



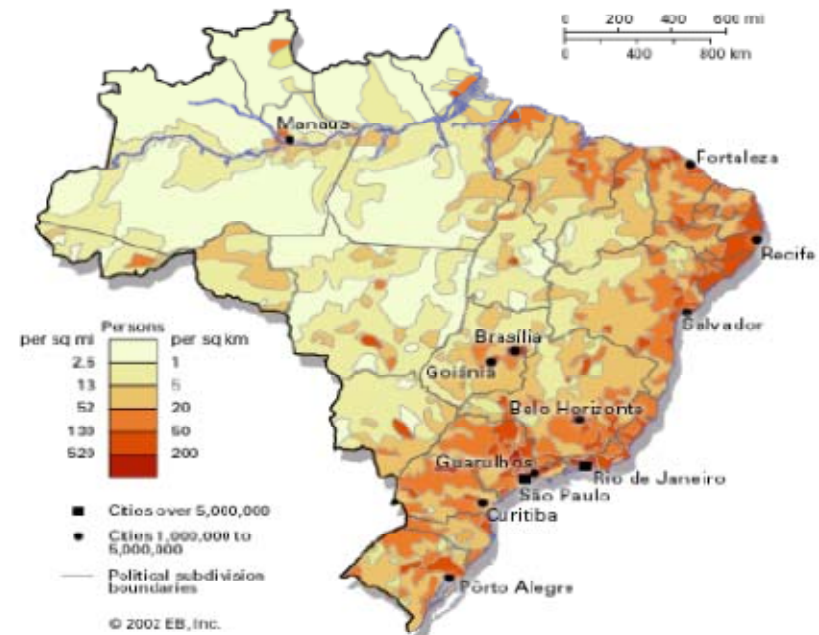
CONSULATE GENERAL OF BRAZIL IN HOUSTON
Trade Promotion Bureau

Doing Business With Brazil

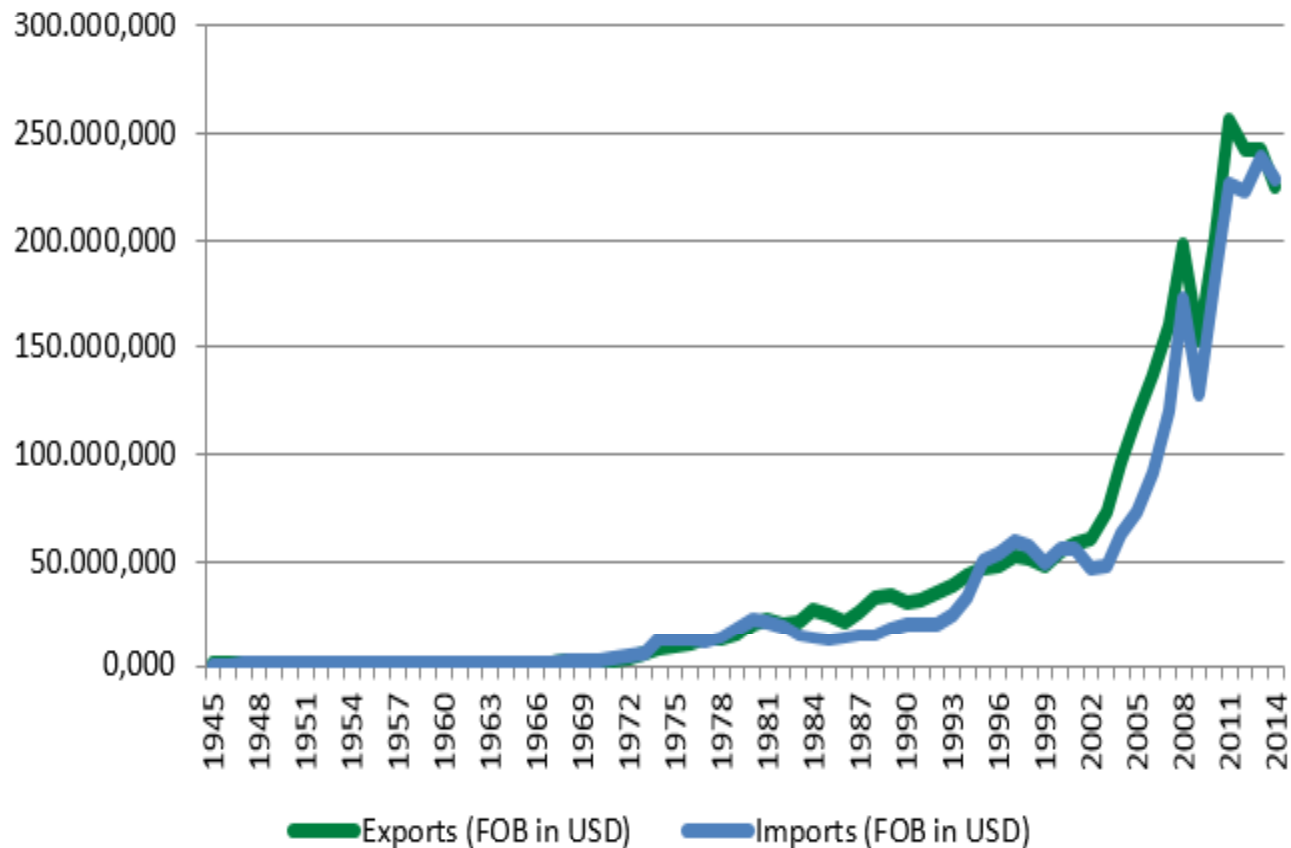


Brazil

- Brazil is among the largest countries in terms of territory, population and GDP
- Brazil has vast natural resources, including recently discovered large offshore oil fields, a diverse industrial base, a dynamic and sophisticated private sector, and a well-structured public sector
- Brazil is a vigorous democracy, with free multiparty elections and a stable political system
- Brazil has good relations with all its neighbors and has increased its ties with all regions of the world



Expansion of Brazil's International Trade 1950-2014



Brazil Trade

- **2014-2015- +9% Brazilian companies exported to US**
- **75% of Brazilian products are manufactured or semi manufactures goods**
- **Brazil's trade surplus hits December record-** Brazil rebounded from a deficit of \$4bn in 2014 to a trade surplus of \$19.7bn last year. In December, the surplus reached \$6.2bn the largest for that month since the data series began in 1980

