

Country profile : Brazil



Villes principales : Sao Paulo (21 090 791 inhab) ; Rio de Janeiro (12 166 798 inhab) ; Belo Horizonte (5 813 410 inhab); Brasília (4 201 737 inhab) ; Porto Alegre (4 179 197 inhab) ; Salvador (3 953 288 inhab); Recife (3 914 317 inhab) ; Fortaleza (3 852 705 inhab) ; Curitiba (3 449 491 inhab); Campinas (3 081 247 inhab) ; Goiânia (2 421 831 inhab) ; Manaus (2 403 986 inhab) ; Belém (2 212 653 inhab).

Urban population : 86.6 %

Technology	Environmental	Economic issues	Political stability	Customs posture
Sao Paulo has experienced a technological boom in recent years (web and mobile development). Brazil is the largest ICT market in Latin America and one of the largest in the world. The government of Brazil is investing heavily in innovation and digital transformation projects (International Trade Administration, 2018). Many multinational companies are also investing heavily in the ICT sector in Brazil.	Brazil is the first biodiversity area in the world. Over 55 minerals are present. Brazil is nicknamed: THE FARM OF THE WORLD. But it faces serious environmental challenges. For example, deforestation, illegal wildlife trade, illegal poaching, air pollution, water pollution, land degradation and severe oil spills are the most difficult. The rate of deforestation is only increasing: + 278% from July 2018 to July 2019.	Brazil is nicknamed: Unfinished Power (Arte, Le Monde...) Brazil: 8th world economy. The country is expected to announce annual GDP growth at 2.4% in 2019, according to the IMF. The government's budget balance was in deficit by 7.3% in 2018 and should remain at a similar level in 2019 and 2020. Brazil has a relatively diverse economy. Thanks to the extent of its forests which cover half of the territory and which is the largest tropical forest in the world, Brazil is the fourth largest exporter of wood in the world. It is also the world's number one producer of orange juice, sugar, coffee and the world's second largest producer of soybeans. It is also the largest exporter of halal meat trading with the Arab League. In addition, Brazil hosts the largest livestock trade in the world. Agribusiness accounts for 20% of GDP, 1/3 of jobs and 45% of foreign trade. It is the most important economic sector in Brazil.	Far-right president: Jair Bolsonaro. Very controversial by pro-Lula. Brazil suffers from social problems and has one of the highest levels of inequality in the world (= protests) Jair Bolsonaro wants to align Brazil with the USA. Brazil then obtains the title of "major ally" of the United States outside NATO. This title allows him to cooperate in a privileged way with the USA, especially in the military, technology transfer, the purchase of military equipment ... The risk today is that Brazil risks losing its autonomy. TOTAL BOLSONARO ENVIRONMENTAL DESTINY.	Bolsonaro will focus on bilateral trade agreements. Free trade policy. Political relations between the EU and Brazil are based on a framework cooperation agreement signed in 1992, a scientific and technological cooperation agreement signed in 2004 and a framework cooperation agreement with Mercosur signed in 1995. Its rapprochement with the USA imposes tensions with certain countries like Nicaragua, Venezuela and Cuba. Bolsonaro even says that China is a threat to Brazil.

Who is this country already trading with ?

Brazil's main trading partners are China, the United States, Japan, Mercosur countries (especially Argentina) and the European Union (especially the Netherlands and Germany).

What are the main problems facing Brazil ?

- Environmental challenges (air pollution, water pollution ...)
- The labor code is very heavy, involving significant costs and maintaining a good part of national activity in the informal sector;
- The tax system is complex, and customs duties are high;
- Production costs are high, while inflation is persistent;
- The infrastructures are insufficiently developed;
- Some foreign investors encounter difficulties with regulatory organism (high degree of regulatory risk);
- Brazil suffers from the variability of raw material prices on international markets;
- The country suffers from political and social tensions and corruption;
- Finally, there is a shortage of highly qualified manpower.