

Foreword

Since the early nineteenth century, South America has been an important recipient of international loans and foreign direct investment. London and New York became the financial centers for South American governments and companies. At the beginning, banks were the main loan assigners. Information about political and economic stability and domestic regulations was crucial for foreign lenders' decision-making process.

Given the economy structures of all countries in the region with low saving capacity, South America largely depends on foreign direct investments for its development and growth. The level of foreign direct investment now supplied by international organizations and private and state enterprises has varied, given the international and regional environment, but the need for accurate information about the domestic laws and regulations in the South American countries has always been present.

South America has attracted the eyes of the world for a long time. Although it is still a region of many contrasts, it plays an increasingly important role in the business strategies of multinational enterprises. However, South America's legal and business environment is still highly complex for many.

This book discusses the legal environment for investments in infrastructure in the ten major countries in South America: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, and Venezuela. The chapters focus on the national regulations that affect the lives of companies aiming to set up operations in these countries, including the regulatory framework. The objective of this book is to provide readers with a common language for business and a road map for investments in South America's infrastructure, encompassing the constitutional and legal environment for investments in the energy, logistics, telecommunications, sanitation, education, technology, broadband, broadcasting, agribusiness, mining, health, urban mobility, and oil and gas sectors, as well as the association forms between the public and private sectors through PPPs and PPIs and the financing available in each of the aforementioned countries.

On the basis of my experience as a former Brazilian ambassador in the United Kingdom and the United States, I can say that information on how to do business in South America is critical when a government or a company examines opportunities to grant or negotiate direct investments in the region.

Foreign Investment in South America: A Comprehensive Guide to Infrastructure and the Legal Environment comes at an important moment for investors in South America, and fills a gap with well-researched and precisely described information on the most attractive countries—for different reasons—for FDI.

It seems to me that this book will become a guide for foreign investors and a reference for international companies.

Because of the trend of internationalization of local companies, I think these companies will also benefit from the information on the legal environment in the region's infrastructure.

As regional integration gradually becomes a political priority of all countries in South America, infrastructure will be one of the top items in the agenda of all governments and it offers many opportunities for foreign companies and governments.

I am sure the book will be a very useful tool for the leaders of international companies and governments in South America.

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Rubens Barbosa obtained a master's degree from the London School of Economics and Political Science (School of Economics and Policies of London) in 1971. He was the chief negotiator for Brazil in the Uruguay Round GATT until 1999 and was the president of the Association of Coffee Producing Countries in London for five years, ambassador of Brazil to the Latin American Integration Association (1987–1990), Brazil's ambassador in London, UK, from January 1994 to June 1999, and ambassador in Washington, D.C., from June 1999 to March 2004. Ambassador Barbosa writes regularly in the newspaper *O Estado de São Paulo* and is the author of essays and four books, among which are *Mercosur and Regional Integration*, *The Dissent Washington* (2011) and the *National Interest and Future Vision* (2012). He is a business consultant with an extensive network of expertise in the public and private sectors. He has been the president of the Superior Council of Foreign Trade of Federation of Industries of the State of São Paulo (FIESP) for the last ten years; chairman of the Board of SOBEET (Brazilian Society of Transnational Corporations and Economic Globalization); president emeritus of Brazil-US Business Council; president of the Institute of International Relations and Foreign Trade; editor of the journal *National Interest*; president of the Brazilian Association of Wheat Industry; member of several other councils, as the companies's CSU CardSystem SA and Veirano Lawyers; and member of the Board—Business Sao Paulo.