

# Brazil

## July 2024

### Executive Summary

This country fact sheet provides key trade and investment-related statistics for Brazil. Specifically, it shows Brazil's trade and investment flows in relation to both South Africa and the Western Cape, including an analysis of top markets and products. The report highlights the largest and fastest-growing products, and their sub-sectors. It also looks at tourism trends between Brazil and South Africa, and those relating to Brazil and the Western Cape.

### Trade

In 2023, South Africa's exports to Brazil were valued at ZAR8.33bn, representing an increase of 0.74% y-o-y from the ZAR8.27bn recorded in 2022. In turn, the country's imports from Brazil totalled ZAR26.43bn in 2023, amounting to an increase of 1.65% y-o-y from a cost of ZAR26.00bn incurred in 2022.

South Africa's dominant export category to Brazil in 2023 was coal; briquettes. At a value of ZAR1.29bn, this was equivalent to 15.54% of the value of the country's total exports to Brazil. South Africa's main import from Brazil was original equipment components, costing ZAR4.222bn which was equivalent to 18.51% of the cost of South Africa's total imports from the country in 2023.

The Western Cape's export receipts from trade with Brazil totalled ZAR0.71bn in 2023, representing an increase of 9.88% y-o-y from the ZAR0.65bn earned in 2022. In turn, the value of the Western Cape's imports from Brazil declined by 4.72% y-o-y to a cost of ZAR2.99bn in 2023, down from ZAR3.14bn in 2022.

The province's leading export product to Brazil in 2023 was natural calcium phosphates which, at a value of ZAR88.36m, amounted to 12.43% of the value of the province's exports to Brazil in 2023.

### Investments

From January 2014 to May 2024, Brazil invested in four projects in South Africa which were worth ZAR882.10m in capital expenditure (capex). And during the same period, South Africa invested in 12 projects in Brazil, amounting to ZAR2.31bn in capex.

### Tourism

In 2023, a total of 25,672 Brazilian tourists arrived in South Africa, reflecting a significant increase of 74.32% when compared to the same period in 2022.

The Western Cape welcomed 11,319 tourists from Brazil, representing a y-o-y growth of 113.45% when compared to 2022.

**Contents**

1 Economic Overview ..... 3

2 Trade ..... 4

    2.1 South Africa’s Trade with Brazil..... 4

    2.2 Western Cape’s Trade with Brazil..... 6

3 Foreign Direct Investment..... 7

    3.1 Global FDI in Brazil..... 7

    3.2 Bilateral FDI: Global Outward Foreign Direct Investment from Brazil ..... 9

    3.3 Bilateral FDI: Brazil’s FDI in South Africa..... 11

    3.4 Bilateral FDI: South Africa’s FDI in the Brazil..... 12

    3.5 Bilateral FDI: Brazil’s FDI in the Western Cape ..... 13

    3.6 Bilateral FDI: Western Cape’s FDI in Brazil..... 14

4 Tourism ..... 15

    4.1 Tourist Arrivals from Brazil in South Africa, 2019–2023 ..... 15

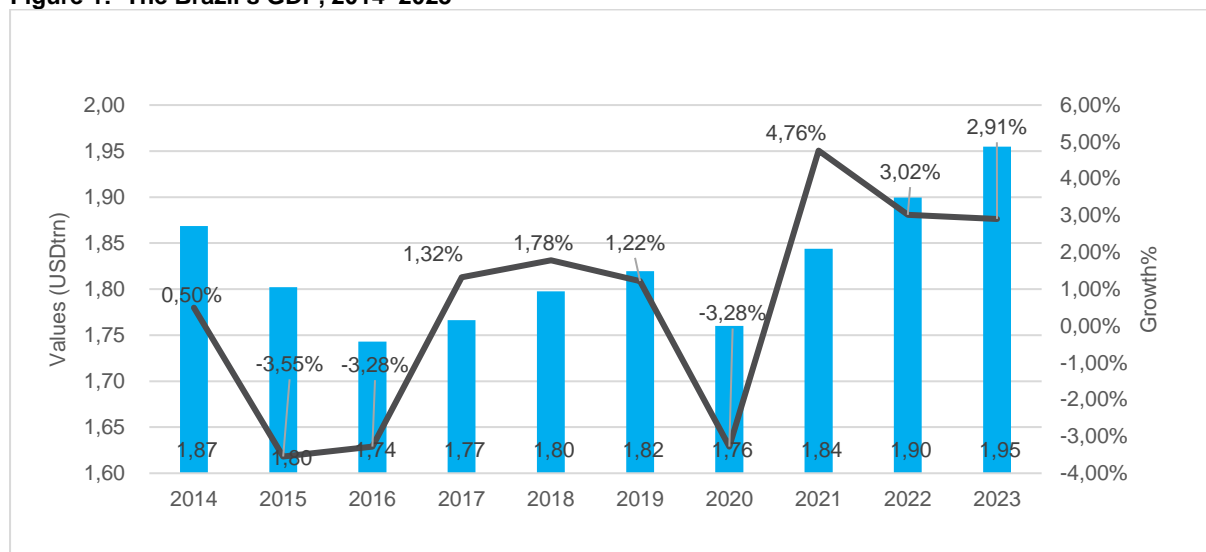
    4.2 Tourist Arrivals from Brazil in the Western Cape ..... 15

    4.3 Passenger Movement from Brazil through Cape Town International Airport ..... 16

## 1 Economic Overview

Despite the obstacles posed by the Covid-19 pandemic, Brazil's economy has displayed resilience overall which can be attributed in part to the country's swift policy responses. Over the past decade, the nation has achieved reasonable economic growth albeit with fluctuation, with a five-year annual average growth rate in gross domestic product (GDP) of 1.73%. As illustrated in Figure 1, the country's GDP declined by 3.28% in 2020 but rebounded strongly in 2021, growing at a rate of 4.76% to reach USD1.84trn. Despite global stagflation and efforts to address the debt crisis, the economy grew by 3.02% to USD1.90trn in 2022. In 2023, Brazil's economic growth slowed down, recording a 2.91% y-o-y growth from USD1.90trn in 2022 to USD1.95trn in 2023. According to Euromonitor, the country's growth in 2023 was mainly driven by strong domestic demand, while job creation boosted household income, resulting in a significant rise in private spending (up by 2.3% y-o-y) and public consumption (up by 1.5% y-o-y).

