

## Business in Brazil

Brazil is the largest country and economy in South America. It is simply too big to be ignored. With an area of 8.5 million km<sup>2</sup> and a population of approximately 190 million, it hosts 49.7% of the entire region population and produces 57.4% of its GDP. Also, Brazil has considerable oil and scarce raw materials reserves, the world's largest reserves of tropical forest, biodiversity and flows of fresh water (25%), a developed industrial base, high standards in scientific research and considerable human capital.

## Life Science Sector in Brazil

### Market overview

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Accessing the Brazilian market is the priority for most international and local companies. The number of M&A and partnering deals is rising. The government is encouraging partnerships to produce drugs in the country. Although there were advances in the last few years, the country has still to work with important challenges, especially in terms of regulatory issues, infra-structure to biologics production and manpower. Innovation is happening in the country, due to the research competence in several areas. However, most of the technologies are still in the early stages of development and the number of life science companies is growing.

During the past fifteen years Brazil has experienced unprecedented political stability and economic growth. The Plano Real economic reforms that were introduced in the last decade of the 20th century allowed the country's economy to successfully take off during the last ten years. In 2010 national GDP grew by 7.5%.

The pharmaceutical market in Latin America is growing and the region has 5.3% market shares comprising USD 42 billion of the Global Pharma Sales, with 16.3% growing since 2009.

### Opportunities in Brazil

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Brazil has a broad and sophisticated industrial base and the government continues its programme of privatisation and deregulation. There is also a growing middle class in Brazil who have real spending power and who appreciate high quality merchandise. If a product or service is generally competitive in world markets it is also likely to be so in Brazil. The demand for Business Development (BD) professionals (59.8%) in Brazil is quite evident, especially due to the company's current stage of development and the importance of attracting investors and strategic partnerships. There is a strong demand in the following areas:

- Pharmaceutical and biological drugs
- Medical devices
- Healthcare IT and diagnostics

Brazil's scenario for the advances over the past 3-5 years involved:

- Governmental programs to foster innovation and develop bioindustry
- Increasing number of technology transfer offices at the main universities
- Initiatives to establish venture capital funds dedicated to life sciences
- Local big companies investments and interest in innovative products
- International big companies effort to reach scientific projects
- Increasing number of new start up companies
- Improved regulatory environment
- Public mechanisms to finance small companies (until 2010 and 2013)

Source: UK Trade & Investment (<http://www.ukti.gov.uk>),  
Biominas Brazil (<http://bit.ly/1cepAca>), Franhoven Moez (<http://bit.ly/1cepYrc>)

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