

LADIES AND GENTLEMEN,

AT FIRST I WOULD LIKE TO STRESS MY PLEASURE TO PARTICIPATE IN THIS SESSION THAT WILL ALLOW US TO EXAMINE THE WORLD ENERGY OUTLOOK 2019 WITH A FOCUS IN LATIN AMERICA.

TWO WEEKS AGO, THE INTERNATIONAL ENERGY AGENCY TRANSITIONS PROGRAM DIRECTOR DAVID TURK WAS IN BRASILIA TO PRESENT THE HIGHLIGHTS OF THE WORLD ENERGY OUTLOOK 2019 AND ITS PRESENTATION WAS HIGHLY-REGARDED BY THE ATTENDEES, AS IT USUALLY HAPPENS EVERY TIME WE HOLD AN IEA EVEN IN BRAZIL.

IT'S A FACT THAT TODAY THE IEA REPRESENTS A MAJOR INTERNATIONAL REFERENCE IN THE ENERGY SECTOR. IN ADDITION TO PROVIDING A PLATFORM FOR PEER DIALOGUE AND A STATE-OF-THE-ART DATA EXCHANGE SOURCE, THE AGENCY PREPARES AND RELEASES RELIABLE, AFFORDABLE AND SUSTAINABLE ENERGY STUDIES, FOCUSING ON SEVERAL CRUCIAL AREAS, SUCH AS ENERGY SECURITY, ECONOMIC DEVELOPMENT, ENVIRONMENTAL AWARENESS.

THE AGENCY'S BEST-KNOWN PRODUCT IS PRECISELY THE WORLD ENERGY OUTLOOK, AN ANNUAL PUBLICATION THAT HAS BECOME A WORLDWIDE BENCHMARK. IT PROVIDES STRATEGIC INSIGHT INTO TODAY'S ENERGY MARKET, CHALLENGES AND TRENDS, AND IS AN EXCELLENT FRAMEWORK FOR INFORMATION THAT CAN COLLABORATE IN THE DESIGN AND MONITORING OF PUBLIC POLICIES UNDER MY MINISTRY'S RESPONSIBILITY.

BEARING THAT IN MIND, I WILL FOCUS ON SOME OF THE MOST INTERESTING CONCLUSIONS OF THE REPORT THAT HAVE HELPED TO SHAPE UP BRAZIL'S PLANNING EFFORTS.

BRAZIL'S ENERGY PUBLIC POLICIES ARE GUIDED BY TWO MAJOR PLANS. A TEN-YEAR PLAN, THAT IS UPDATED EVERY DECEMBER AND A THIRTY-YEAR ONE, THAT WE ARE CURRENTLY FINISHING AND IS USUALLY PUBLISHED EVERY FOUR YEARS. AT THE BEGINNING OF A PRESIDENTIAL TERM. THE COOPERATION BETWEEN OUR ENERGY RESEARCH OFFICE AND IEA IN THE ELABORATION OF THOSE PLANS HAS BEEN FUNDAMENTAL FOR THE SUCCESS OF THESE EXERCISES.

LADIES AND GENTLEMEN,

IN THE OIL AND GAS SECTOR, THE WEO 2019 INDICATES THAT BRAZIL'S OIL PRODUCTION IS AIMED TO GROW STRONGLY, SUPPORTED BY CHANGES IN THE REGULATORY FRAMEWORK WHICH WILL ATTRACT CAPITAL TO DEVELOP OUR ABUNDANT RESOURCES.

IN FACT, IN THE PRE-SALT AREA, WE HAVE THE MOST PRODUCTIVE WELLS IN THE WORLD. BY 2040, BRAZIL WILL DOUBLE ITS CURRENT OIL RESERVES, REACHING 25 BILLION BARRELS; MORE THAN 60 NEW PLATFORMS (FPSO) WILL BE REQUIRED TO COPE WITH THE NEW EXPLORATION FIELDS.

IN ORDER FOR US TO MEET THESE CHALLENGES, INVESTMENTS OF APPROXIMATELY US\$460 BILLION WILL BE NEEDED. IN SUM, BRAZIL WILL BECOME ONE OF THE FIVE LARGEST OIL PRODUCERS IN THE WORLD.

WE ALSO LEARN FROM THE WEO 2019 THAT GROWTH IN OIL PRODUCTION IN LATIN AMERICA WILL BE LED BY OFFSHORE DEVELOPMENTS IN BRAZIL, MEXICO, AND GUYANA; AND SHALE OIL FROM ARGENTINA'S VACA MUERTA BASIN.

