



INTERNATIONAL MEETING ON SERVICES VALUE-ADDED IN EXPORTS

Services and trade policies
for diversification and upgrading
Brasilia, Brazil, 22-23 October 2019

Opening Remarks

Amb. Ignacio Ybáñez
Ambassador of the European Union to Brazil

MINISTÉRIO DA
ECONOMIA



International meeting on services value-added in exports: Services and trade policies for diversification and upgrading

22 -23 October 2019

Good morning, ladies and gentlemen,

Let me first thank the Ministry of Economy and the United Nations Conference on Trade and Development, for their kind invitation to participate in the opening session of this important meeting.

It is my pleasure to welcome you all to today's event. I am very happy to see that over the next two days policy makers, trade negotiators, business leaders, academics and researchers will be discussing together such an important issue: how services' value-added in exports contributes to economic diversification and upgrading, trade competitiveness and to achieving the Sustainable Development Goals. The purpose of this meeting is also to reduce the knowledge gap on services' value added in exports to allow for development through evidence-based policymaking.

As you are well aware, services are one of the fastest growing elements of world trade and offer many opportunities including diversification.

With Brazil, for instance, the EU has a vibrant trade in services relationship. In 2018, total trade in services between the EU and Brazil reached 23.3 billion Euros, confirming that the EU is the largest trade in services partner of Brazil. Trade in services represented 26% of EU and Brazil total trade (goods and services). These figures are even more significant, if we take into account that services account for 75.8% of Brazil's GDP.

Moreover, there is no doubt that our trade in services relationship will continue growing under the new framework that the EU-Mercosur Agreement will provide. The agreement will give significant new opportunities for firms to provide services and to establish on both sides of the Atlantic, even in sectors closed until now, such as maritime services. By removing barriers and unnecessary obstacles, the agreement will give a better deal

to consumers and firms to access rapidly Mercosur and EU markets, and therefore, deepen our trade in services relationship.

It is in this context that we are implementing this project. In 2017, UNCTAD approached the European Commission with an offer to support the development potential of services trade through technical assistance. Once a plan of action was set in place, Brazil was selected as a lead example for other developing countries.

The work completed during this project uses the latest analytical concepts to support evidence-based policymaking. This is of course standard practice within the EU and we are delighted to see that Brazilian policymakers now possess the same level of state of the art analyses on services trade.

I look forward to hearing the discussions over the next two days and will closely follow any future developments in this area. This topic will play a key role in building comparative advantage for our economies, particularly in the manufacturing sector.

Our Chief Trade Economist team is also here to share our analyses with you and to create stronger ties between our trade experts. I hope that this can pave the way for the effective implementation of our bilateral trade relations in the future.

Thank you