



# Brazil on the International Economic Stage

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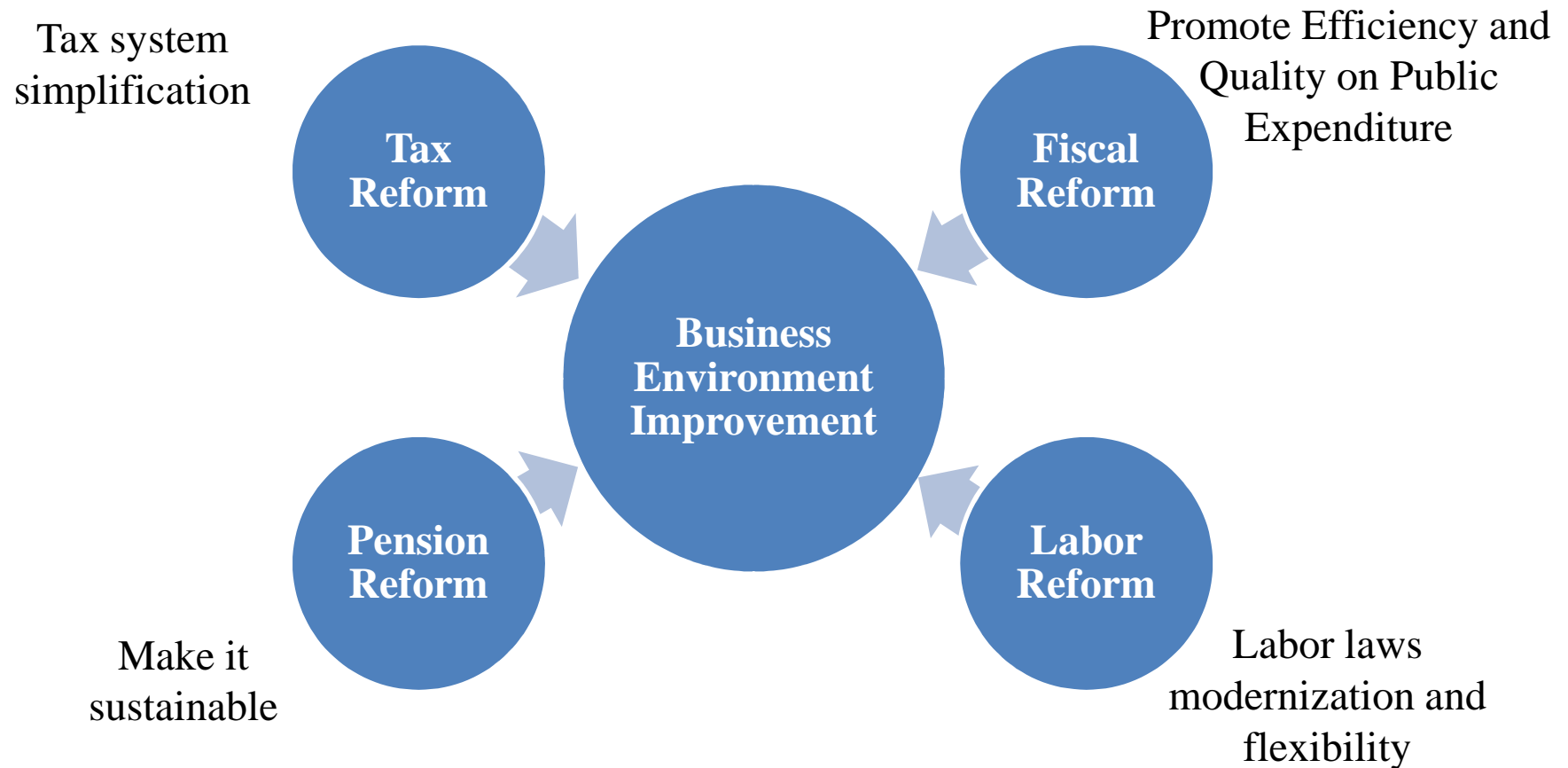
Wilson Center, Washington - April 17, 2017

# International Insertion

- Participation on Global Governance as means to boost a new domestic agenda of structural reforms and inclusive growth.
- The process of fostering sustainable economic development must encompass multilateralism.
- A global environment with more trade and investment brings opportunities and challenges.



# Structural and Microeconomic Reforms towards a higher productivity growth era



# Brazil and the G20

Brazil is an active G20 member with a strong voice in the discussions about international economic and financial cooperation.

*Therefore,  
Brazil*

- is in line with the latest financial sector regulation, with a resilient and modern financial market;
- is aiming at greater integration to international trade flows;
- is taking actions to pursue inclusive growth; and
- advocates for greater multilateralism and stronger international organizations.

# Brazil and the IMF

Brazil leads a constituency as key participant in the IMF agenda.