ANOTHER VERY INTERESTING CONCLUSION OF WEO 2019 IS THAT THERE WILL BE A STRONG INCREASE IN GAS PRODUCTION IN LATIN AMERICA LARGELY SUPPORTED BY PRE-SALT GAS OUTPUT IN BRAZIL AND UNCONVENTIONAL GAS PRODUCTION GROWTH IN ARGENTINA.

IN THIS CONTEXT, I MUST STRESS THAT WE MANAGED TO DESIGN A NEW NATURAL GAS MARKET WITH A VIEW TO OPENING UP THE GAS INDUSTRY TO PRIVATE INVESTMENT TO INCREASE EFFICIENCY AND REDUCE PRICES FOR INDUSTRIAL AND RESIDENTIAL CUSTOMERS. AND I AM PROUD TO SAY THAT THIS INITIATIVE COUNTED ON THE FUNDAMENTAL TECHNICAL SUPPORT EXTENDED BY IEA.

GAS WILL INDEED HAVE AN IMPORTANT ROLE IN BRAZIL'S ENERGY MIX, ALREADY BEING PART OF THE NEW ENERGY AUCTIONS, AND WILL BOOST INDUSTRIAL ACTIVITY, CREATING NEW INVESTMENT OPPORTUNITIES.

ANOTHER CONCLUSION OF THE REPORT THAT I WOULD LIKE TO HIGHLIGHT IS THE INCREASE IN THE PARTICIPATION OF LOW-CARBON FUELS & TECHNOLOGIES, MOSTLY RENEWABLES AND BIOMASS, THAT WILL SUPPLY OVER HALF OF THE INCREASE IN ENERGY DEMAND IN LATIN AMERICA TO 2040.

IN THAT PARTICULAR, I WOULD LIKE TO STRESS THE RENOVABIO PROGRAM. RENOVABIO IS A NATIONAL BIOFUELS POLICY, WITH THE PURPOSE OF CONTRIBUTING TO THE FULFILLMENT OF BRAZIL'S COMMITMENTS UNDER THE PARIS AGREEMENT; PROMOTING THE EXPANSION OF BIOFUELS IN THE ENERGY MATRIX; AND ENSURING PREDICTABILITY FOR THE FUEL MARKET. IT IS THE LARGEST ENERGY TRANSITION POLICY IN THE WORLD.

ON A MULTILATERAL DIMENSION, COUNTING ON THE MOST VALUABLE FACILITING ROLE OF IEA, BRAZIL IS FULLY ENGAGED IN UNDERTAKING THE BIOFUTURE PLATFORM. IT IS AN ACTION-ORIENTED MECHANISM FOR POLICY DIALOGUE AND COLLABORATION AMONG LEADING COUNTRIES, ORGANIZATIONS, ACADEMIA AND THE PRIVATE SECTOR TO ACCELERATE DEVELOPMENT OF LOW CARBON ALTERNATIVES.

WE ARE ALSO READY TO ESTABLISH PARTNERSHIPS, OFFERING TECHNOLOGY AND COOPERATION FOR THE DEVELOPMENT OF PROJECTS IN THE BIOFUELS SECTOR ACCORDING TO THE PRESENTATION WE WILL ASSIST AT THE END OF THIS SESSION.

ON ANOTHER HAND, I MUST STRESS THAT PRESIDENT BOLSONARO HAS DECIDED TO MAKE OF NUCLEAR ENERGY A PRIORITY OF HIS GOVERNMENT AND NOT ONLY WE WILL FINISH THE WORKS OF ANGRA 3 BUT WE ARE SERIOUSLY CONSIDERING BUILDING NEW PLANTS IN THE NEXT DECADES. IN LINE WITH IEA, BRAZIL CONSIDERS NUCLEAR ENERGY A VIABLE AND IMPORTANT CLEAN BASE-LOAD SOURCE.

LADIES AND GENTLEMEN,

I WILL CONCLUDE MY REMARKS BY CONGRATULATING IEA FOR THIS VERY USEFUL REPORT THAT CONTRIBUTES TO OUR PLANNING EXERCISES AND HELP US ALL TO SHAPE-UP A FUTURE LOW-CARBON ENERGY SECTOR THAT ALSO TAKES INTO ACCOUNT ENERGY SECURITY AND THE DIVERSITY OF ENERGY SOURCES OF EACH COUNTRY.

THANK YOU!