

# Brazil

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**Q: Could you tell us about your delegation, and what types of mining products/services are they looking to buy?**

A: We have currently 28 persons confirmed, and expect to have more than 40 Brazilian businesspeople in our group. Most of the companies are manufacturers of different equipment, such as screens, crushers, belt conveyors, feeders, ovens, dryers, ore handling and transportation equipment; as well as machined, plastic, wear, and forging parts. These companies typically assemble their products in Brazil with a share of 10 to 15 percent of imported components (in terms of value of the final product). They normally import many parts and components, but rarely do they import turn-key equipment. We also have engineering services subcontractors, and two coal mining companies. We expect other companies to join us in the next weeks.

**Q: Why should American companies consider doing business in Brazil?**

A: Brazil is one of the largest producers of minerals in the world, and its mineral output has been increasing at very high rates in the last 10 years, due to very strong international demand. Most Brazilian mining companies have been breaking their own records every year, and there are many big projects underway. Import tariffs and bureaucratic procedures, which used to be a problem in the past, have been much improved in the last years.

**Q: What are some challenges in selling to this market?**

A: Brazil has a very developed and diversified local industry of mining equipment, and therefore competition is very strong for many products. Many foreign manufacturers of mining equipment have factories in Brazil, where they manufacture or assemble products with a very high content of locally-made components, at a low cost. For this reason it is especially difficult to export turn-key equipment to Brazil. But all these local manufacturers import a large number of components. Brazil is also a large exporter of mining equipment. To start exporting to Brazil normally takes time and money, as most potential clients want to test the products before buying. Also, stocking pre-paid products is extremely expensive and nearly impossible. Financial costs in Brazil are very high, due to the high local interest rates. Normally a new exporter has to spend some money, before it can earn money in this market.

**Q: How are American products/services viewed in Brazil?**

A: American products and companies have normally a favorable image in Brazil, but there is no inherent advantage of being American, as competition from other countries and from Brazilian manufacturers is very strong.

**Q: What are some tips for U.S. businesses?**

A: It is a difficult market to sell to, but it is very big market, and many American companies are doing good business in Brazil. Finding a good local partner will be the first step, and you can visit our website at [www.buyusa.gov/Brazil](http://www.buyusa.gov/Brazil)