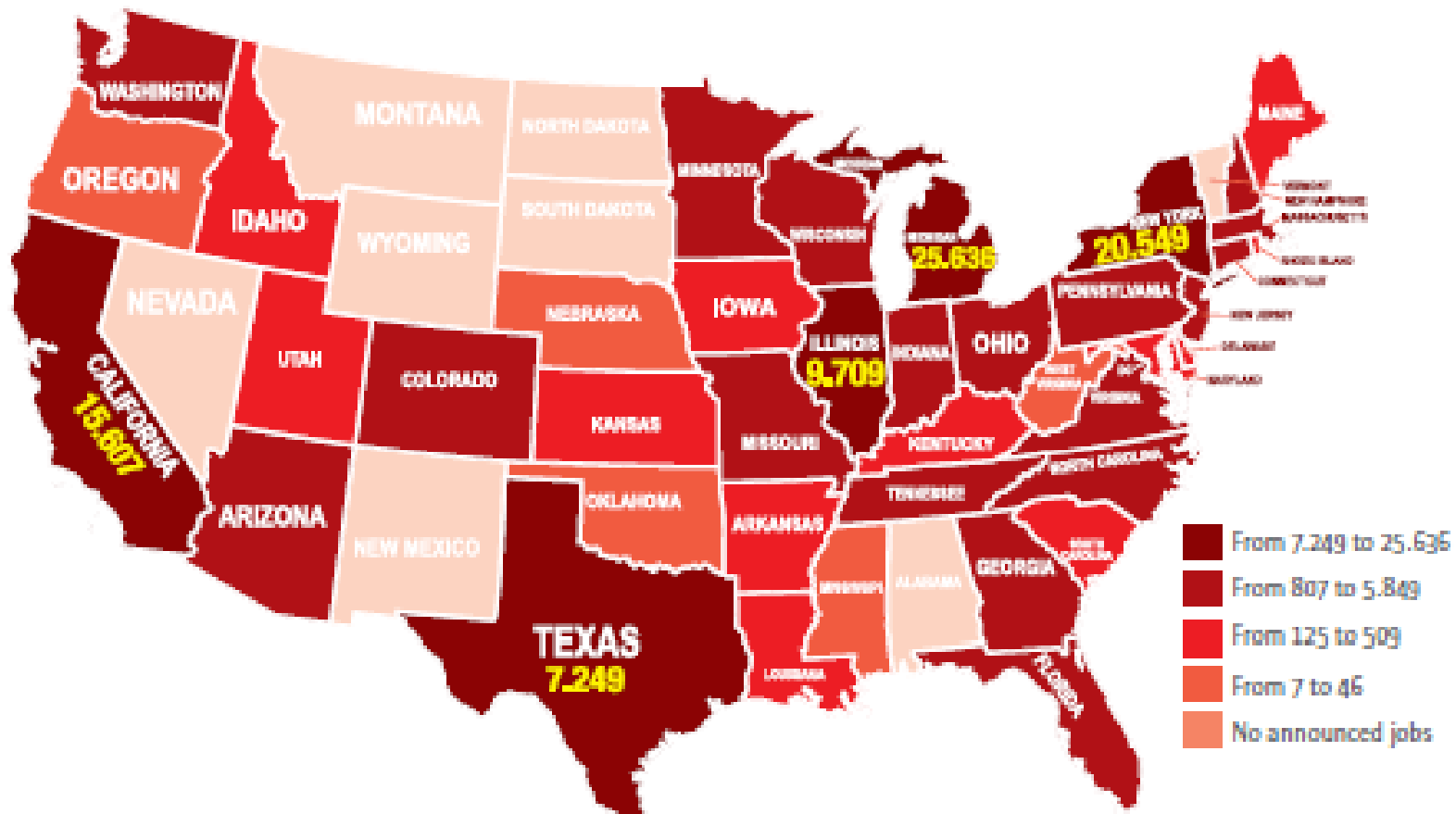
Brazilian Real vs. US Dollar 2010-2015



SOURCE: WWW.TRADINGECONOMICS.COM | OTC INTERBANK

US Investments Creating Jobs in Brazil

Origins of Jobs Generated by American FDI in Brazil by State, 2003-2015*



Source: FDI Markets / * Up to January

Brazilian Investments Creating Jobs In Texas

Reported Jobs Generated by Brazilian FDI in the United States by State, 2003-2015*



Source: FDI Markets / * Up to January

Brazil: A Window of Opportunity?

"Brazil is on Sale," Says Businessman Abilio Diniz in an Event in New York.

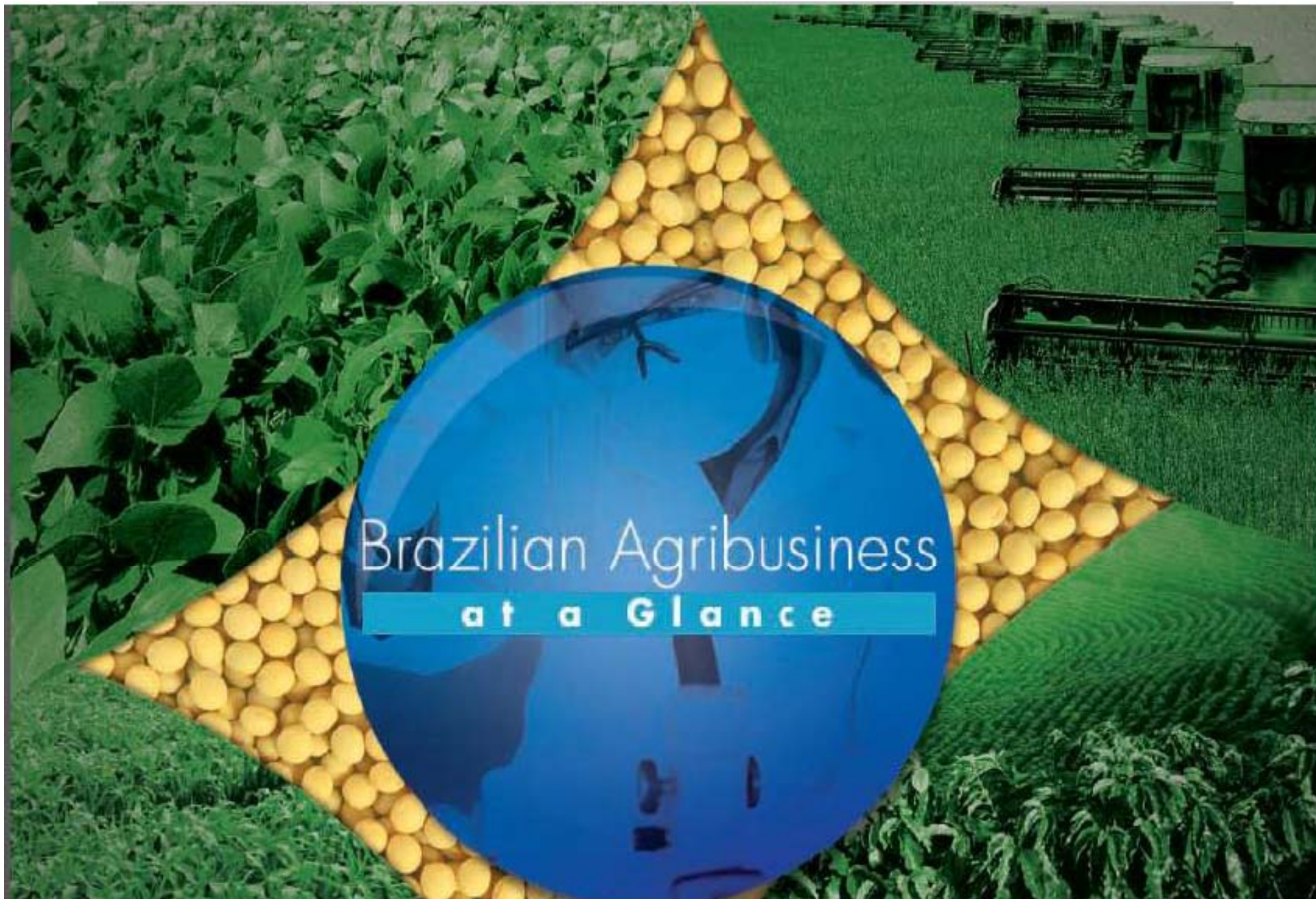
Abilio Diniz, chairman of the BRF board, which owns brands such as Sadia and Qualy, said that "Brazil is on sale". In a BRF event in New York on Monday (2), the businessman said the country **"is very cheap for foreign investors"**.

Brazil: New Investment Landscape

Brazilian Landscape: Producing Areas Away from the Coast



Opportunities in Agriculture

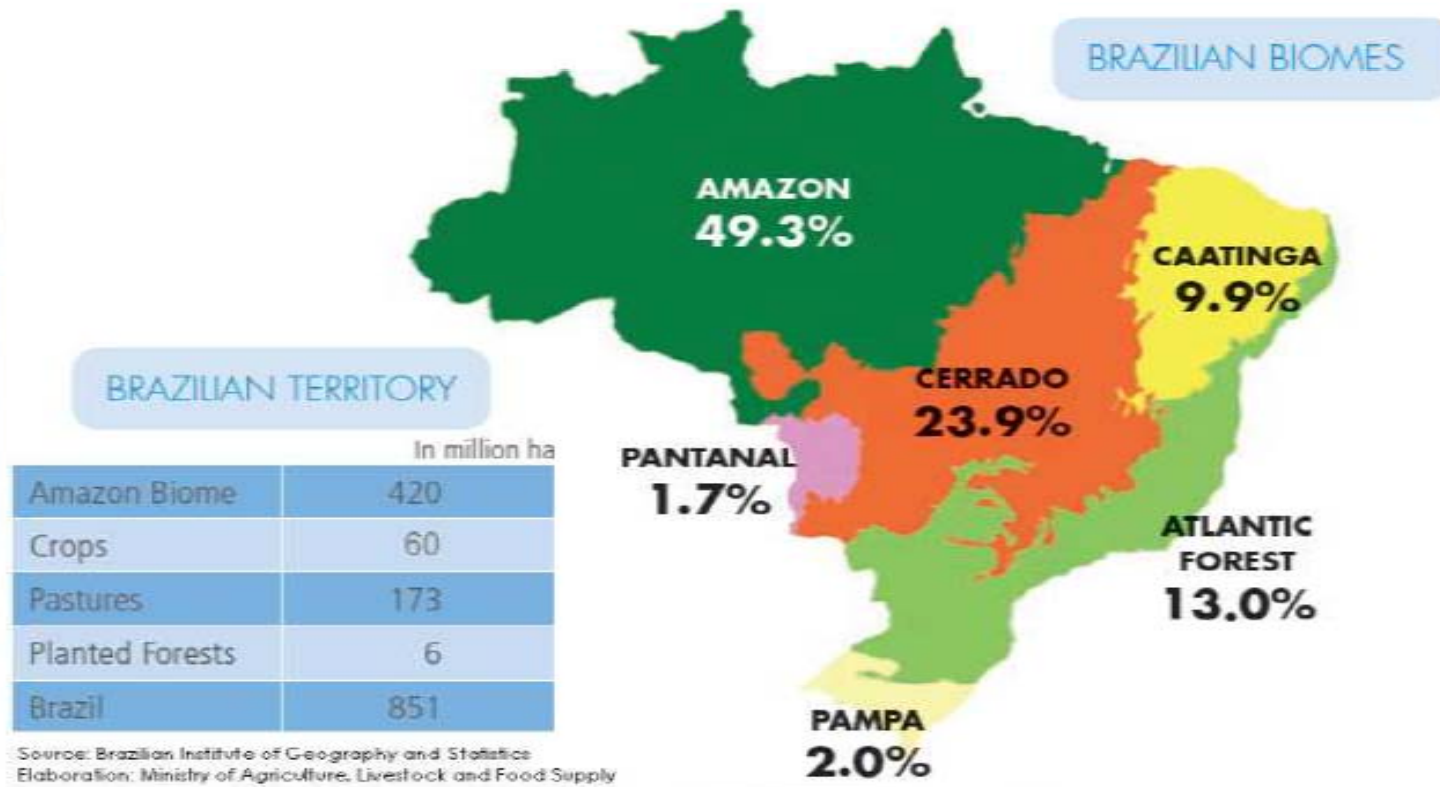


Brazilian Agricultural Landscape

Brazil's continental dimensions gather different biomes, protected by national legislation.

