

# Brazil to offer airport, ports and railways concessions to private enterprise

By **Ronnie Lovler** on December, 17 2018 | Industry News



Brazil will put up for bid concessions for 12 airports, four ports and a railway line during the first part of 2019.

Although outgoing President Michel Temer announced the program, it will fall to President-elect Jair Bolsonaro to implement the latest privatization initiative. Bolsonaro takes office January 1.

Bidding is to open sometime before March 2019, with the requirements to participate in the bidding process to be published in Brazil's Official Gazette.

The changes will be implemented through Brazil's Investment Alliances Program, an effort to attract private monies for public needs. It is expected to raise nearly US\$1.2 billion, with an anticipated investment of close to US\$1.7 billion for infrastructure

In announcing the initiative, Temer said it was part of an effort to modernize Brazil, noting that the government "cannot do everything on its own," making it necessary for "an interaction with private initiative."

The airports will be located in three regions of Brazil, while the port concessions are to be made in two regions. The railway line that will go on auction runs from north to south through several Brazilian states.

Transportation Minister Valter Casimiro said in news reports that the results of the investment initiative "have shown the whole world that Brazil has evolved" and that progress is being made in terms of transportation.

Casimiro said of six of the airports to be auctioned are located in northeastern Brazil and primarily tourism; four are in Mato Grosso and serve agribusiness and the two airports in the southeast region are focused on oil production.

All will have 30-year concession terms.

Meanwhile, the North-South Railroad sub-concession will cover 1,500 kilometers between Puerto Nacional, in the state of Tocantins (center-west) and Estrela D'Oeste, in Sao Paulo (southeast), also for a 30-year period.

Three port terminals concessions will be granted in Cabedelo, in Paraíba (northeast) and one in Vitória, in Espírito Santo (southeast).

Since the program began two years ago, it has granted 193 concessions and leases in all

infrastructure sectors, of which 105 were completed and 88 are underway, according to the government.