

Brazil Sees Cape Verde as Warehouse for Its Products

Contributed by Spensy Pimentel
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In addition to the various cooperation agreements signed on January 14 with Cape Verde, Brazil hopes that the contacts there will also increase business.

"There is no reason to perceive a contradiction between business and cooperation. Indeed, business is a sophisticated form of cooperation," affirmed the Brazilian Chancellor, Celso Amorim.

Amorim recalled that "President Lula has also challenged Brazilian entrepreneurs to become multinational," and he said that he hopes for investments in the country, especially from the state of Ceará, which is only a three-hour flight from Cape Verde.

"We are dealing with a potential center for the distribution of Brazilian products," the Chancellor explained, recalling the fact that Cape Verde receives favorable treatment from the rich countries as a result of the international agreement known as the General System of Preferences.

According to the Itamaraty, Brazil's Ministry of Foreign Relations, Cape Verde receives, on the average, US\$ 80 million each year - around 10% of its Gross Domestic Product (GDP) -, and 14% of its GDP comes from the so-called "remittance economy," from the nearly 1 million Cape Verde citizens and their offspring who live in other countries, chiefly the United States.

During Friday's visit, Brazil reinforced its support for Cape Verde's entry into the World Trade Organization, as well as guaranteeing that a Brazilian business mission will visit the archipelago in the near future.

Entrepreneurs who are participating in the delegation led by Amorim for the sake of "market prospecting" indicate that Brazilian companies could participate in public works and the supply of medical equipment, "if there are feasible proposals," according to Ricardo Machado, of the Etesco construction firm in São Paulo.

Regarding Brazilian investments to produce in Cape Verde, Rubens Dias de Moraes, from the Brazilian Machine Industry Association (Abimaq), says that "they are viable, so long as there are the appropriate trade agreements." In his opinion, "Africa is a universe of opportunities."

Moraes, who is the president of Jumil, which manufactures agricultural machinery and implements, also referred to the possibility of business opportunities for Brazilian firms in countries such as Angola, Namibia, and Nigeria.

"It is business that provides the foundation for these diplomatic initiatives. We pay for all of this. We must be present on these occasions," he affirmed.

Translation: David Silberstein
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