Agriculture and livestock areas make up around 30% of Brazil's territory, mainly concentrated in the southern and central regions of the country.

BRAZILIAN AGRIBUSINESS AT A GLANCE



A Major World Producer

Brazil plays a leading role as a global supplier of agribusiness products.

Diversified product range ensures food security for the world.

2013 ranking: Brazilian Production and Exports

Products	Production	Export	Number of Countries	Exports in Billion Dollars
Sugar	1	1	132	11.8
Coffee	1	1	129	5.3
Orange Juice	1	1	74	2.3
Soybean Grain	1	1	42	22.8
Beef	2	1	143	6.7
Chicken	3	1	145	7.5
Soybean Oil	3	2	47	1.4
Soybean Meal	3	2	60	6.8
Corn	3	1	76	6.3
Pork	4	4	72	1.4

Sources: USDA, Ministry of Agriculture

A World Major Food Producer

Foreign Trade



Increase in Productivity of Grains

Grains

Production

Had Brazil maintained the same technology of 1960, it would be necessary to use more than 145 million hectares of land

+774%
Production



1960 | 2010

Inhabitants

(million)

70



190,7

Grain Production

(million tons)

17,2



150,8

Area

(million hectares)

22



47,5

Productivity

(kilos per hectare)

783



3.173



1 = 10 million inhabitants



1 = 10 million tons



1 = 300 kilos per hectare

Increase in Productivity of Livestock

Livestock Cattle



+251%
Herd

+39%
Pasture

Had Brazil maintained the same technology used in 1960, it would have to direct more than 259 million hectares of land to pasture

1960 | 2010

Herd

(million heads of cattle)

58



204

Pasture area

(million hectares)

122,3



170

Productivity

(heads per hectare)

0,47



1,2



1 = 10 million inhabitants



1 = 10 million inhabitants



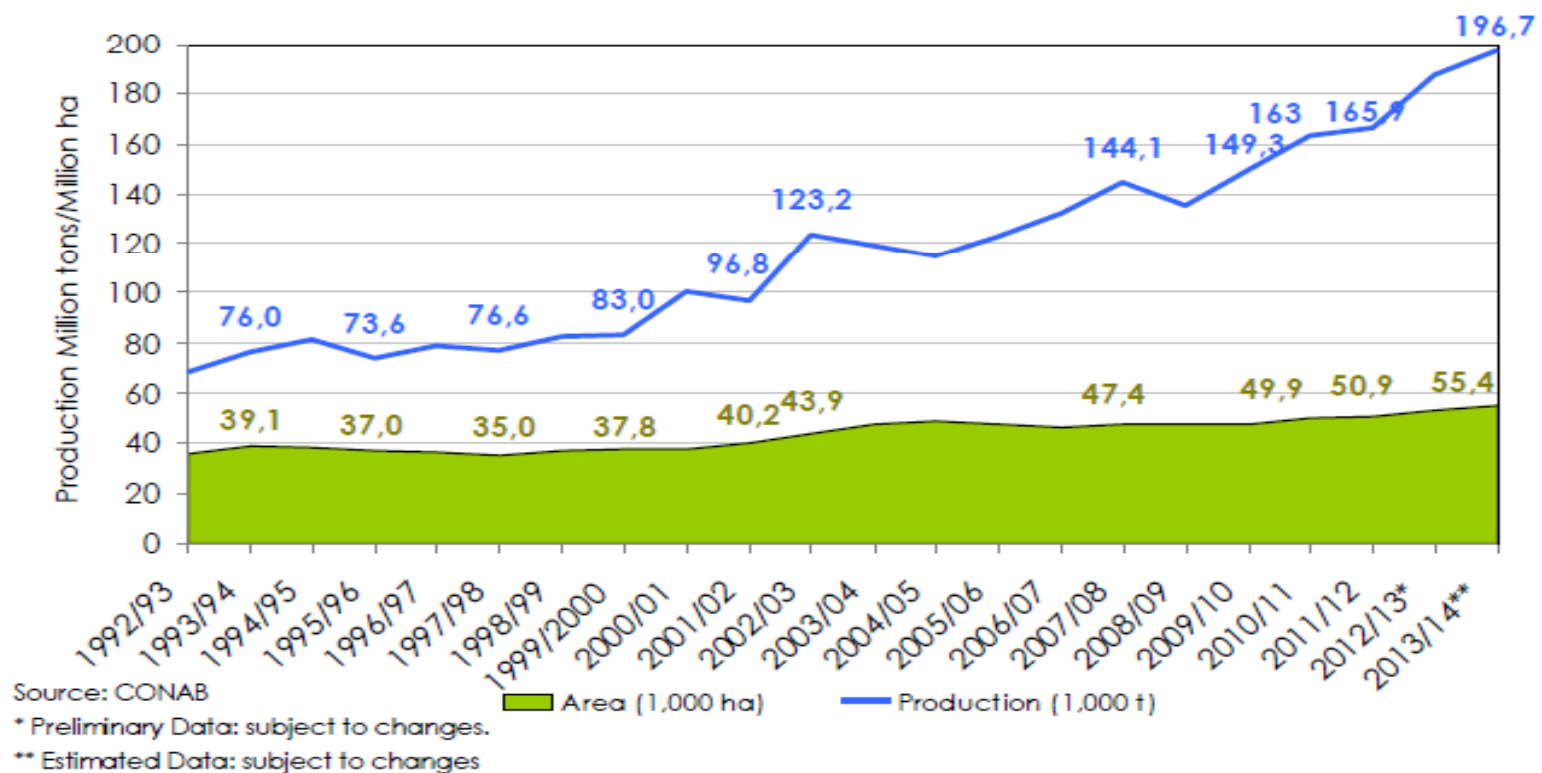
1 = 300 kilos per hectare

Consistent Increase in Productivity

Increase in grain production over the last 20 years has been a result of high levels of productivity.

Grain volume has almost tripled in the period, while the harvested area has grown only 40%. Productivity in the area, therefore, doubled.

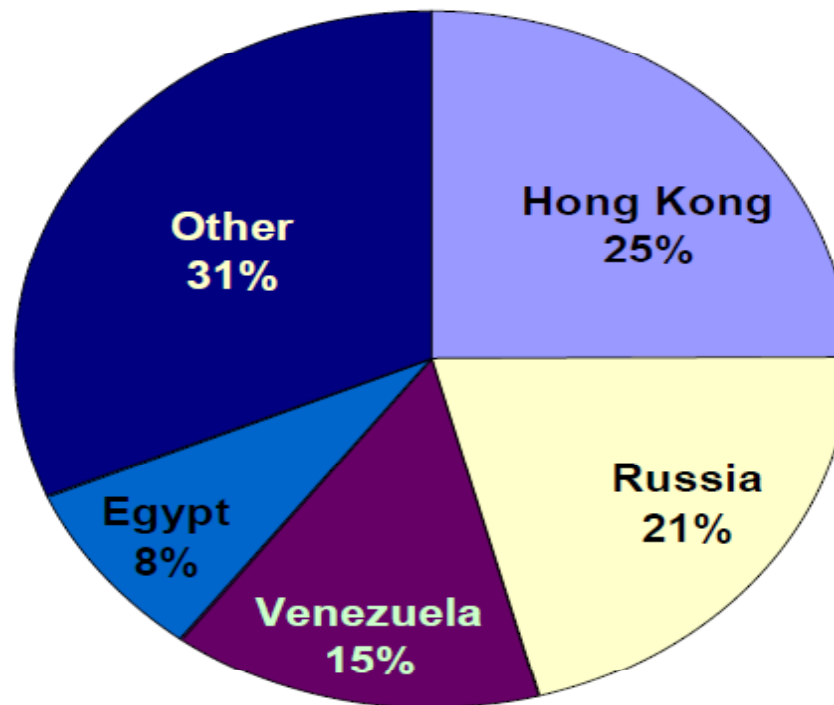
Grain: Production and Area



World Leading Supplier of Beef

Brazil is the worldwide leading supplier of beef. Brazilian beef is recognized as *green beef*, once cattle is raised free, in vast pastures. Vegetal feeding avoids harmful illnesses to human beings, such as the BSE.