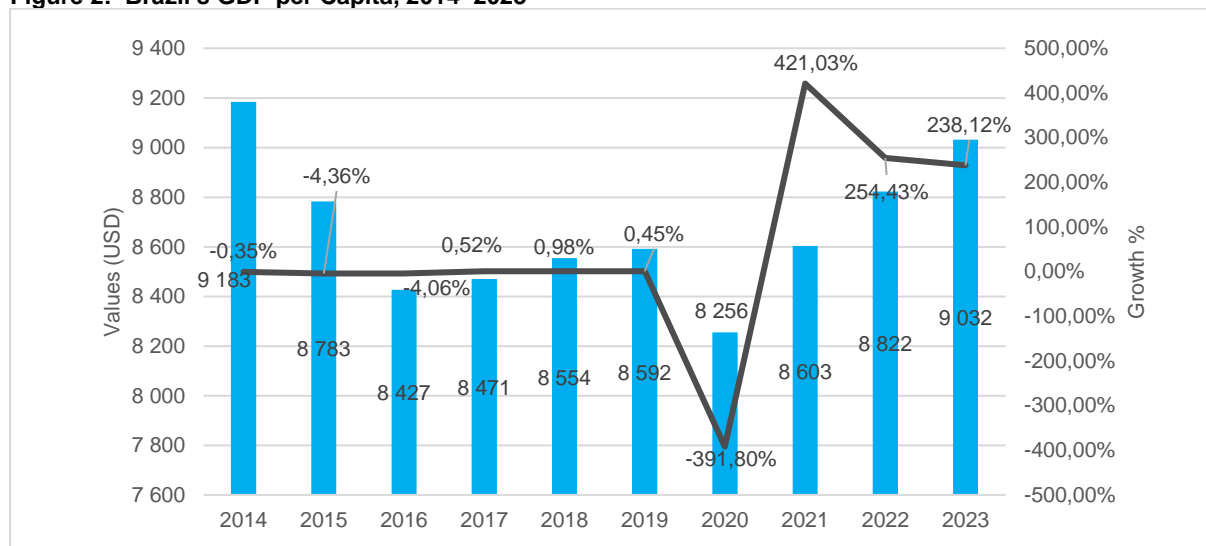
**Figure 1: The Brazil's GDP, 2014–2023**



Source: World Bank (2024)

Brazil's GDP per capita fluctuated between USD9,183 in 2014 and USD9,032 in 2023. This can be seen in Figure 2. GDP per capita eased to USD8,256 in 2020 – a decline of 3.28% on 2019's level of USD8,592 – as the impact of Covid-19 was increasingly felt by the national economy. The downturn was short-lived, however, with GDP per capita rebounding to USD9,032 in 2023, underpinned by an economic expansion which was fuelled largely by increased consumer spending. This positive trajectory can be attributed to the country's ongoing efforts to maintain economic growth, attract investments, and implement structural reforms, all of which are indications of Brazil's dedication to economic advancement and development over the years.

**Figure 2: Brazil's GDP per Capita, 2014–2023**

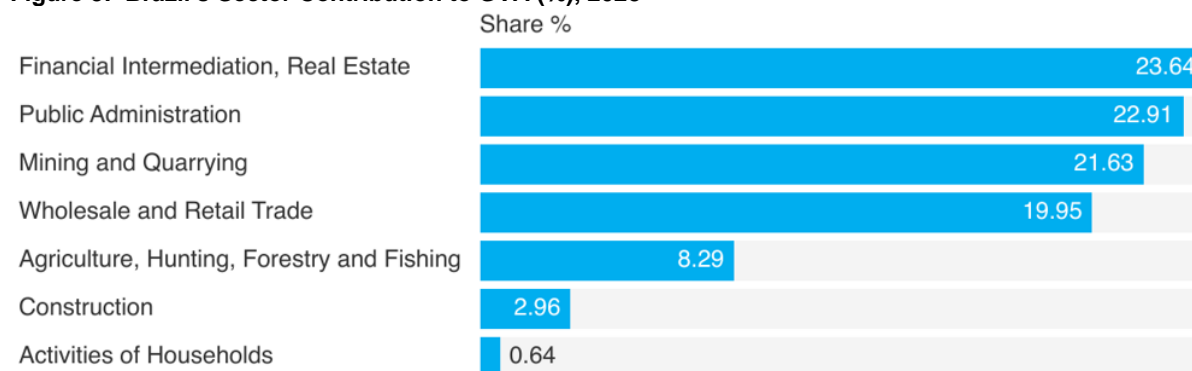


Source: World Bank, 2024

Figure 3 illustrates the sectoral contributions to Brazil's gross value added (GVA) in 2023. The primary contributors to GVA were the following sectors:

- financial intermediation, real estate, renting and business activities (with a share of 23.64%)
- public administration and defence; education; health; community; social and personal service activities; other activities (with a share of 22.91%)
- mining and quarrying (with a share of 21.63%)
- wholesale and retail trade; repair of motor vehicles, personal and household goods; hotels and restaurants; transport, storage and communications (with a share of 19.95%)

**Figure 3: Brazil's Sector Contribution to GVA (%), 2023**



Source: Euromonitor (2024)

