How can improving transportation infrastructure increase agricultural productivity in Brazil?

Transporting a ton of soybeans from one of Brazil's major production regions to the port of export is almost three times more expensive and five times more expensive to transport the same amount of soybeans over a similar distance in the United States.

Brazil now ranks far behind geographically similar nations in infrastructure quality.

PROBLEMS
Constant changes in the regulatory environment, a shifting mix of incentives for private investors, and hidden subsidies create inefficiencies and reduce the overall quality of transportation infrastructure.

RECOMMENDATIONS
Regulatory changes should focus on an appropriate balance between state and private sectors and ensure incentives to attract investors.

Changes in the regulatory framework and in the investment environment can improve transportation infrastructure, which is at the foundation of improving productivity — the better farmers can access markets, the more productive they become.