Beef Exports 2013: Main Destinations



Total 2013:
US\$ 6,66 bi
▲ ↑ 16%

Source: Ministry of Agriculture
Elaboration: Ministry of Agriculture, Livestock and Food Supply

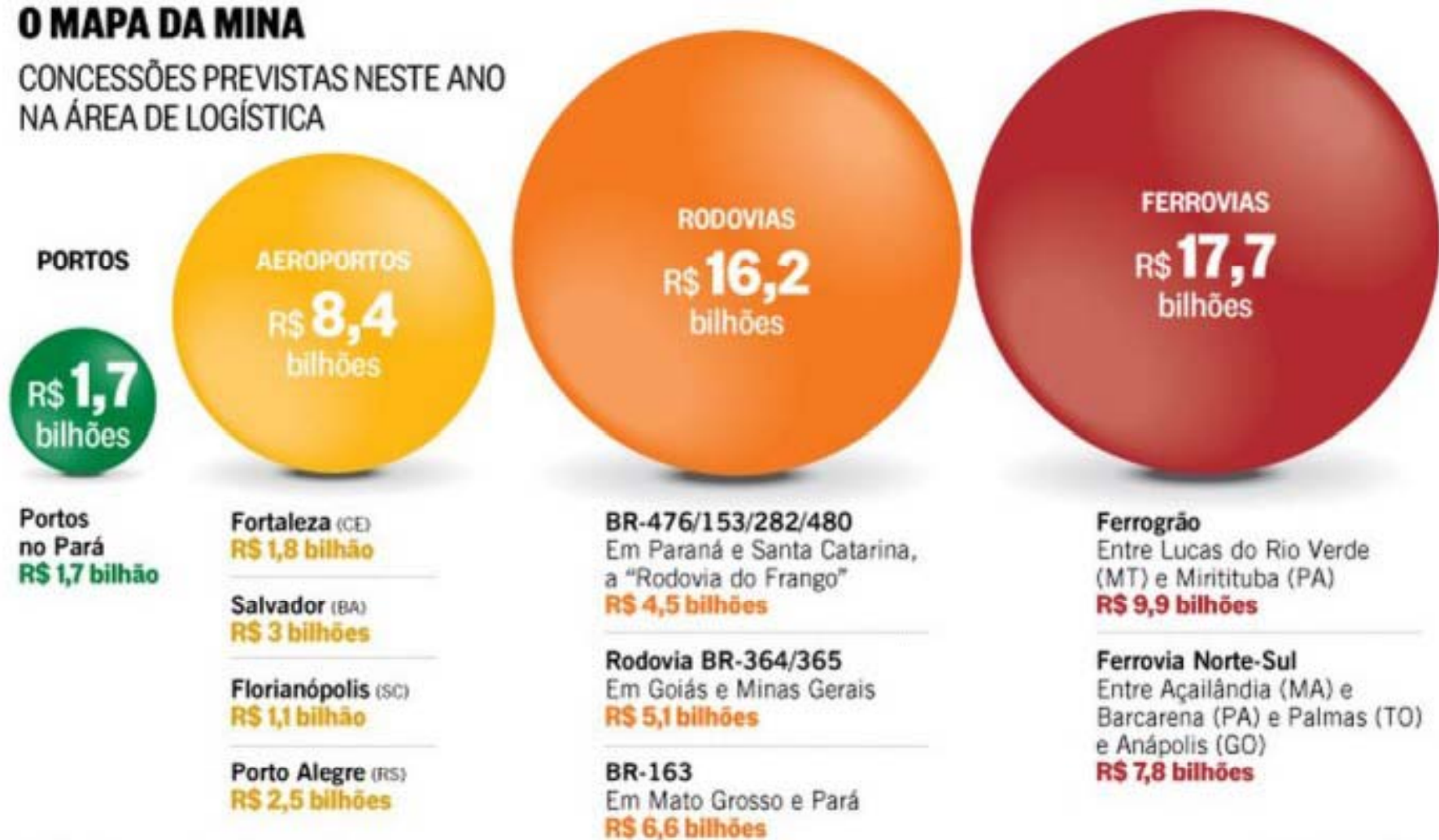
Opportunities in Infrastructure:

- Ports**
- Airports**
- Highways**
- Railroads**

INFRASTRUCTURE 2016 CONCESSION PLAN

O MAPA DA MINA

CONCESSÕES PREVISTAS NESTE ANO
NA ÁREA DE LOGÍSTICA



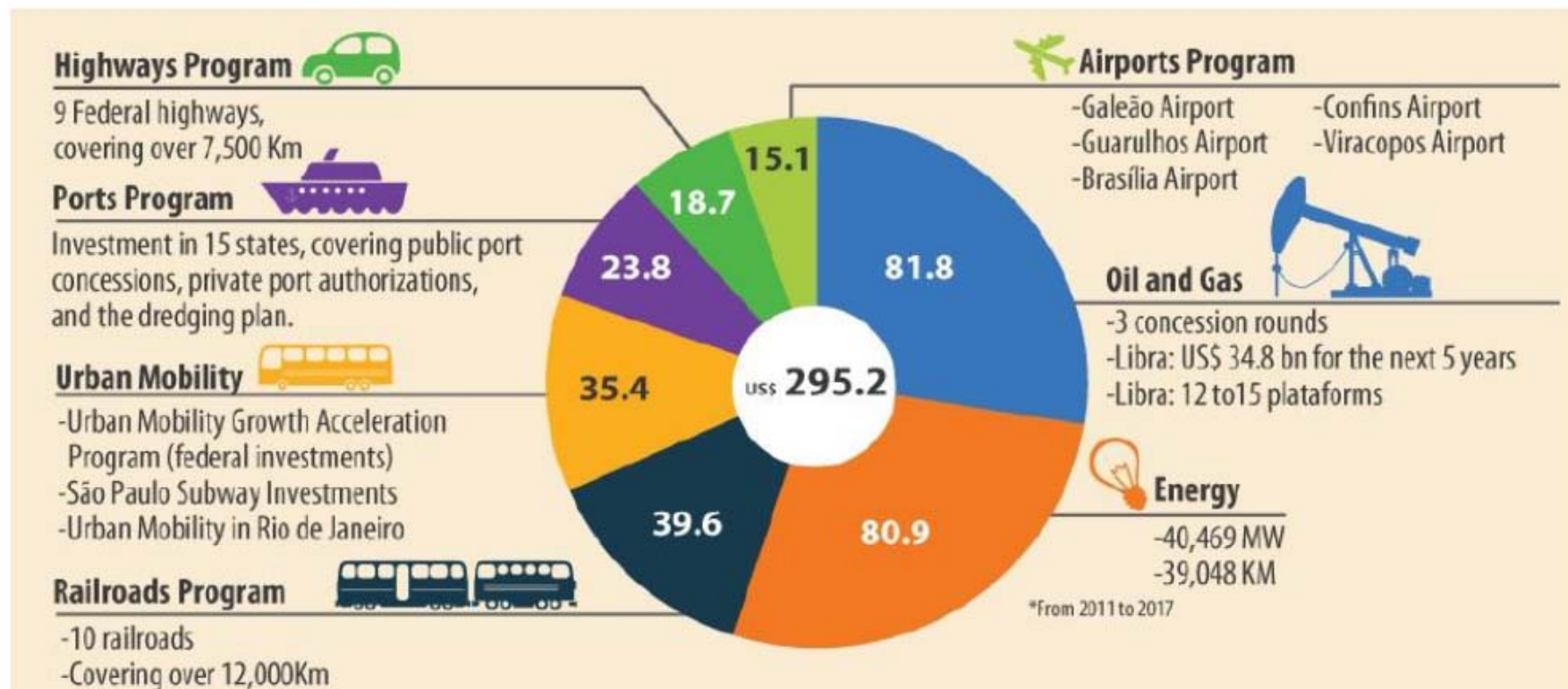
Fontes: Governo e setor privado

Editoria de Arte

Source: O Globo Newspaper- April 6, 2016

Private Sector Participation in Infrastructure Programs

Infrastructure Program (US\$ bn)



Concessions have been a successful way to expand the infrastructure in the last 20+ years