## 2 Trade

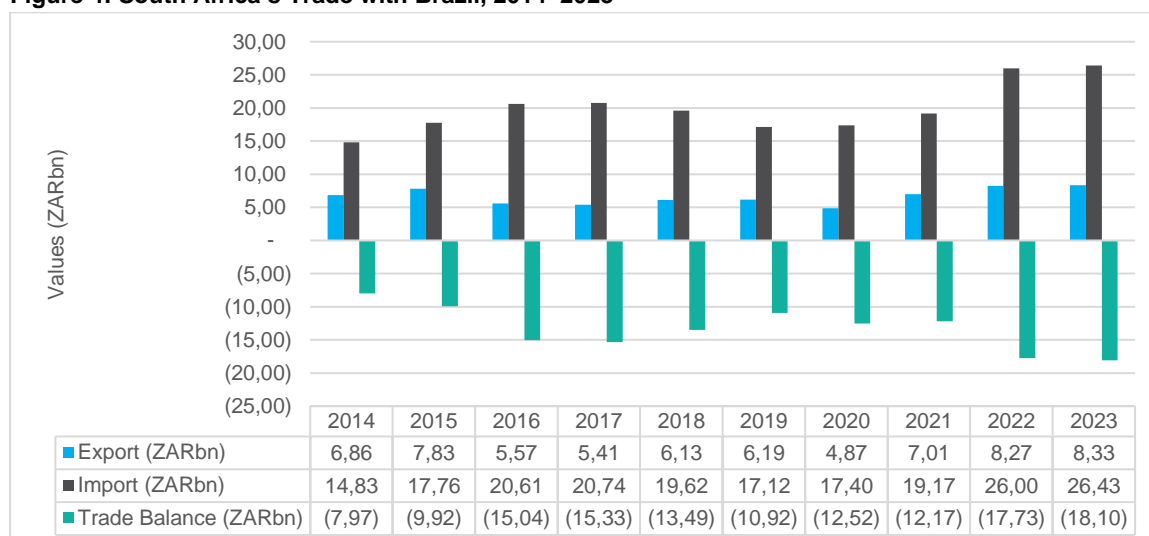
This section examines Brazil's trade flows with South Africa and with the Western Cape between 2014 and 2023.

### 2.1 South Africa's Trade with Brazil

South Africa's exports to Brazil increased overall over the period 2014 through 2023, with earnings rising from ZAR6.86bn in 2014 to ZAR8.33bn in 2023, and with fluctuation. This is illustrated in Figure 4. These fluctuations were influenced in part by the repercussions of Covid-19 and the Russia–Ukraine conflict which impacted trade dynamics between the two countries.

Looking at imports, the value of South Africa's imports from Brazil grew significantly over the decade reviewed, from a cost of ZAR14.83bn incurred in 2014 to ZAR26.43bn in 2023. South Africa's trade balance with Brazil remained firmly in a deficit throughout the period under review, widening from a shortfall of ZAR7.97bn in 2014 to ZAR18.10bn by 2023.

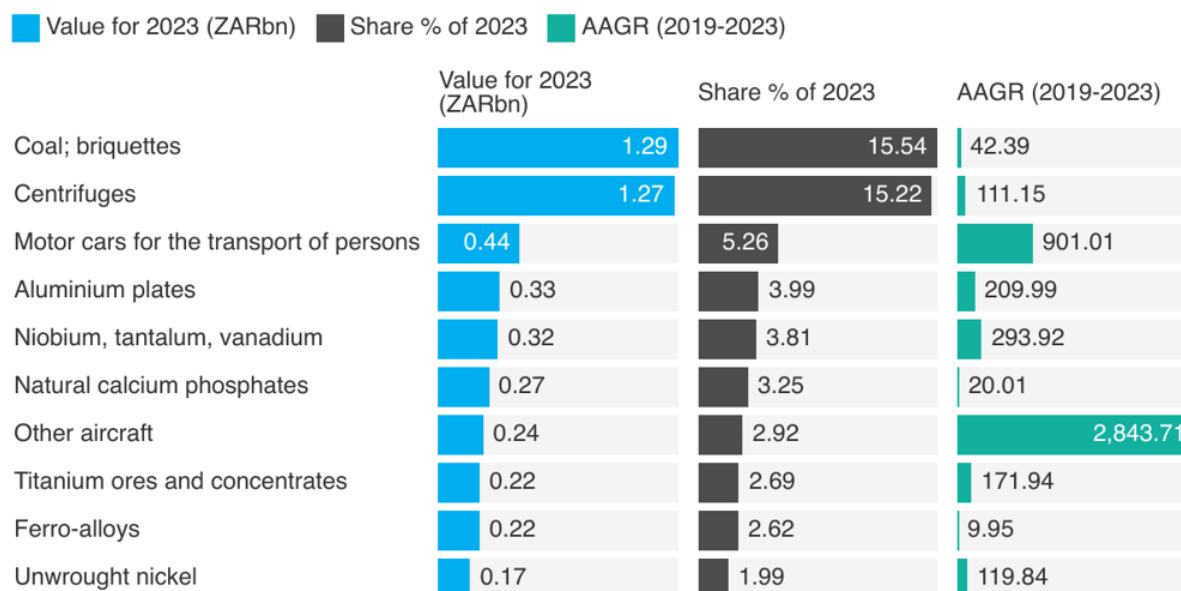
**Figure 4: South Africa's Trade with Brazil, 2014–2023**



Source: Quantec (2024)

Coal; briquettes was South Africa's largest export product to Brazil in 2023, as shown in Figure 5. At a value of ZAR1.29bn, this accounted for 15.54% of South Africa's total export earnings from Brazil. The second largest export product was centrifuges at a value of ZAR1.27bn (15.22% of export earnings), while exports of motor cars for the transport of persons placed third, at a value of ZAR0.44bn (5.26%). The fastest-growing export product was other aircraft, which had a five-year average growth rate of 2,843.71% between 2019 and 2023. In this respect, exports of motor cars for the transport of persons followed with a five-year average growth rate of 901.01%.

