

## Transport Is Main Barrier Between Arabs and Brazil

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Even though negotiations between South American and Arab countries are naturally difficult because of differences in culture and language, it is the transportation logistics the highest priority issue for intensifying commercial relations.

The subject will be discussed during the Summit of South American-Arab Countries, as anticipates the Chief of the Under Secretariat General of Cooperation and Brazilian Communities Abroad, Minister Paulo César Meira.

The Political Science Professor of the University of Brasília (UnB), David Fleischer, states that there are no direct routes for cargo transportation, via sea or air, between the two regions.

Most traded goods must first go to Europe, which ends up increasing prices and decreasing the competitiveness of South American products.

According to Fleischer, South America is also interested in attracting Middle East investments. He believes on potential commercial expansion with Brazil and Argentina.

"Other South American countries' interest is more political than economic."

In his evaluation, the relationship between South American and Arab countries can help negotiations with the FTAA (Free Trade Area of the Americas) and with the European Community.

For the Arab countries, South Americans can be important allies on common interest issues discussed at international forums, such as access to markets and investment rules.

In the evaluation of the Coordinator of the Course of Economic Diplomacy of the University of Campinas (Unicamp), Mário Ferreira Presser, it is also interesting for the Arabs to diversify partnerships, and, especially, to obtain international recognition.

"Arabs need legitimacy because their political regimes are being questioned internationally. All support is welcome."

Presser does not believe, however, on Arab investments in South America.

"They have always been extremely conservative, in a commercial point of view, and I don't see signs of change related to investment matters."

Presser defines the Summit as a "friendly exchange." Fleischer considers it an "unusual dialog."

"These two regions never sat down to discuss political, commercial or international issues of common interest. It is a unique opportunity. I think it won't be any "Columbus Egg," but it will be positive and may have good results."

A step forward in Arab-South American relations has already been taken. The Mercosur and the Gulf Cooperation Council (GCC), an economic bloc integrated by Oman, Saudi Arabia, Bahrain, Qatar, United Arab Emirates, and Kuwait, will sign, during the Summit, an agreement to initiate formal negotiations for the establishment of a free trade zone between the two regions. The Mercosur has already signed similar agreements with Egypt and Morocco.

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