

Buoyant Lula Shows in Paris How Good Is Brazil for Foreign Investors

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Speaking during a lunch with Brazilian and French business leaders in Paris where Brazil Year is being celebrated, Brazilian President Luiz Inácio Lula da Silva emphasized the "enormous potential" of bilateral trade relations.

Lula said there were advantages for foreign investors in Brazil, highlighting three areas: infrastructure, energy and partnerships with local enterprises.

"Brazil is a mature democracy with solid institutions and a safe environment for long-term investments. We have big projects and we need big partners for a new cycle of big investments," said the president.

Lula said the point of departure for the private foreign investor could well be the government's Public-Private Partnership program (PPP), which brings investors together with economically attractive endeavors that boost Brazil's socio-economic development.

The President pointed out that for one of the first times in its history Brazil is not faced with "the cruel option of having to choose between domestic growth and keeping its foreign accounts balanced.

We are no longer chained to short-term growth cycles that are subject to exchange rate restrictions and the pressures of inflation," he explained.

Lula cited the country's economic performance in 2004 as proof of a new situation. The country grew almost 5%, created 1.9 million jobs and generated a primary surplus of 4% of GDP which kept inflation at less than 6%.

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