



CASA CIVIL DA PRESIDÊNCIA DA REPÚBLICA
SUBCHEFIA DE ANÁLISE E ACOMPANHAMENTO DE POLÍTICAS GOVERNAMENTAIS

Why OECD should open an accession process with Brazil?

- ✓ OECD and Brazil collaboration began more than 20 years ago. Brazil's participation in OECD committees, such as the Steel Committee, dates back to the early 1990s
- ✓ Since then, Brazil's participation has grown to involve 24 OECD Committees or Working Parties and Programmes (the biggest participation between non-members)
- ✓ In 2007, OECD Council decided to strengthen the OECD co-operation with Brazil, China, India, Indonesia and South Africa through Enhanced Engagement programs with a view to possible membership
- ✓ In 2012, Brazil, China, India, Indonesia and South Africa were raised to key partners, contributing to OECD's work in a sustained and comprehensive manner
- ✓ In 2015, Brazil and OECD signed a Cooperation Agreement and, later, launched the Brazil-OECD Programme of Work 2016-2017
- ✓ Brazil is the first key partner to formally request a consideration to open an accession process
- ✓ Brazil is carefully following the Framework for the Consideration of Prospective Members and it is the most advanced prospective Member covering the elements of the Framework
- ✓ Brazil has adhered to 36 legal instruments, including the Declaration on International Investment and Multinational Enterprises
- ✓ Even before the request to open an accession process, the Brazilian government has already made a joint effort to coordinate this issue, led by the Presidency of the Republic, the Ministry of Foreign Affairs and the Ministry of Finance
- ✓ The first step was to conduct a preliminary review of the OECD *Acquis* by Brazilian policymaking entities and agencies. This preliminary analysis involved 24 ministries and 35 other government entities (regulatory agencies, institutes and public companies)



CASA CIVIL DA PRESIDÊNCIA DA REPÚBLICA
SUBCHEFIA DE ANÁLISE E ACOMPANHAMENTO DE POLÍTICAS GOVERNAMENTAIS

- ✓ In this preliminary phase, the instruments with recommendations and practices in accordance with Brazilian policies and legislation were identified, as well as those that presented any kind of challenge
- ✓ The instruments identified as in accordance with Brazilian policies and legislation followed for a second review, coordinated by the Ministry of Foreign Affairs and, as a result, **76 instruments were recently requested adherence**, which will total **47,26% of all legal instruments**
- ✓ The instruments previously identified with any kind of challenge for implementation in Brazil followed to a deeper analysis, coordinated by the Presidency of the Republic (Office for Public Policies). Several meetings are being held at the Presidency of the Republic with all government entities involved to discuss the challenges presented in the first review and possibilities to overcome them
- ✓ Through this review process, the Brazilian government identified evidence of progress towards adherence to 96 other instruments (40,51%), which would lead to 12,24% of all instruments with major challenges
- ✓ Brazil already undertook several peer-review processes (Environmental Performance, Competition Law and Policy, Transparency, Regulatory Reform, between others) and is currently under review on digital government
- ✓ Brazil's Vice-Chairmanship in the Governing Board of PISA, and the Steel Committee, highlights the importance that the country attaches to help lead and shape OECD's work and its state of readiness
- ✓ Brazil historically supports the OECD's regionally-focused activities in Latin America, hosting regional meetings on several areas such as corporate governance and education, between others
- ✓ Brazil constantly brings fresh perspectives to pressing policy debates, enriching the work of the OECD in many ways, as seen in the organization's work on inclusive growth, on new approaches to economic challenges, and on taxes
- ✓ Brazil is a major actor in the globalized economy and a regional leader in the South. It is a member of BRICS, MERCOSUL, UNASUL and several other regional organizations, which would enable OECD members to acquire a better understanding of the developing countries and their challenges

- ✓ Brazil has strong partnerships in African countries, which hold great potential considering their young population, fast growing cities and markets and abundant natural resources
- ✓ Most of the OECD members have substantial business in Brazil so they would benefit also from Brazil membership and the improvement in the business environment that the membership provides
- ✓ Brazil is one of the largest economies in the world and an important FDI destination, with a diversified foreign investment inflow (94% originated from OECD countries)
- ✓ OECD membership would help Brazil to implement a number of reforms, which includes tax and labor reform, fiscal adjustment and the establishment of a 20-years spending cap. This ambitious reform agenda would play an important role in tackling inequality, recovering business confidence and the investment grade credit rating Brazil recently lost
- ✓ Brazil is committed to an open, predictable, accountable and transparent economy