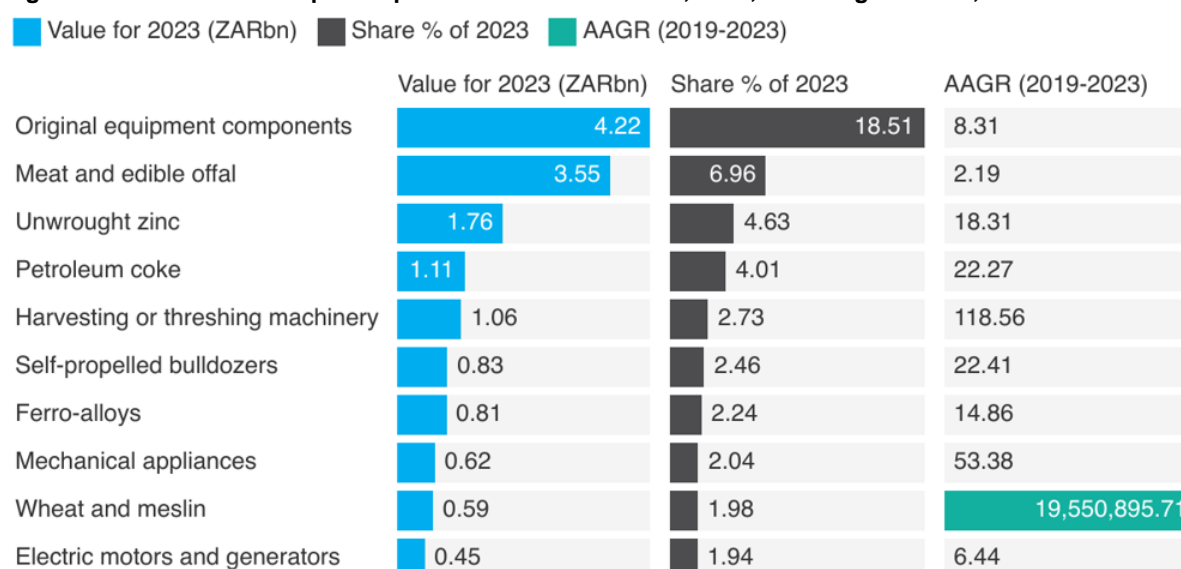
**Figure 5: South Africa's Top 10 Export Products to Brazil, 2023, & Average Growth, 2019–2023**



Source: Quantec (2024)

Figure 6 shows that South Africa's top imported product from Brazil in 2023 was original equipment components. At a value of ZAR4.22bn, imports of this product accounted for 18.51% of the cost of total imports from Brazil to South Africa in that year. This was followed by imports of meat and edible offal which cost ZAR3.55bn. In third place was the import category of unwrought zinc, costing ZAR1.76bn.

**Figure 6: South Africa's Top 10 Import Products from Brazil, 2023, & Average Growth, 2019–2023**

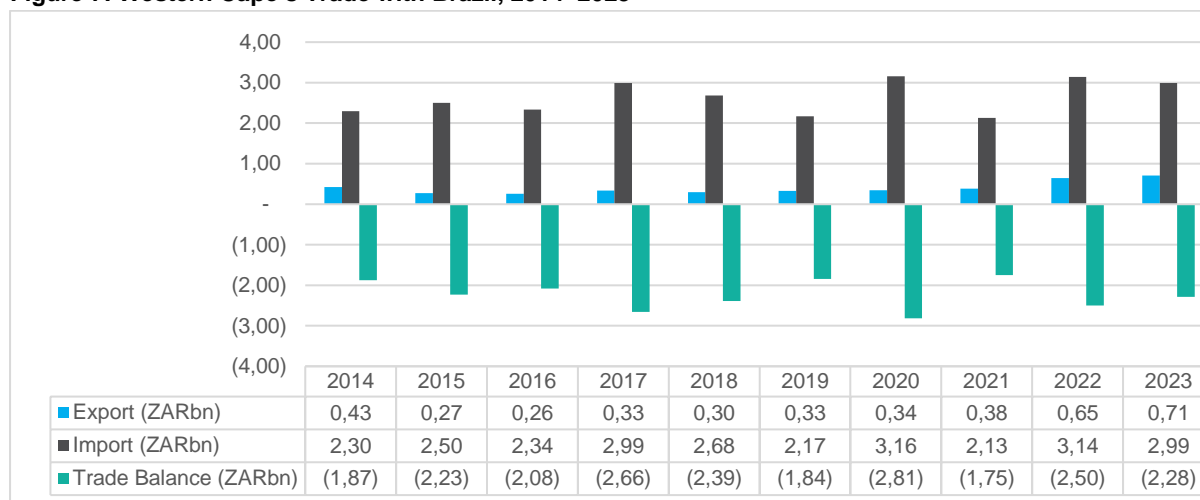


Source: Quantec (2024)

## 2.2 Western Cape's Trade with Brazil

The Western Cape's export receipts from trade with Brazil totalled ZAR0.71bn in 2023, representing an increase of 9.88% y-o-y from a value of ZAR0.65bn earned in 2022. This can be observed in Figure 7. In turn, the province's import costs from Brazil totalled ZAR2.99bn in 2023, amounting to a decline of 4.72% in relation to the cost of ZAR3.14bn recorded in 2022. The province's trade balance with Brazil remained firmly in a deficit throughout the period under consideration, highlighting the importance locally of Brazil's imports.

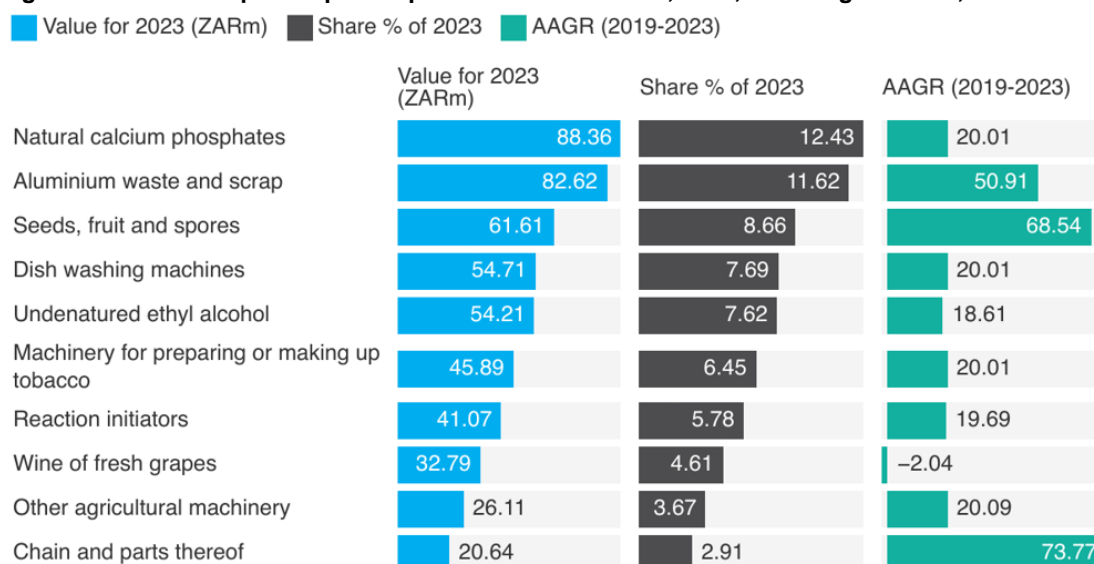
**Figure 7: Western Cape's Trade with Brazil, 2014–2023**