- Development needs to be sustainable;
- New tools to detect and avoid systemic risks and crisis;
- Promotion of global economic and financial stability;
- Wider safety net;
- Capacity building;
- Governance reform;
- NAB and NPA.



# Brazil and the World Bank

Brazil is one of the World Bank's largest clients historically.

- Country Partnership Framework 2017-2023:
  1. Support budget consolidation and promote government effectiveness in public services, in a sustainable, inclusive, efficient manner;
  2. Enable private sector investments, increased productivity, and more jobs;
  3. Move towards more equitable and sustainable development.

Also one of the EMEs that has most contributed to the development mission of the Bank.

# Brazil and NDB

- Beyond traditional MDBs finance;
- Provide middle-income countries with an alternative source of funding;
- New and innovative financial instruments;
- Operation in local currencies;
- Sustainable infrastructure.



# Brazil and OECD

**“We are in favor of adhering to the OECD”**

*Minister Meirelles, Baden-Baden, G20 Ministerial Meeting*

- ✓ Brazil has become a strong and active key partner of the OECD.
- ✓ The dialogue remains focused, forward-looking and mutually beneficial.
- ✓ We will build on our past experiences with the best practices available internationally.
- ✓ Enhanced voice.
- ✓ Investment Grade Path and Quality Seal on Governance.



