAL LEASES

- Paranaguá (3), Itaqui (3), Santos (1), Aratu, Passageiros Recife (1) e Fortaleza

The three leases in Itaqui are in the public consultation phase. The notice is scheduled for the first quarter of 2020 and the auction for the second quarter of 2020.

- At least R\$ 920 milhões
- Concession of the Codesa Port in

→ 2022 Concession of Companhias Docas state-owned enterprises



AIRPORTS

→ 2019 Beginning of studies on Viracopos International Airport in Campinas, São Paulo

→ 2019/2020

6TH ROUND OF CONCESSIONS:

- South (8), North I (7) and Central (6) blocks

The study phase is underway. The notice is scheduled for the third quarter of 2020 and the auction for the fourth quarter.

→ 2020/2021 Sale of Infraero Holdings in Guarulhos, Galeão, Confins, Brasília

→ 2021/2022

7TH ROUND OF CONCESSIONS:

- Blocks of RJ-MG (5), Norte II (6) e SP-MS (4)



HYDROELECTRICS

→ 2019

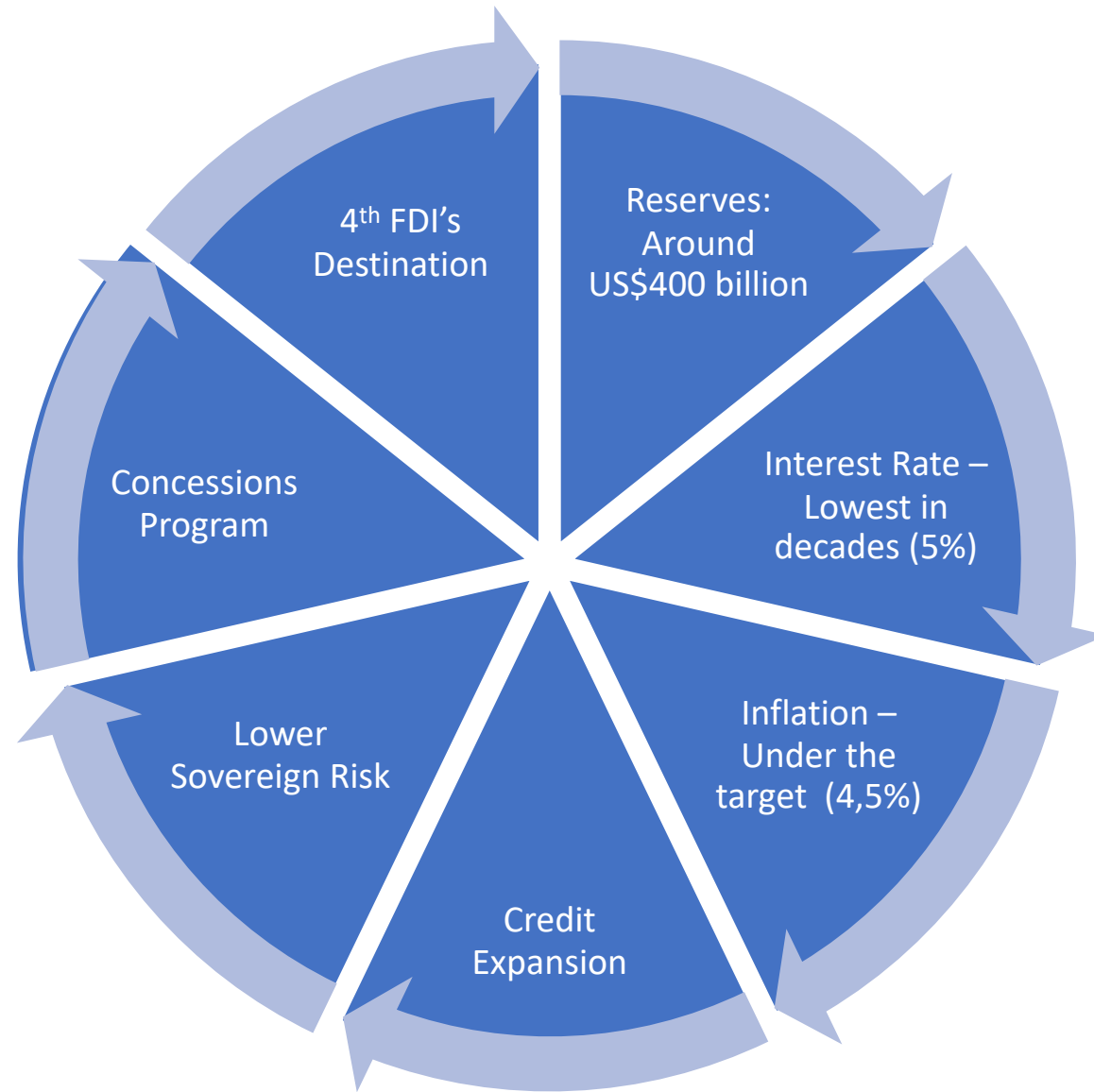
- Auction of Energia Nova (LEN) A-4

The public consultation ended on March 27. The announcement was scheduled for the second quarter of 2019, as well as the auction, but the process was not started.

- Auction of Energia Nova (LEN) A-6

The notice was scheduled for the third quarter of 2019, just like the auction, but the process hasn't started.

Economic Fundamentals for 2020



GDP Forecast
2019 – 0,9%

Forecast for 2020

Reforms Agenda

FDI's

Inflation under control (3,6%)

Unemployment Rate decrease

GDP Forecast 2020 – 1,9%

Brazil and the Region

Integration. Political situation in the region may impair the integration process.

Misperception. There's a gap of information about the relevance of the integration process in Brazil.

BRAXIT. A Braxit (Brazil Exit from Mercosur) isn't a real possibility now. But ...

Advocacy. Business Community must act to reduce the ideological tensions between Brazil and Argentina.

Narratives. Brazil, in spite of bellicose narratives, must maintain an operational democracy and within our constitutional limits.



Thank You!

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