Opportunities in Transportation

ROAD CONCESSIONS



1995-2002

Weighted Average Toll Rate R\$ 10.4

1,316 km Granted on 6 roads



2003-2010

Weighted Average Toll Rate R\$ 3.8

3,305 km Granted on 8 roads



2011-2014

Weighted Average Toll Rate R\$ 3.5

5,350 km Granted on 7 roads

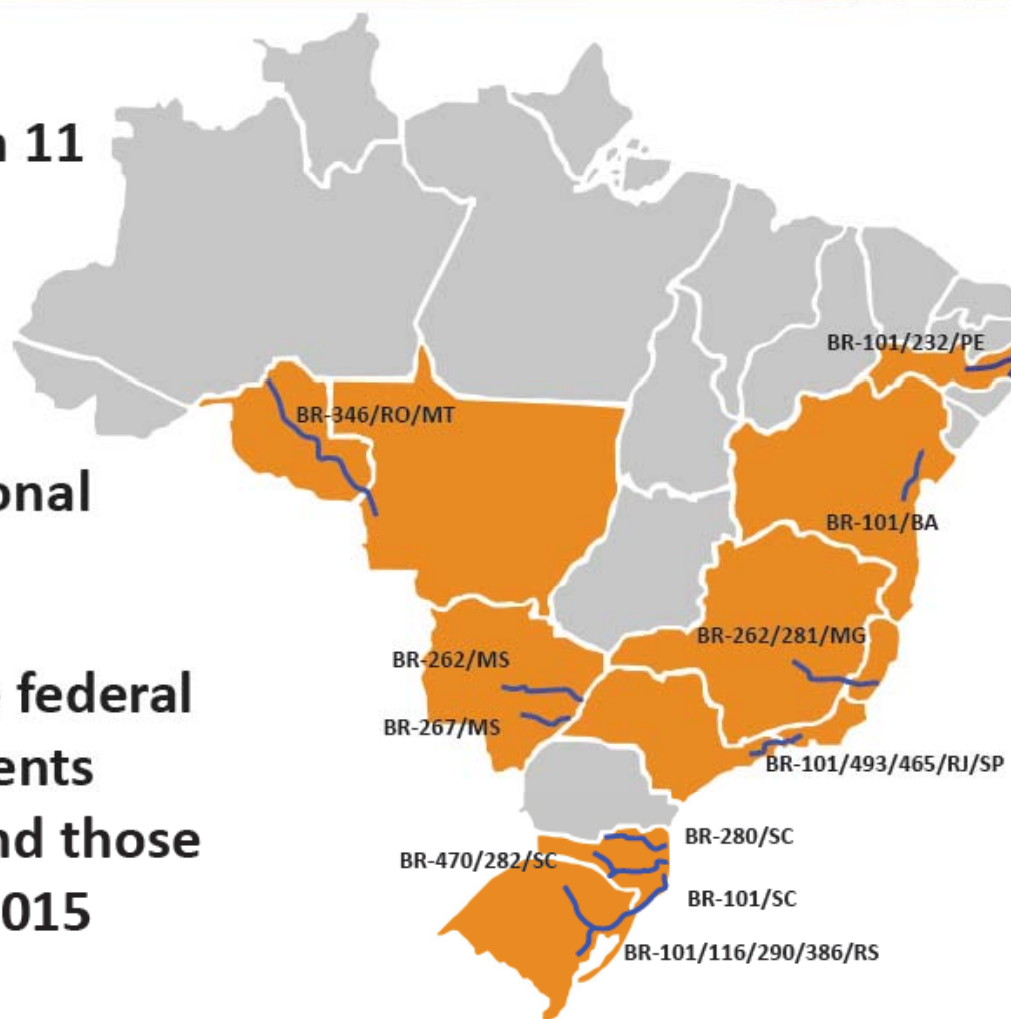


As of May/15
Toll rate weighted by segment length

AUCTIONS IN 2016

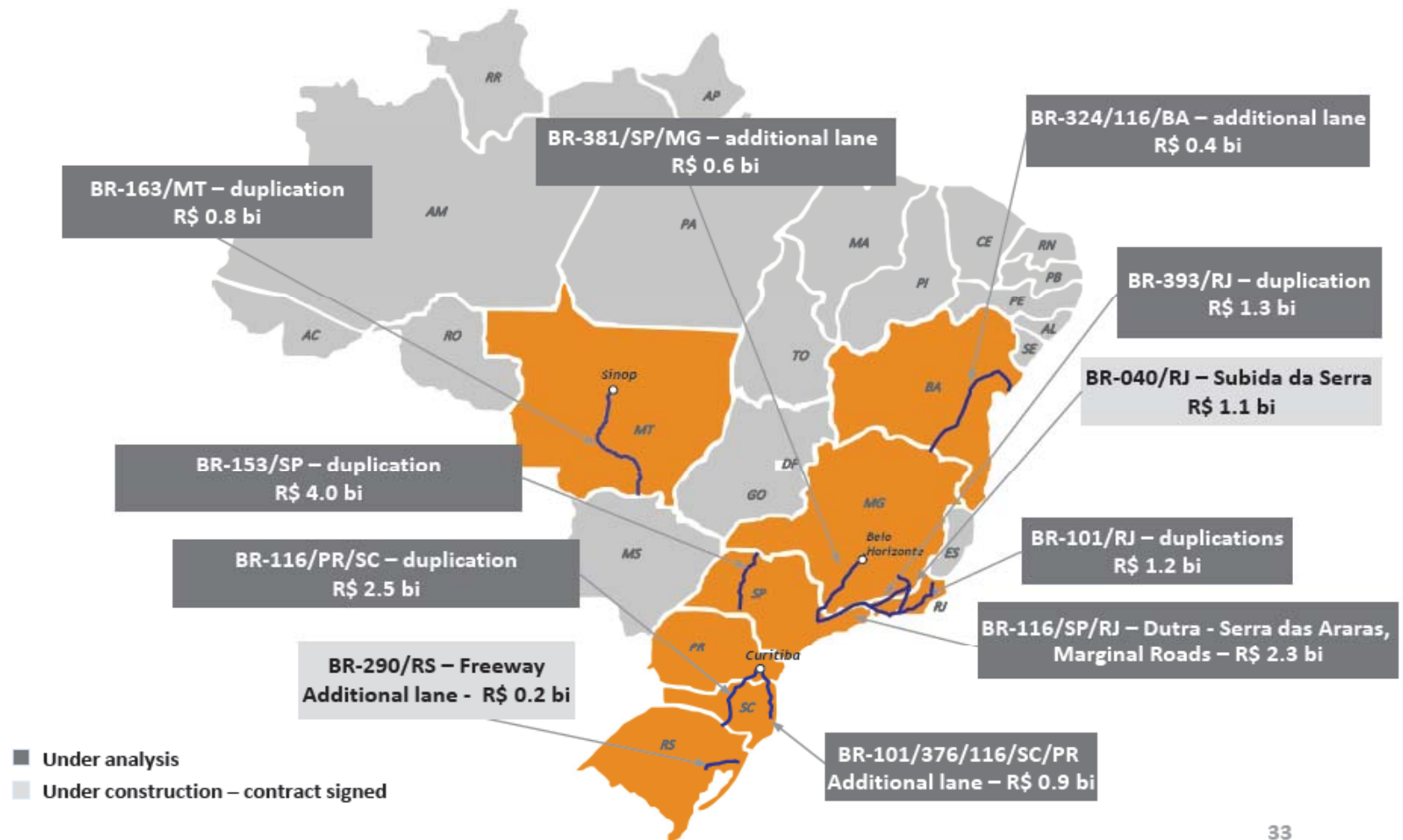


- 4,552 km of roads in 11 states
- R\$ 31.2 billion in investment: road duplications, additional lanes, etc.
- Integration with the federal road network segments under concession and those to be auctioned in 2015



NEW INVESTMENTS IN EXISTING CONCESSIONS

R\$ 15.3 billion (2 ongoing projects and 9 under analysis)



Opportunities in Airports

- **Largest air transportation system in Latin America**
- **10 out of the 20 busiest airports in the region**
- **109 million passengers in 2013**
- **12% traffic growth (CAGR - compounded annual growth rate) in the last decade**
- **126 destinations served and 994,700 domestic flights and 138,900 international; relatively small number compared to other continental countries.**
- **Airfreight within Brazil almost doubled between 2004 and 2013, to 408,620 tons**
- **International air freight to and from Brazil expanded by 37.2% to 777,570 tons**

Opportunities in Airports

**6 airport
concessions**

**Investment
of R\$ 26 billion**



São Gonçalo
do Amarante
RN



Guarulhos
SP



Viracopos
SP



Brasília
DF



Confins
MG



Galeão
RJ

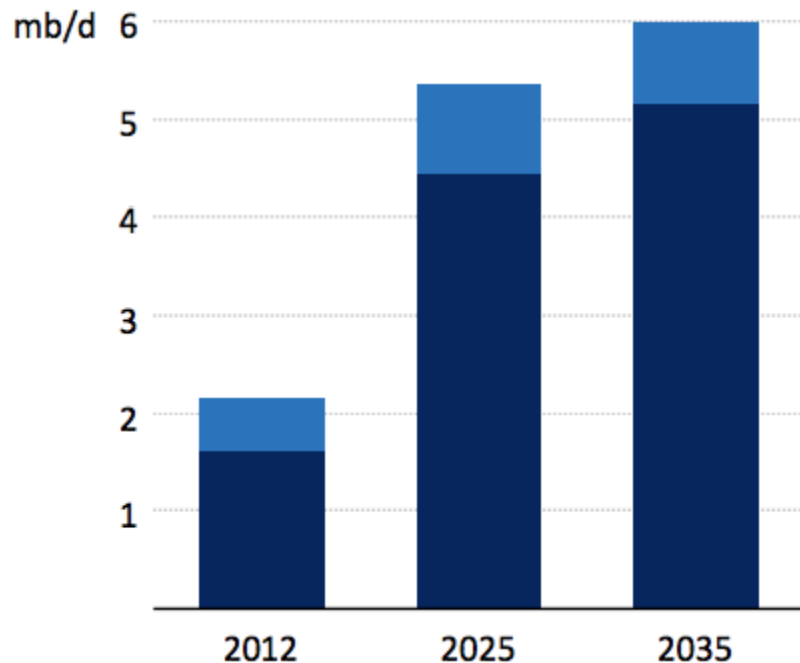
**5 international airport operators in the Brazilian
market increasing efficiency and improving
services and infrastructure**

Opportunities in Infrastructure:

- Energy**
- Oil & Gas**

Brazil's Energy Profile

Brazil oil production



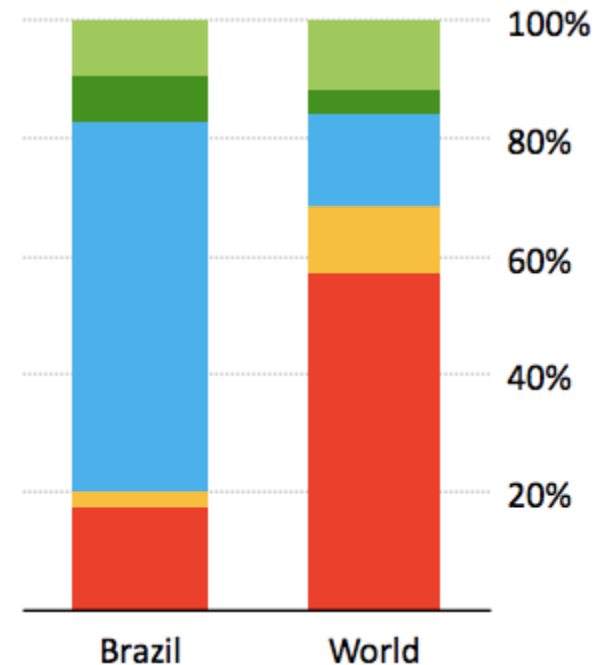
Oil production:

- Other
- Deepwater

Electricity generation:

- Other renewables
- Bioenergy
- Hydropower
- Nuclear
- Fossil fuels

Electricity mix by fuel, 2035

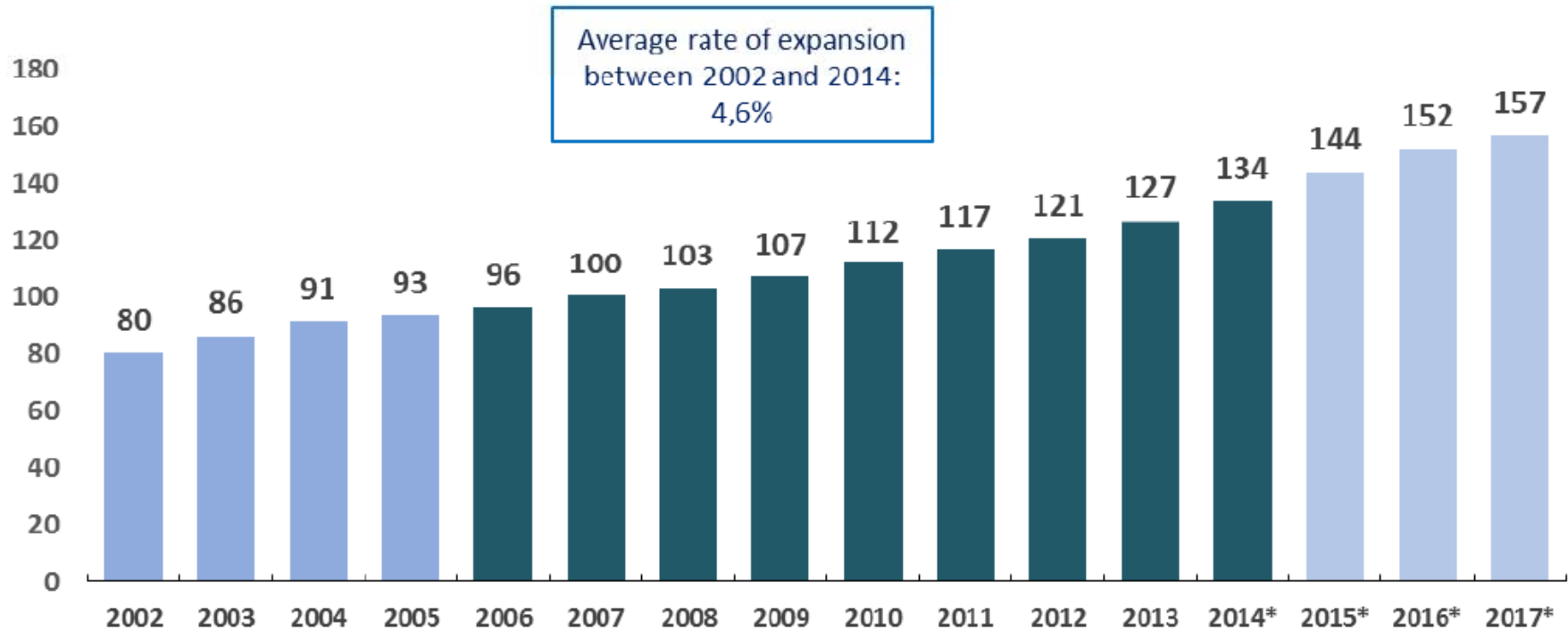


Complex deepwater projects see Brazil joining the top ranks of global oil producers, while the domestic power mix remains one of the least carbon-intensive in the world

Power Generation Improvement

Electricity Potential Production keeps increasing

Growth in installed capacity in GW



Source: Ministry of Finance-Brazil 2015 Outlook - March 2015

Brazil's Energy Profile

Total Oil Supply - 2014
(Thousand Barrels Per Day)

	World	93.003	
1	United States	13.973	15,0%
2	Saudi Arabia	11.624	12,5%
3	Russia	10.853	11,7%
4	China	4.526	4,9%
5	Canada	4.383	4,7%
6	United Arab Emirates	3.471	3,7%
7	Iran	3.380	3,6%
8	Iraq	3.371	3,6%
9	Brazil	2.950	3,2%
10	Mexico	2.812	3,0%
11	Kuwait	2.780	3,0%
12	Venezuela	2.689	2,9%
13	Nigeria	2.427	2,6%
14	Qatar	2.055	2,2%
15	Norway	1.904	2,0%

Total Petroleum Consumption - 2013
(Thousand Barrels Per Day)

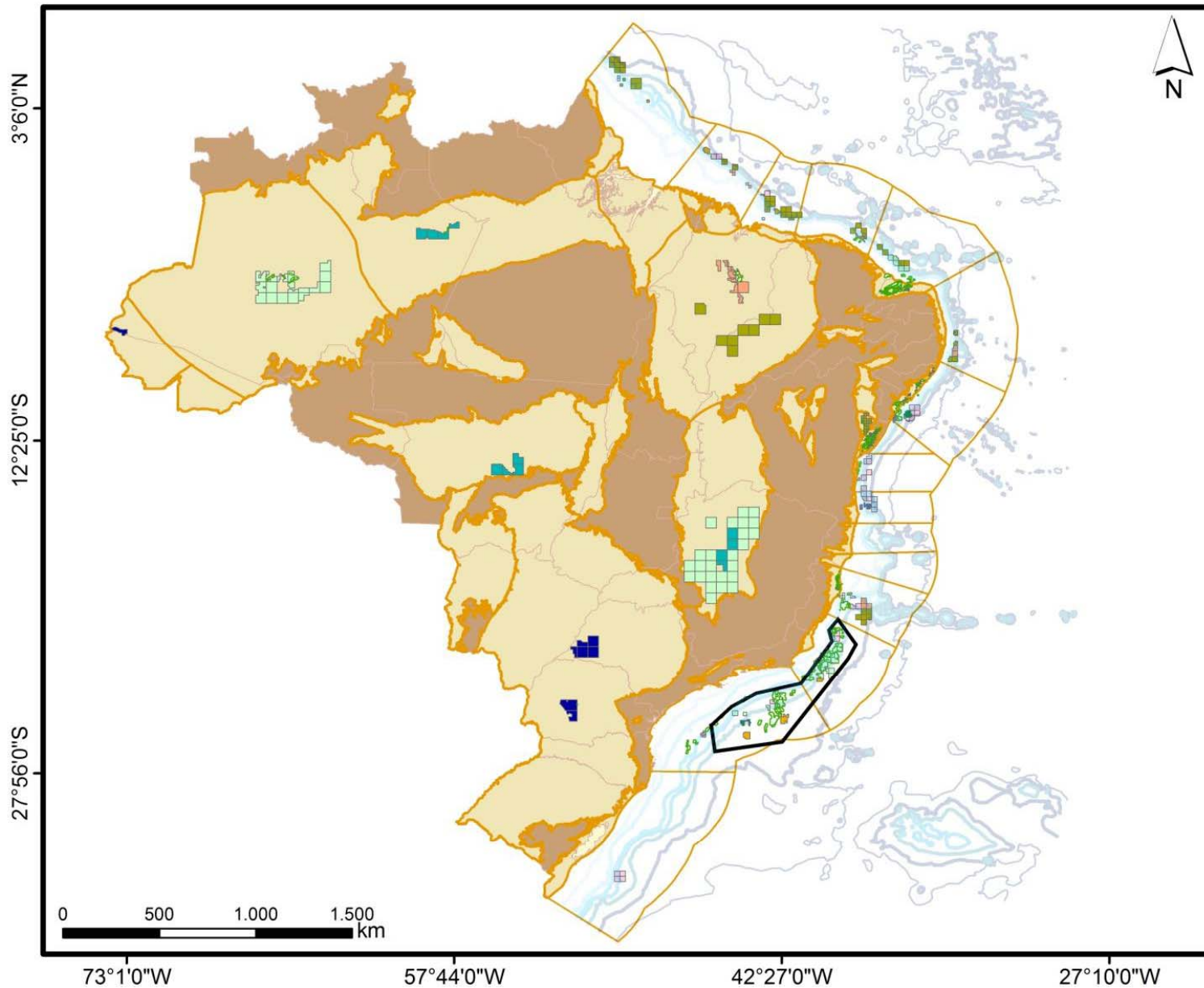
	World	91.195	
1	United States	18.961	20,8%
2	China	10.303	11,3%
3	Japan	4.531	5,0%
4	Russia	3.515	3,9%
5	India	3.509	3,8%
6	Brazil	2.998	3,3%
7	Saudi Arabia	2.968	3,3%
8	Canada	2.431	2,7%
9	Germany	2.403	2,6%
10	Korea, South	2.324	2,5%
11	Mexico	2.044	2,2%
12	Iran	1.870	2,1%
13	France	1.767	1,9%
14	Indonesia	1.635	1,8%
15	United Kingdom	1.508	1,7%