Source: Quantec (2024)

Figure 8 shows that the Western Cape's leading export product to Brazil in 2023 was natural calcium phosphates. Valued at ZAR88.36m, this was equivalent to 12.43% of the value of the province's total exports to Brazil in that year. Aluminium waste and scrap placed second, with exports valued at ZAR82.62m. In third place was the export category of seeds, fruit and spores, at a value of ZAR61.61m. Exports of chain and parts thereof was the fastest-growing export category, having recorded a five-year average growth rate of 73.77% between 2019 and 2023.

**Figure 8: Western Cape's Top 10 Export Products to Brazil, 2023, & Average Growth, 2019–2023**



Source: Quantec (2024)

The Western Cape's top import product from Brazil in 2023 was meat and edible offal, as shown in Figure 9. At a value of ZAR851.37m, this was equivalent to 28.43% of the cost of the province's total imports from the Latin American country in that year. Petroleum oils and oils obtained from bituminous minerals, other than crude was the second largest import category at a cost of ZAR213.67m, while unwrought zinc placed third at a value of ZAR164.36m. Food preparations was the fastest-growing import category during the period 2019–2023, with a five-year annual average growth rate of 136.13%.

**Figure 9: Western Cape’s Top 10 Import Products from Brazil, 2023, & Average Growth, 2019–2023**

■ Value for 2023 (ZARm) ■ Share % of 2023 ■ AAGR (2019-2023)

	Value for 2023 (ZARm)	Share % of 2023	AAGR (2019-2023)
Meat and edible offal	851.37	28.43	24
Petroleum oils and oils obtained from bituminous minerals, other than crude	213.67	7.13	20
Unwrought zinc	164.36	5.49	70.8
Gelatin	143.52	4.79	39.56
Coffee	124.6	4.16	109.14
Guts, bladders and stomachs of animals	119.99	4.01	18.45
Flours, meals and pellets	118.05	3.94	6.5
Uncoated paper and paperboard	95.39	3.19	86.88
Plywood, veneered panels and similar laminated wood	90.77	3.03	21.23
Food preparations	81.94	2.74	136.13

Source: Quantec (2024)

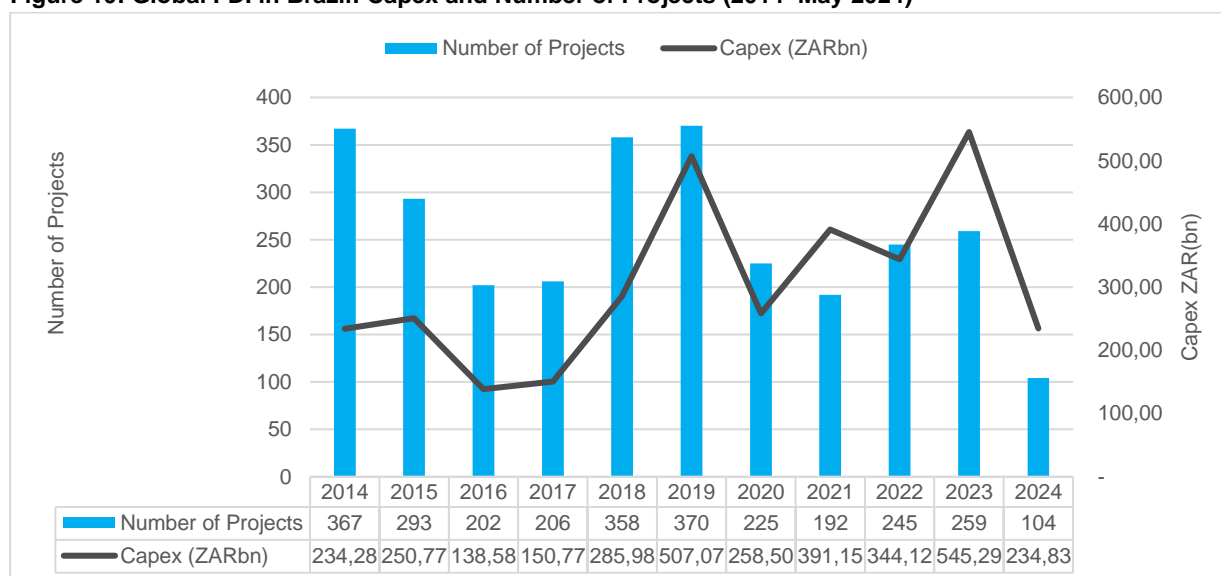
### 3 Foreign Direct Investment

This section examines foreign direct investment (FDI) flows between Brazil and South Africa, and between Brazil and the Western Cape.

#### 3.1 Global FDI in Brazil

Brazil benefited from 2,821 global inward FDI projects from January 2014 to May 2024, as shown in Figure 10. These projects amounted to a total capital expenditure (capex) of ZAR3.34trn, which equated to an average investment of ZAR1.18bn per project. The FDI projects generated 424,667 jobs. During this period, the number of FDI projects varied from 367 in 2012 to 104 projects in the first five months of 2024. The capex value of these projects fluctuated between ZAR234.28bn in 2014 and ZAR234.83bn in 2024.

