



Integration

BRAZIL – The next big thing?

Challenges and Opportunities

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Integration Consulting – from Brazil to the world

Results

- More than 800 projects implemented
- For more than 150 companies across almost every economic sector, including : Cadbury Adams, DHL, Danone, Diageo, Exxon Mobil, Grupo Pão de Açúcar, Johnson & Johnson, Mastercard, Microsoft, Nestlé, Nokia, Pepsico, Reckitt Benckiser, Sadia, Suzano, Vale and Unilever
- With a high rate of repeat business from clients in diverse projects and countries

Coverage

- Projects performed in over 20 countries, including regions such as Latin America, US, Europe and Middle East
- Six offices in the world: Sao Paulo, Rio de Janeiro, Mexico City, Buenos Aires, Santiago and London.

Team

- More than 200 consultants with a broad international experience



BRAZIL – An overview



Language:

Portuguese

Population:

192 million (5th largest in the world)

GDP:

USD 2.025 bi (9th largest in the world)

GDP concentration:

35% of Brazil's GDP concentrated in 20 largest cities. *Main cities: São Paulo (10%), Rio de Janeiro (5%)*

Regions

5 regions – North, Northeast, Center-West, Southeast and South.

Expected growth:

5 years - 7% CAGR

10 Years - 6.5% CAGR

BRAZIL – other key facts



Part of BRICs countries

BRICs already represent 50% of total economic growth in the world and 15% of total GDP in the world.

Focus of direct investment

30% increase in Foreign Direct Investment (FDI) - 2009 vs 2008

Worldwide: 14% reduction

Sophisticated Financial Market

BMF&Bovespa is the second largest stock exchange in terms of capitalization (1st - Hong Kong)

Growing middle class

From 42 to 52% of population considered class C (US\$600-2,900 per month)

Reduction of inequality over the past 10 years (GINI 1998 - 60.7; 2008 – 54.4 / USA 2008 – 45)



2014 World Cup
12 major cities

Direct investment: **~10 billion USD**

2016 Olympic Games
Rio de Janeiro

Direct investment: **~15 billion USD**

2014 Pre-sal
Rio de Janeiro

Direct investment: **~4 billion USD***



2014 World Cup
12 major cities

2016 Olympic Games
Rio de Janeiro

2014 Pre-sal
Rio de Janeiro

Total investment expected to the economy:

100 billion USD

- Infrastructure
- Transport
- Service





OPPORTUNITIES

- “**Recession-free**” country at least for the next 6 years
- **Politically stable**
- Controlled **inflation**
- Strong & stable **currency** (BRL Real)
- **Cheap unskilled** workforce



CHALLENGES

- High interest rates (8.75%)
- Burocracy (129th on Ranking “ Ease of Doing Business League – 129 days to start a company)
- Complex **tax system** (states have different taxes + different taxes and double taxation)
- High import duties
- Expensive skilled workforce



HOW TO APPROACH?

- Get professional advisory from Lawyer and Accountants
- Get local people to support you in understanding the culture (organized field trips, events, talking, searching, visiting...)
- Respect, accept and adapt.



THANK YOU!!

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