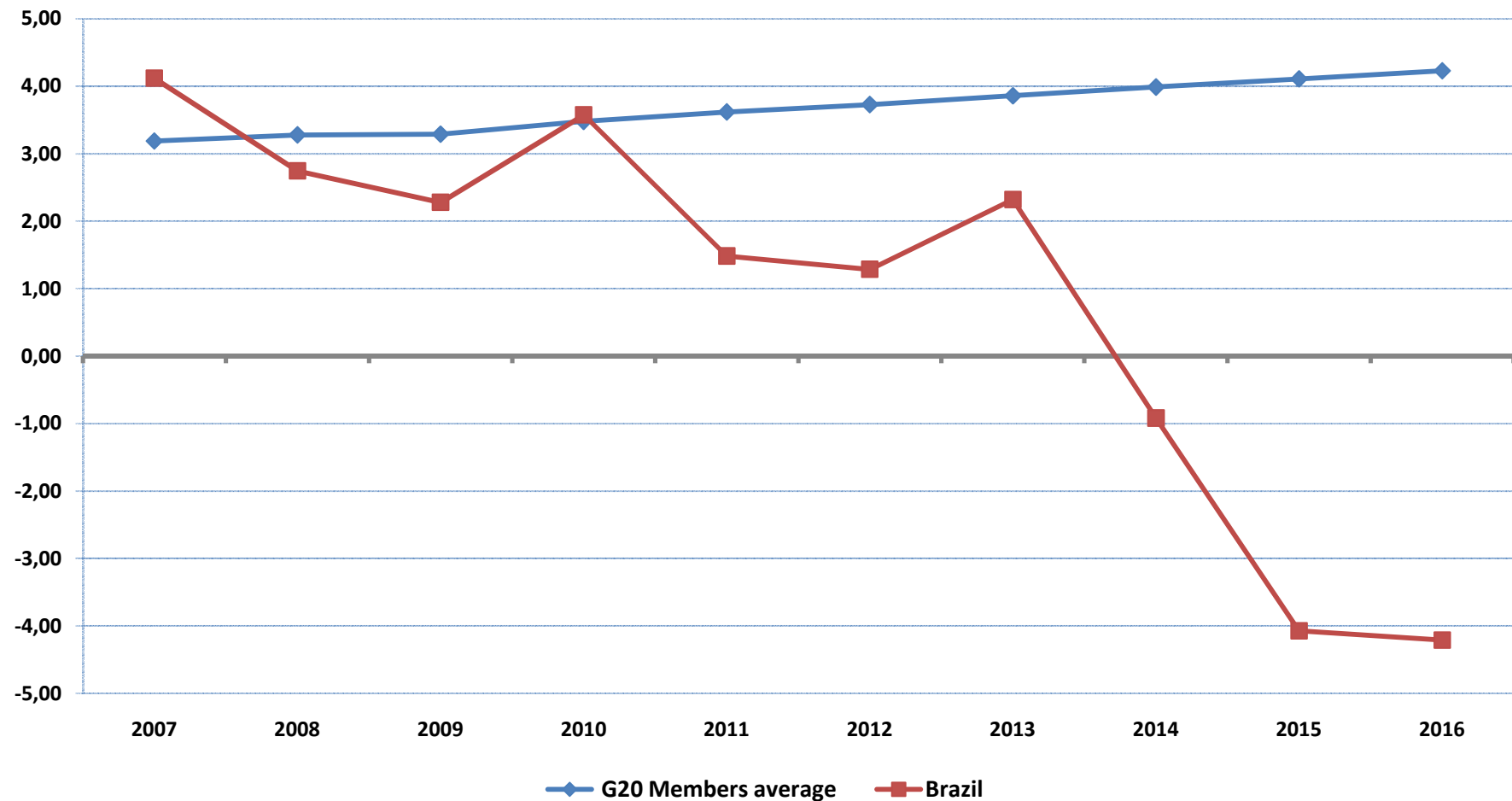
# Trade: Room for Openness

- The 4th most closed economy to international trade in the world (trade / GDP ratio of 27.4%, only ahead of Sudan, Nigeria and Argentina).
- The highest average applied import tariff among all major emerging or developed economies in the world (and the 6th highest among all the 164 WTO members).
- World leader in the application of anti-dumping measures (2013-2016 period).

# Economic Openness and Productivity

Labor Productivity per worked hour (%)

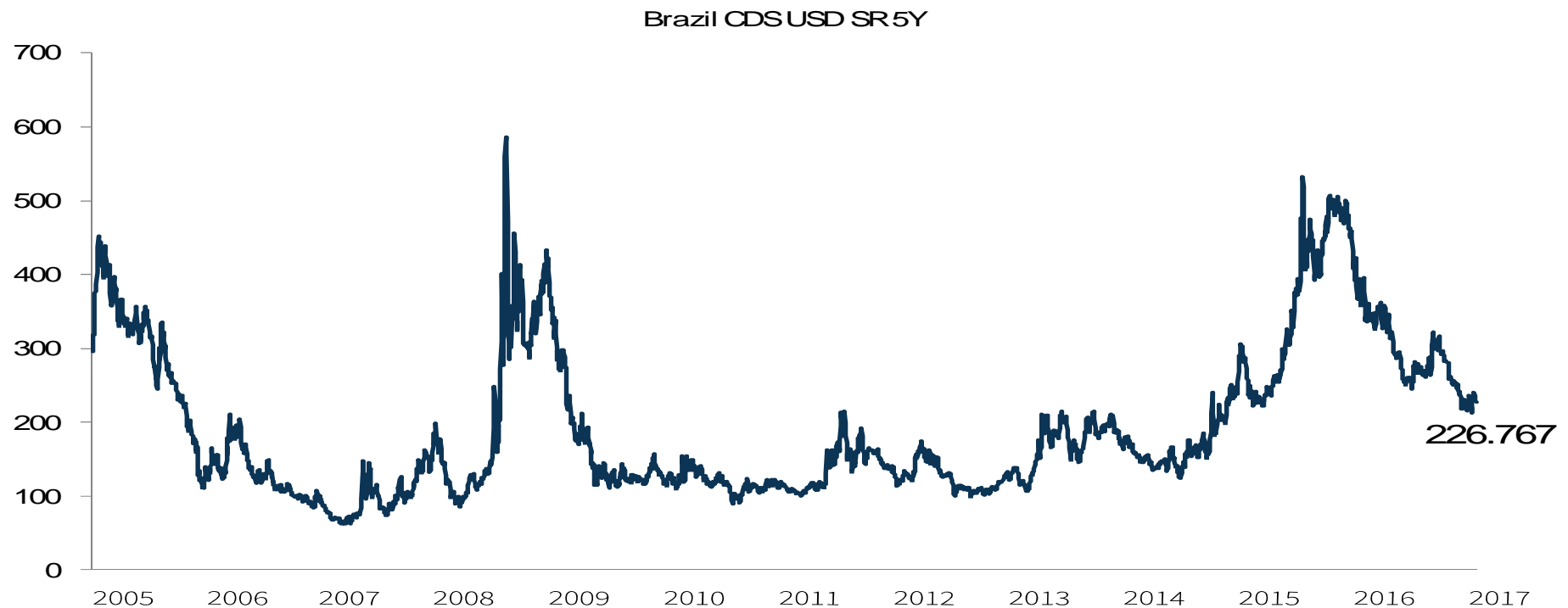
Source: conference-board.org



# Trade: What lies ahead?

- Good moment for economic openness: Political changes in Brazil and Argentina (Mercosur)
- The Ministry of Finance and some other government agencies are working on a pro-productivity agenda that includes economic openness:
  - trade policy reforms;
  - a stricter approach to imposing antidumping measures;
  - and, a more decisive push to conclude important trade negotiations.

# Lower External Financing Costs



The significant drop in CDS spreads represents a reduction in international risk aversion toward Brazil. The reform agenda is key.

# The Times They Are A-Changin'

- Times of crisis are times of reforms.
- Tough road ahead made easier by international cooperation.
- Brazil continues committed to multilateralism – an evolving concept.
- We are active in helping to shape the concept.