**Figure 10: Global FDI in Brazil: Capex and Number of Projects (2014–May 2024)**

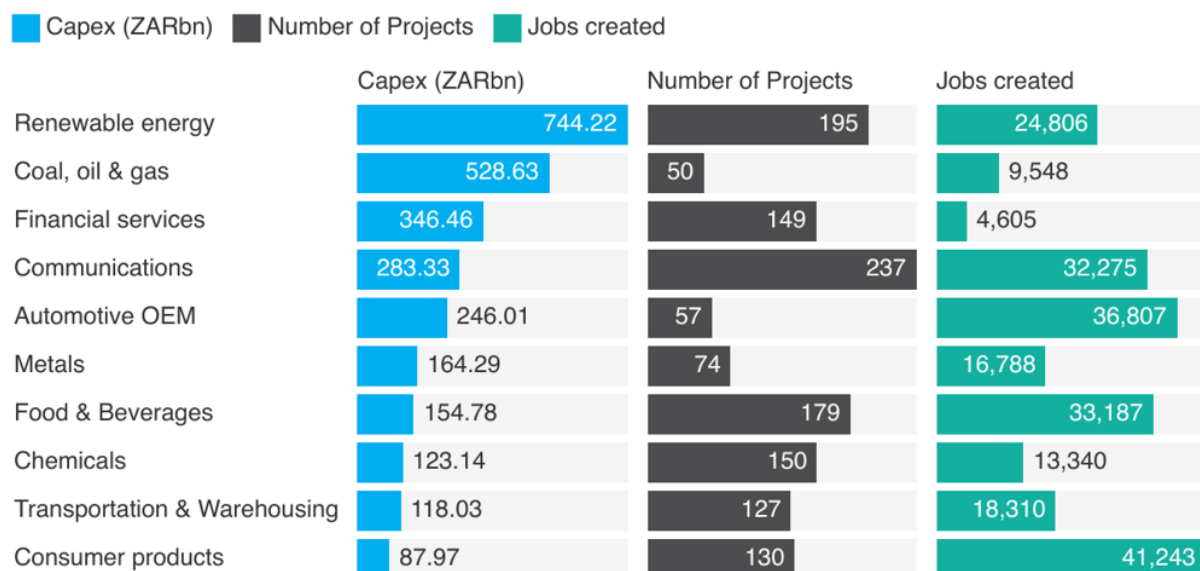


Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

Note: The data for the year 2024 covered the period from January to May.

From January 2014 to May 2024, the renewable energy sector was the largest recipient of global FDI (in terms of capex) in Brazil. Investments in this sector amounted to ZAR744.22bn from 195 projects which generated 24,806 jobs during this period. The sectors relating to coal, oil and gas; and financial services were the second and third largest recipients of FDI (in terms of capex), with these sectors having benefited from investments worth ZAR528.63bn and ZAR346.46bn respectively. These figures are presented in Figure 11.

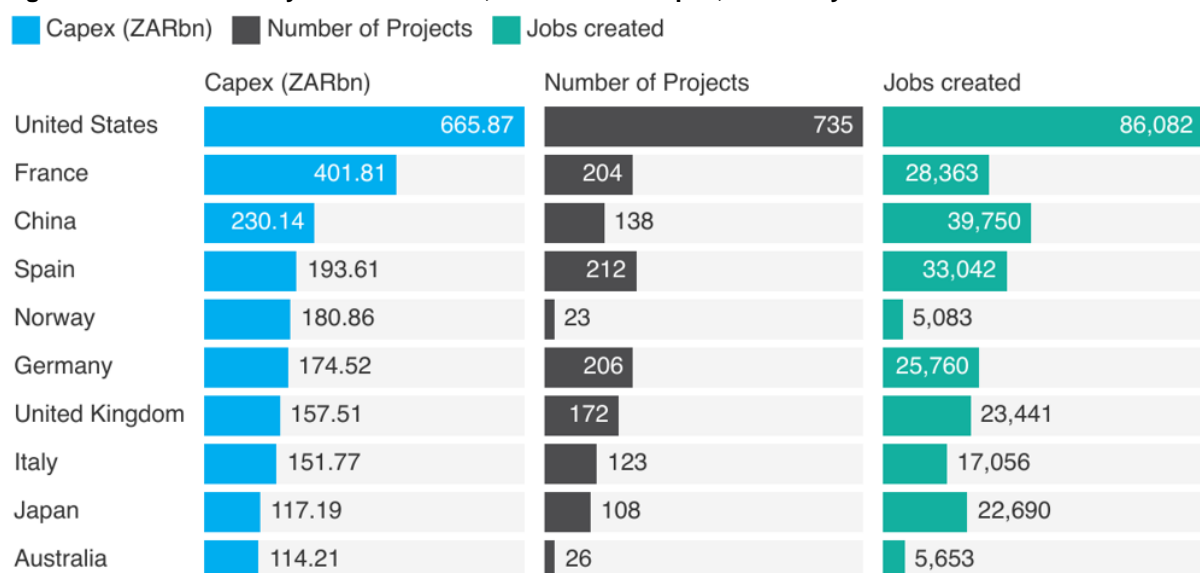
**Figure 11: Global FDI in Brazil by Sector, Measured in Capex, 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

In terms of key source markets, the United States was the main source market for FDI in Brazil when measured in capex. The United States invested ZAR665.87bn in Brazil from January 2014 to May 2024, as illustrated in Figure 12. France followed with investments totalling ZAR401.81bn across 204 projects in Brazil during this period. China was in third place with investments amounting to a capex value of ZAR230.14bn from 138 projects, which led to the creation of 39,750 jobs. Interestingly, six of the top ten investors in Brazil were from Europe.

**Figure 12: FDI in Brazil by Source Markets, Measured in Capex, 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

Figure 13 shows that TotalEnergies (Total) was the top investor in Brazil, with capex amounting to ZAR156.73bn and generating an estimated 2,765 jobs during this period. Equinor (Statoil) in the coal, oil and gas sector was the second largest investor with a capex value of ZAR155.82bn. Enegix Energy followed with investments amounting to a capex value of ZAR83.15bn.