Crude Oil Proved Reserves - 2014
(Billion Barrels)

	World	1.656	
1	Venezuela	298	18,0%
2	Saudi Arabia	268	16,2%
3	Canada	173	10,5%
4	Iran	157	9,5%
5	Iraq	140	8,5%
6	Kuwait	104	6,3%
7	United Arab Emirates	98	5,9%
8	Russia	80	4,8%
9	Libya	48	2,9%
10	Nigeria	37	2,2%
11	United States	37	2,2%
12	Kazakhstan	30	1,8%
13	Qatar	25	1,5%
14	China	24	1,5%
15	Brazil	15	0,9%

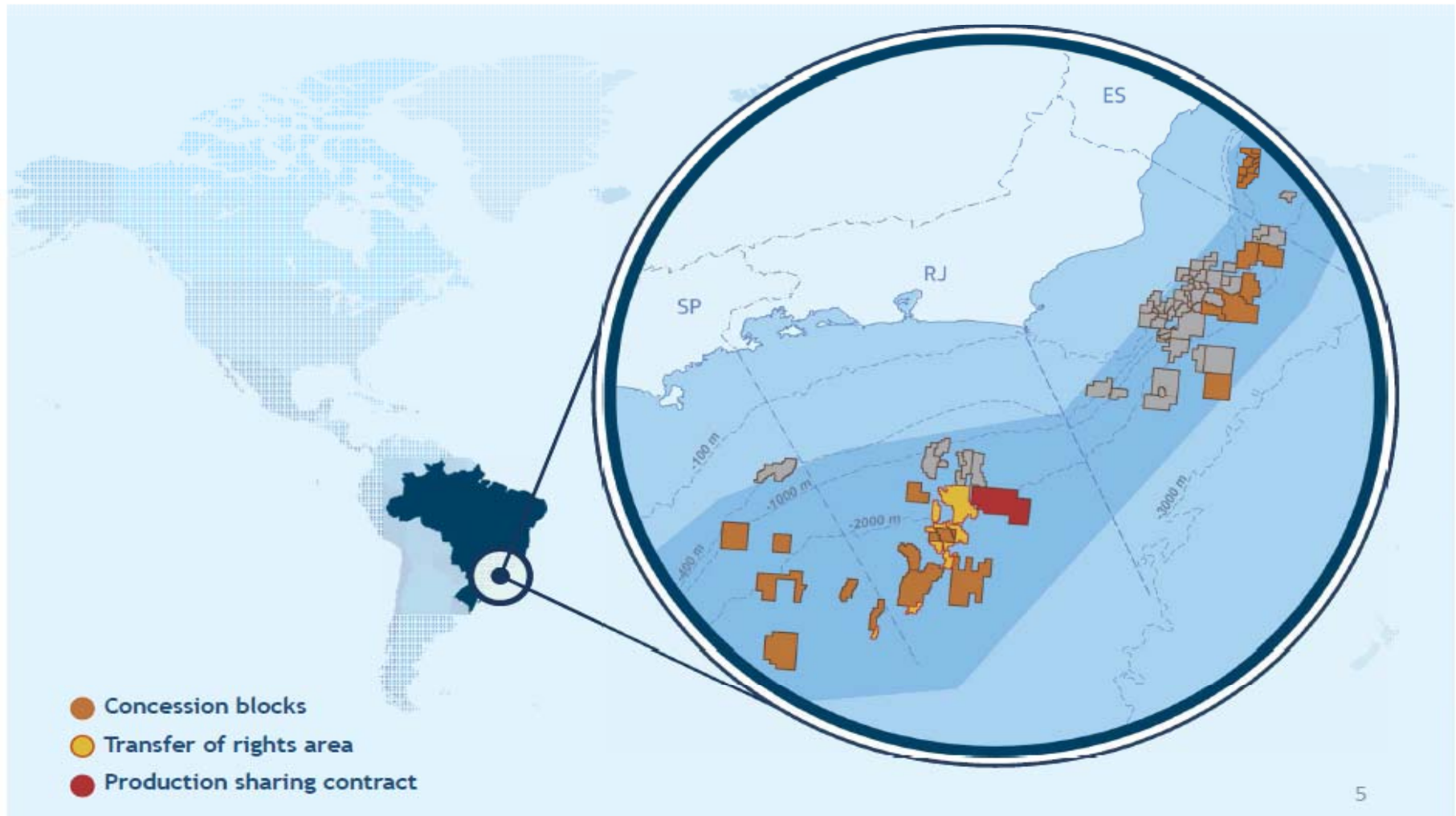
Source: EIA

Brazil's Sedimentary Basins



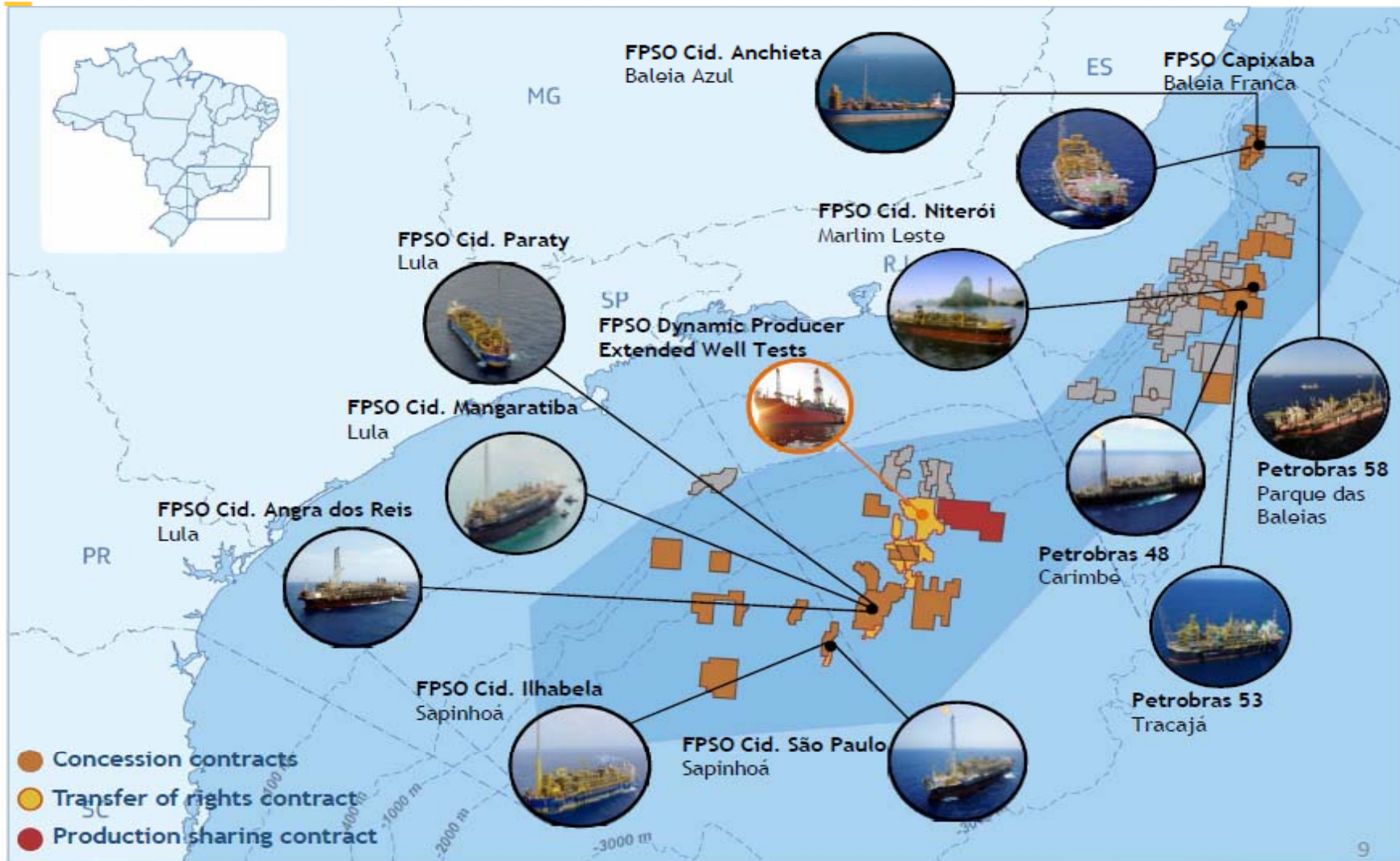
Oil & Gas: The Pre-Salt

As known, the Brazilian Pre-Salt was discovered in 2006 and covers an area of 149,000 square kilometers

