

# FAST FACTS



## Brazil

### Export Opportunities in Brazil

In 2016, Brazil ranked 12th among U.S. export destinations and 10th among Virginia export destinations. Some of the top opportunities for U.S. exporters in Brazil include:

- » Aerospace & Aviation
- » Franchising
- » Defense
- » Drugs and Pharmaceuticals
- » Medical Equipment
- » Mining
- » Oil and Gas
- » Safety and Security

### Map of Brazil



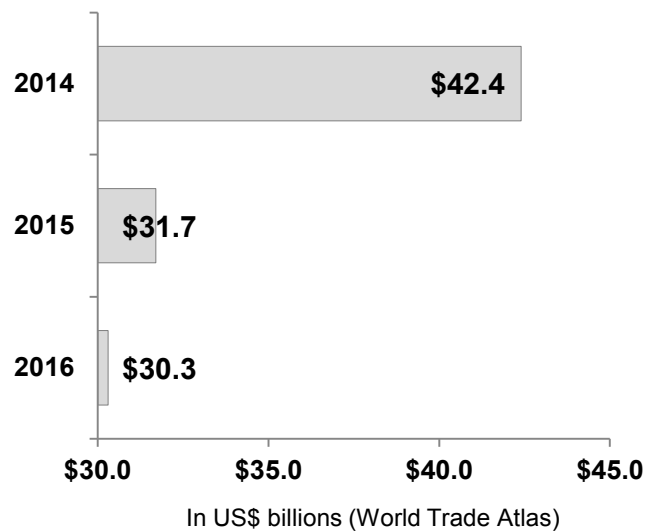
(U.S. Central Intelligence Agency)

### Top Virginia Exports to Brazil

Export Category	2016 Value	Change 2016/2015
All Commodity Chapters	\$ 309.4	-41%
Mineral Fuels & Oils	\$ 75.4	-24%
Fertilizers	\$ 45.4	-9%
Industrial Machinery	\$ 44.6	-26%
Plastics	\$ 27.1	-15%
Tanning/Dyeing Extracts	\$ 14.6	-39%
Electrical Machinery	\$ 11.6	-42%
Woven Fabrics	\$ 10.7	-21%
Paper & Paperboard	\$ 9.8	-33%
Wadding/Felt/Nonwovens	\$ 8.5	23%
Vehicles, Not Railway	\$ 7.9	-18%

In US\$ millions (World Trade Atlas)

### U.S. Exports to Brazil



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## Opportunities in Brazil for Exporters

### Aerospace & Aviation

Aerospace is one of Brazil's most important industries and offers excellent opportunities for U.S. aircraft manufacturers and parts suppliers. The Brazilian aerospace industry is led by Embraer, the world's third-largest aircraft manufacturer. In 2015, US firms exported US\$ 5.2 billion worth of aerospace products to Brazil. Brazil continues to be one of the top destinations for U.S. aircraft, aircraft parts, and components. The best prospects for U.S. exporters include:

- » Replacement parts
- » Avionics
- » Communication systems
- » Airplane & helicopter parts & components

### Franchising

The Brazilian franchise sector is among the world's largest and most sophisticated markets, in terms of business practices and in adapting concepts from both foreign and domestic franchisers. The sector has consistently grown faster than Brazil's economy overall. In 2014, the Brazilian franchise sector grew 7.7%, and total sector revenue was US\$ 49 billion. Top prospects include:

- » Services/retail
- » Food
- » Sport, health, beauty, leisure services
- » Clothing
- » Education and training

This information is adapted from the U.S. Commercial Service. [Click here for more export opportunities.](#)

### Drugs and Pharmaceuticals

Brazil is among the top ten largest pharmaceutical markets in the world in terms of unit sales, and the 8th largest in market size. Brazilian pharmaceutical product imports in 2015 reached US \$1.18 billion. The Brazilian market for nutritional supplements and natural products is in constant expansion and is expected to grow 25% per year. Top opportunities for U.S. exporters include:

- » Innovative drugs, raw ingredients and equipment
- » Medicines for chronic diseases, weight control & diabetes
- » Vitamins
- » Contraceptives