**Figure 13: Global Companies Investing in Brazil, measured in Capex, 2014–May 2024**

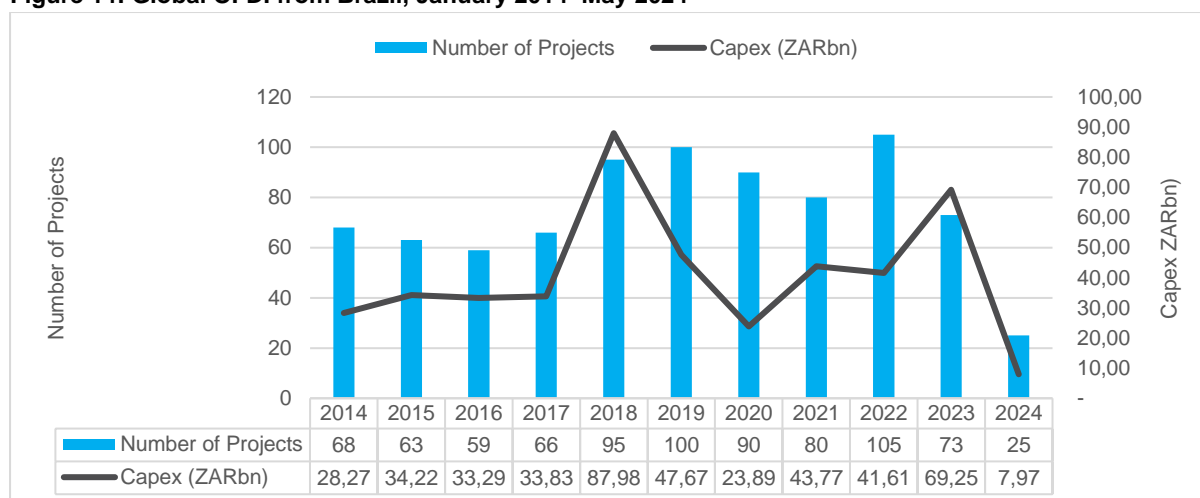
	Capex (ZARbn)	Projects	Jobs created	Sectors
TotalEnergies (Total)	157	13	2,765	Coal, oil & gas
Equinor (Statoil)	156	3	3,372	Coal, oil & gas
Energix Energy	83	2	2,836	Renewable energy
Bravo Motor Company Brasil	67	1	3,000	Automotive OEM
TransGas Development Systems	58	2	487	Coal, oil & gas
Golar Power	58	6	998	Coal, oil & gas
Sul Americana de Metais	49	2	3,139	Metals
Voltalia	49	16	2,281	Renewable energy
MercadoLibre	47	12	16,880	Consumer products
Celulosa Arauco y Constitucion	46	1	3,000	Wood products

Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved

### 3.2 Bilateral FDI: Global Outward Foreign Direct Investment from Brazil

Figure 14 indicates that between January 2014 and May 2024, Brazilian companies engaged in outward foreign direct investments (OFDI) in 824 projects worldwide. These investments cumulatively amounted to a capex value of ZAR0.45trn, translating to an average investment of ZAR547.64m per project. During this period, the OFDI projects generated 87,101 job opportunities.

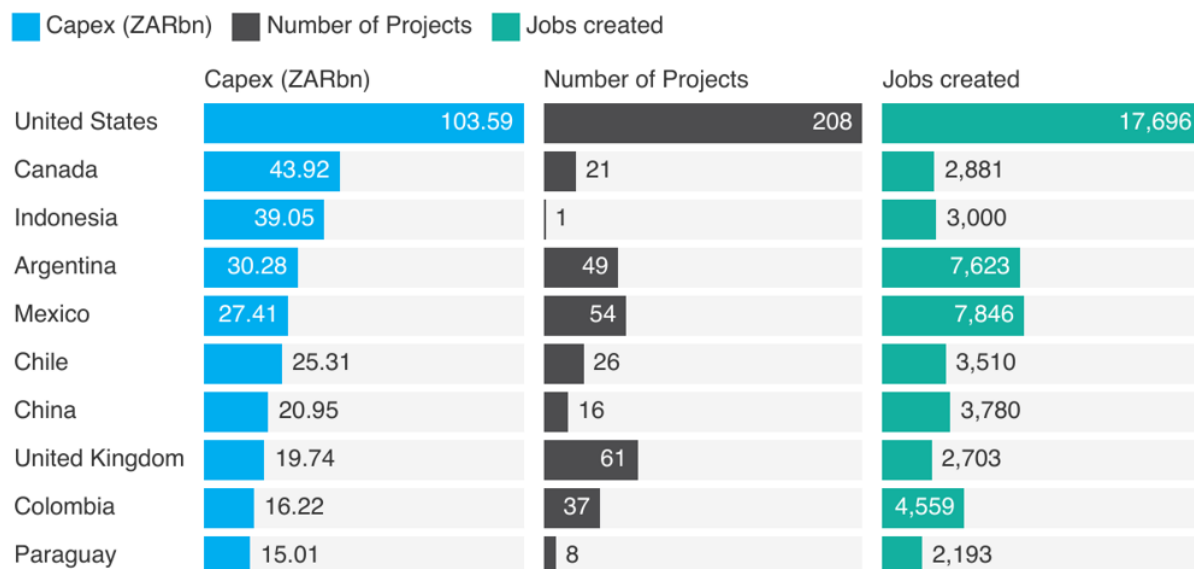
**Figure 14: Global OFDI from Brazil, January 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved. The data for the year 2024 covered the period from January to April.

In terms of destination markets for OFDI from Brazil, Figure 15 shows that the United States was the top recipient, having received investments worth ZAR103.59bn in capex from 208 projects between 2014 and May 2024. This was followed by Canada and Indonesia with each of these markets having gained from investments worth ZAR43.92bn and ZAR39.05bn in capex, respectively.

