

Doing Business in Brazil, The Do's and Don'ts for a Successful Entry Into The Market

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BELGIAN ECONOMIC MISSION
BRAZIL

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#BEmissionBRA

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Contents



✓ General Considerations

- ✓ The Macro-Environment
- ✓ The Meso-Environment
- ✓ The Micro-Environment
- ✓ The Do's and Don'ts

- Positive comments by IMF
- Macroeconomics in line with OECD
- Massive private investments expected
- Good presence of Belgian groups from the 3 Regions
- There are still challenges

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- ✓ Is this trade mission for me?

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➤ Growth: 3% (2023), 1,6% (2024?)

➤ Inflation: 4,6% (2023)

➤ Unemployment: 7,8% (2023)

➤ Public debt: 88,1%

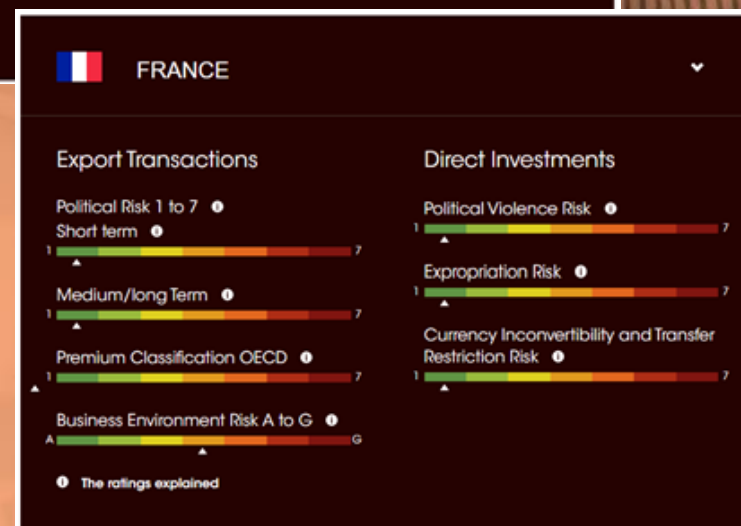
➤ BUT: ratio BR vs World's GDP ratio per capita not good,

interest rate: 7,95%/month for private consumption,

fiscal policy

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➤ The Sectors: by its size and population, Brazil is a land of opportunities... and challenges. See next presentation.

AWEX proposed 3 promising ones. See program.

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- Greenfield / Brownfield investment
- Acquiring a local player
- Joint-Venture
- Importer / Distributor / Agent
- B2B and B2C environment:

- 67,19% of the working people earn upto R\$ 2.424 /month that is 65,5million people.
- 90% of Brazilians have an income of less than R\$ 3,500 per month
- the richest 5% in Brazil: R\$10,313.00.
- the 1%, richest have an average income of R\$28,659.00

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- Simplified customs procedures -> possible (draw back, ...)
- Trade Agreements: UE-Mercosul, finally adopted or not? New text?
- Brazilian customs nomenclature
- How much taxes will I pay?

<https://www4.receita.fazenda.gov.br/simulador/BuscaNCM.jsp>

- Who can clear my goods? -> registered importer. RADAR, SISCOMEX
- Check the signing authority
- Secure the payments. Brazil not worse or better than most countries
- The importance of having a local representative

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- Cultural understanding: verbal and non verbal
- The management of time -> take your time, be patient
- The positive attitude
- Play it the cool way
- Dress code
- Holydays: there is always a public holyday in Brazil
- Face-to-face contact -> more than one visit to Brazil
- Brazil is very connected: if you aim the B2C-> social media important + influencer (if possible)
- Flexible management

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- Your website -> Brazil is very connected. In PT if possible
- Only selling in Europe? At least one or two experiences outside Europe (Mexico, USA, India or China)
- Brazil won't save you if your company is in dire situation: currency, time zone, longer negotiations, customs
- BUT Brazil (9th world economy) will allow an organic growth or by acquisition
- The 3 Regional Counsellors are at your disposal

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