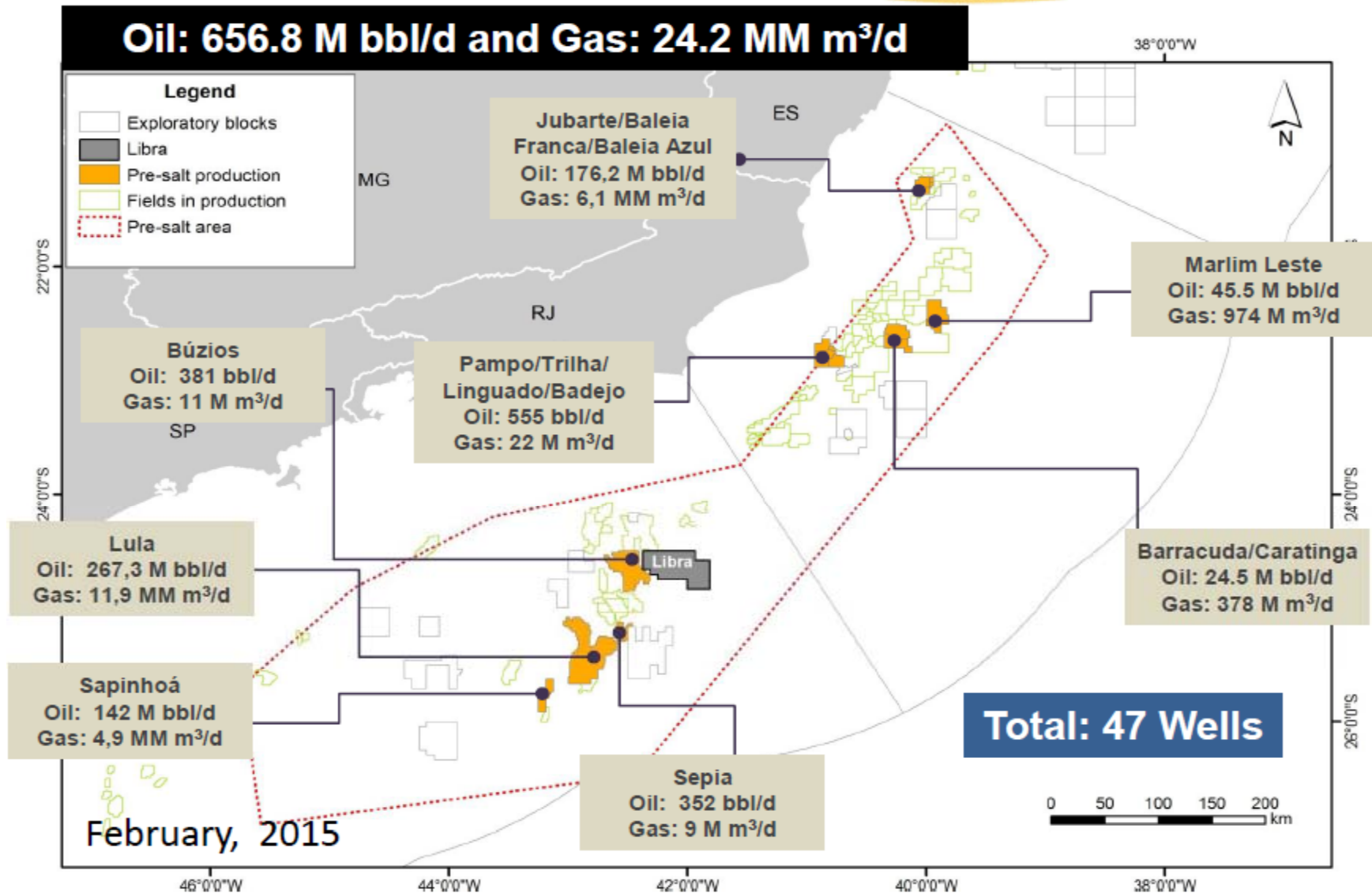


Oil & Gas: The Pre-Salt

Today, the Pre-salt production is already supported by 12 production systems and 55 wells



Pre-Salt Oil & Gas Production



Brazil's Energy Profile

JORNAL DO COMMERCIO - AM
Economia

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30/10/2015

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PETRÓLEO

Petrobras quer plataforma gigante

UNIDADE EM ESTUDO TERIA CAPACIDADE PARA PRODUIR 225 MIL BARRIS DE PETRÓLEO POR DIA

Folhapress

A Petrobras estuda a construção de uma plataforma gigante de produção de petróleo para o campo de Libra, no pré-sal da Bacia de Santos. A unidade em estudo teria capacidade para produzir 225 mil barris de petróleo e 18 milhões de metros cúbicos de gás natural por dia. Hoje, as maiores unidades em operação no Brasil podem produzir 180 mil barris de petróleo e 8 milhões de metros cúbicos de gás natural por dia.

No mundo, as maiores plataformas estão instaladas na costa oeste da África -o campo de Dalia, em Angola, por exemplo, tem uma plataforma de 240 mil barris por dia.

A busca por plataformas de maior porte tem por objetivo reduzir custos e garantir capacidade de processamento dos grandes volumes de petróleo e gás dos poços do pré-sal.

Foto: Divulgação




A licitação para plataforma gigante já foi iniciada e deve entrar em operação em 2019

Brazil's Energy Profile

DIÁRIO DO COMÉRCIO - MG
Economia

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PETRÓLEO

Produção média em Libra deverá atingir 1 milhão de barris/dia entre 2021 e 2030

Rio — A Petrobras estima que a produção somente na área de Libra, no pré-sal da Bacia de Santos, chegará a uma média diária de 1 milhão de barris de petróleo a partir de 2021. A meta foi apresentada ontem durante palestra da equipe responsável pela gestão e desenvolvimento do projeto, composta por executivos da Petrobras e empresas parceiras.

pos, desenvolvido entre 1995 e 2005, antes da alta de preços internacionais, que atingiu o patamar de US\$ 100 até julho do último ano.

Annelise coordena a equipe de trabalho responsável pelo projeto de Libra, que reúne executivos e técnicos da estatal e da Shell, Total, CNOOC e CNPC, que integram o consórcio responsável pela área. A executiva

Local Content: Subsea and Naval Equipments



Services Provided by the Trade Bureau of the Brazilian Embassies and Consulates Around the World

Brazilian Embassies and Consulate Trade Bureaus



Brazilian Embassies and Consulate Trade Bureaus

Objectives:

- Promote Brazilian exports and foreign investments in Brazil
- Facilitate the access of Brazilian companies to foreign markets
- Encourage the flow of tourists

Main activities:

- Respond to inquiries from both Brazilian and foreign companies (exporters, importers and investors)
- Produce market research reports about key products/sectors with focus on opportunities for Brazilian companies
- Organize and sponsor the participation of Brazilian companies in trade fairs and shows
- Capture and publish business and investment opportunities
- Organize and give support to trade missions, road shows and seminars

Brazilian Embassies and Consulate Trade Bureaus

Resources:

- 100 Trade Promotion Sections (SECOMs) operating in 78 countries under the administration of the Brazilian Ministry of Foreign Relations
- Our offices in Houston, Los Angeles, Miami, New York, Chicago, San Francisco, Atlanta, and Washington, D.C. are always ready to assist you in investing or doing business in Brazil.

BRAZIL EXPORT TRADE AND INVESTMENT GUIDE

www.investexportbrasil.gov.br

- Government website aimed at promoting foreign trade and attracting international investors
- Available in Portuguese, English and Spanish

Brazil Export/Import Trade and Investment Guide

www.investexportbrasil.gov.br



Brazil Export/Import Trade and Investment Guide



September 2015.

Connect with **Invest & Export Brazil – Trade and Investment Guide**, the Brazilian government website that consolidates information from more than ten official portals dedicated to trade and investment promotion.

Invest & Export Brazil offers a host of resources including:

- a directory of Brazilian exporters;
- the Brazilian Calendar of Exhibitions and Fairs;
- economic reports and commercial indicators related to Brazil;
- guides for investors;
- answers to online questions – Ask Invest & Export Brazil – from specialists at 23 agencies and organizations.

Invest & Export Brazil helps companies:

- make strong decisions regarding foreign trade and investment;
- increase their visibility in Brazil;
- develop new business opportunities.

Visit **Invest & Export Brazil**, an easy-to-use multimedia environment that organizes key resources in a streamlined layout.

www.investexportbrasil.gov.br

ApexBrasil
Ministry of Agriculture, Livestock and Food Supply
Ministry of External Relations
Ministry of Development, Industry and Foreign Trade
BRASIL

Thank You !!

**Consulate General of Brazil in Houston
Trade Promotion Bureau**

secom.houston@itamaraty.gov.br

Phone: 1-713-961-3063 # 115/116

