

EU-Brazil Relations BUSINESSEUROPE

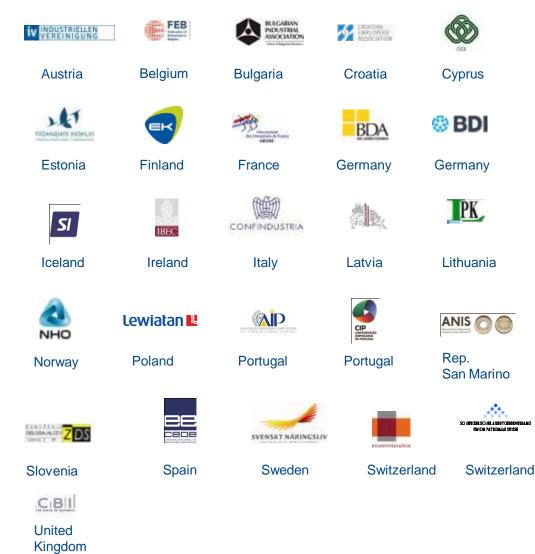
10 January 2012

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Adrian van den Hoven

11 January 2012





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Czech Republic	Denmark	Denmark
SEV	Market States	iaetrite at researchings
Greece	Hungary	Iceland
	THE WALLS CHAMBER OF COMMERCE INTERNAL AND MULTIPLE	
Luxembourg	Malta	Montenegro
Karla Gateralia Fitness Bistocol	RUZ	SERBIAN ASSOCIATION OF EMPLOYERS
Romania	Slovakia	Serbia
VNONCW The Netherlands	Turkey	TUSIAD Turkey



BUSINESSEUROPE



Brazil – Dynamic Economy

- Brazil
 - Brazil > France and UK GDP
 - Sixth biggest economy in the world
 - Young work force
 - Potential in commodities and manufacturing

2012: Attractive market for EU companies





Brazil – Economic Challenges

- Brazil faces significant challenges:
 - High inflation
 - Slowing growth rate
 - "Dutch disease" due to focus on raw materials
 - Strong currency harming its manufacturing sector
 - Poor infrastructure
 - Social challenges (but improving)

2012: High risk of protectionist pressures





Brazil – Rising protectionism

- Recent protectionist measures
 - 30 point increase in industrial-product tax on cars
 - Limits on procurement and investment
 - Limits on foreign companies in oil exploration
- MERCOSUR
 - MERCOSUR 35% tariff on 100 goods for 3 years
 - Targets: Capital goods, textiles and chemical imports

2012: BUSINESSEUROPE to remain vigilant





EU-Brazil Relations

- Vice President Tajani: EU business delegation to Brazil in December 2011
 - Signature of Memorandum of Understandings
 - SMEs
 - Raw Materials
 - Exchange of young professionals

2012: Companies interested in young professionals should contact Commission.





EU-Brazil Trade Relations

- Relations between the EU and Brazil are growing rapidly
- The EU is Brazil's biggest trading partner, accounting for 22.5% of its total trade (2009)

Goods

- EU goods exports to Brazil 2009: €21.6 billion
- EU goods imports from Brazil 2009: €25.7 billion
- Services
- EU services exports to Brazil 2009: €8.8 billion
- EU services imports from Brazil 2009: €6.3 billion
- Investment stocks
- EU Investment stocks in Brazil 2009: €112.5 billion
- Brazil investment stocks in EU 2009: €42.1 billion





EU-Brazil Trade Relations

- European Commission pushing for EU-MERCOSUR Association Agreement.
 - Negotiations at a technical level
 - Expected breakthrough after French Elections mid 2012

2012: BUSINESSEUROPE will need company support to push negotiations.





BUSINESSEUROPE-CNI Relations

- Relations are excellent
 - Successful EU Brazil Business Summit
 - EU-MERCOSUR Business meetings
 - Tax and Investment Council
 - Crop Protection Working Group

2012: BUSINESSEUROPE visit with companies





Thank you