### Safety and Security

Brazil has an extensive and well-developed security market, which offers ample prospects for U.S. companies looking to invest. The Brazil market has seen an average annual growth of 9% for the last decade, with annual sales around US\$ 21 billion, which includes private security services. Top prospects for U.S. exporters include:

- » Video surveillance
- » Access control
- » Cyber Security
- » Unmanned Aerial Vehicles
- » Electronic surveillance
- » Detection Devices

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## Economic Overview

Brazil's economy has well-developed agricultural, mining, manufacturing, and service sectors, and a rapidly expanding middle class. Brazil's economy outweighs that of all other South American countries, and Brazil is expanding its presence in world markets. Since 2003, Brazil has steadily improved its macroeconomic stability, building up foreign reserves, and reducing its debt profile by shifting its debt burden toward real denominated and domestically held instruments. Since 2008, Brazil became a net external creditor, and all three of the major ratings agencies awarded investment grade status to its debt.

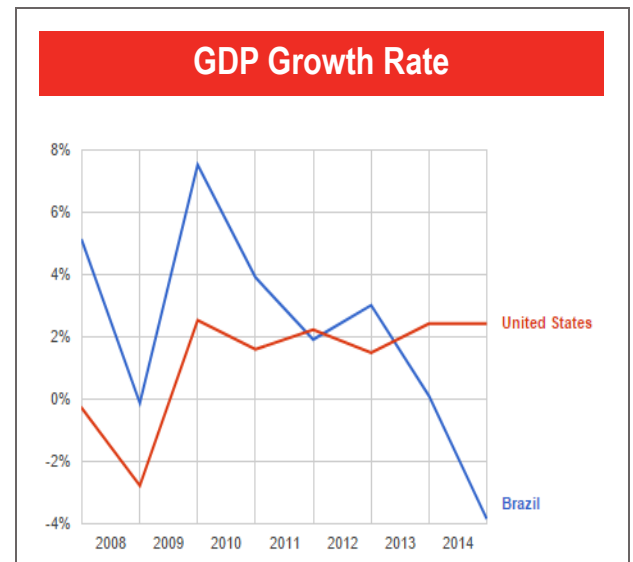
Brazil seeks to strengthen its workforce and its economy over the long run by imposing local content and technology transfer requirements on foreign businesses, by investing in education through social programs, and by investing in research in the areas of space, nanotechnology, healthcare, and energy.

(U.S. Central Intelligence Agency, U.S. Department of State)

## Cultural Guide

- » Brazilians prefer face-to-face meetings to written communication as it allows them to know the person with whom they are doing business.
- » Expect questions about your company since Brazilians are more comfortable doing business with people and companies they know. Wait for your Brazilian colleagues to raise the business subject. Never rush the relationship building time.
- » Use local lawyers and accountants for negotiations. Brazilians resent an outside legal presence.
- » Brazilians pride themselves on dressing well. Men should wear conservative, dark colored business suits. Three-piece suits typically indicate that someone is an executive. Women should wear suits or dresses that are elegant and feminine with good quality accessories.
- » When arranging a meeting, it is advisable to provide the Brazilian company with the subject of the meeting in advance, although only limited detail will be required at that stage.
- » Punctuality can sometimes be an issue in Brazil, but you should not interpret lateness as a sign of rudeness or laziness. Plan your trip with plenty of time to allow for delays.
- » It is normal to exchange business cards at the start of meetings, although in restaurants or at business lunches they should be exchanged after the meal.

(Kwintessential)



**It is common to be interrupted while you are making a presentation.**

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Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: [ExportVirginia.org](http://ExportVirginia.org)

## Additional Resources: Market Reports

[Brazil Country Commercial Guide](#)

[Doing Business in Brazil](#)

[Ease of Doing Business Report](#)

[Exporting to Brazil](#)

U.S. Commercial Service

Office of the US Trade Representative

World Bank

United Kingdom Trade & Investment

## Online Resources

[Brazil Overview](#)

[Brazilian Taxation System](#)

[The Rio Times](#)

[Kwintessential](#)

Global Edge - Michigan State University

ICAEW-Brazil Economy & Taxation

News in English for Rio de Janeiro & Brazil

Kwintessential - Brazil Culture Guide

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