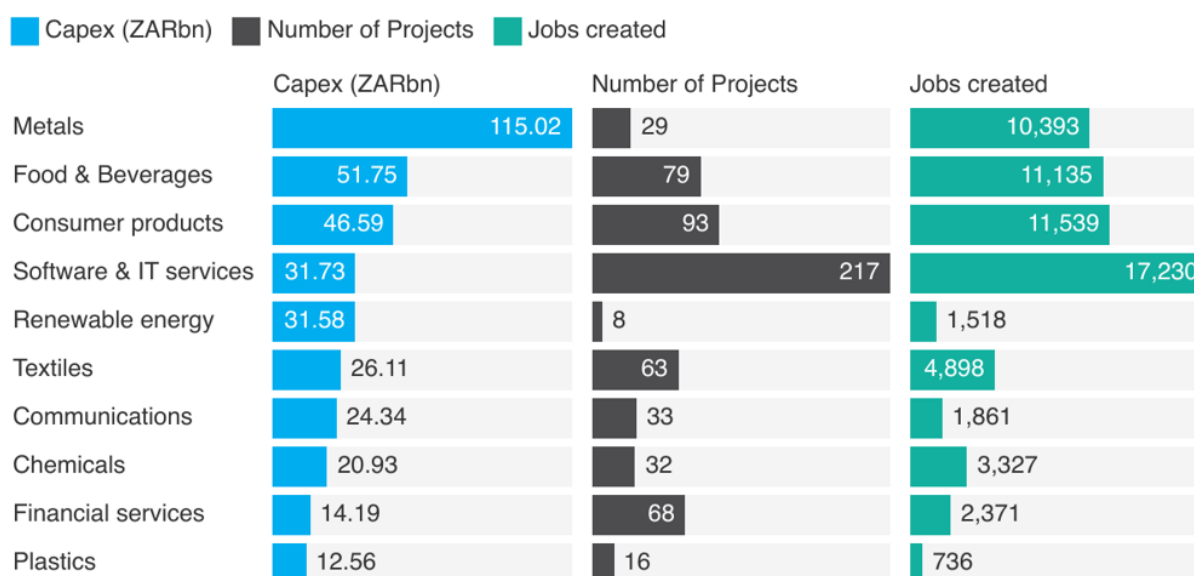
**Figure 15: Destination Markets for OFDI from Brazil in Capex, 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

Figure 16 depicts the top sectors that benefited from OFDI from Brazil between January 2014 and May 2024. The metals sector was the largest recipient for OFDI from Brazil, having received investments valued at ZAR115.02bn in capex spread across 29 projects. The food and beverages sector was the second largest recipient of OFDI with investments valued at ZAR51.75bn in capex. Following closely in third place was the consumer products sector with investments totalling ZAR46.59bn emanating from 93 projects that resulted in the creation of 11,539 jobs.

**Figure 16: Top Sectors for OFDI from Brazil, Measured in Capex, 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

The top 10 Brazilian companies (in capex) which engaged in OFDI from January 2014 to May 2024 are listed in Figure 17. Vale (Companhia Vale do Rio Doce) invested in eight projects in the metals sector with a capex value of ZAR52.50bn. Vale Indonesia was the second largest investor, having invested in a single project with an accumulative capex value of ZAR39.05bn. Aesop placed third with 31 projects amounting to an accumulative capex of ZAR13.28bn.

**Figure 17: Global OFDI from Brazilian Companies, Jan 2014–May 2024**

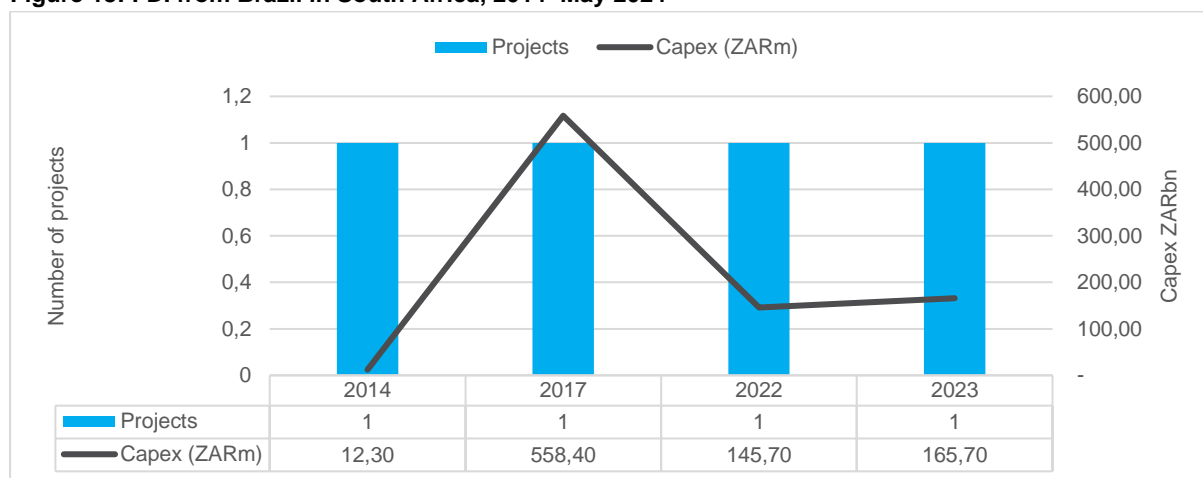
	Capex (ZARbn)	Number of Projects	Jobs created	Sectors
Vale (Companhia Vale do Rio Doce)	53	8	3,954	Metals
Vale Indonesia	39	1	3,000	Metals
Aesop	13	31	2,805	Consumer products
Odata	13	5	478	Communications
Natura	13	17	2,802	Consumer products
ECB Group	12	1	1,000	Renewable energy
Braskem	11	6	185	Chemicals
Latin America Power	10	3	326	Renewable energy
Petrobras	9	1	233	Coal, oil & gas
Marcopolo	9	1	1,727	Automotive OEM

Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

### 3.3 Bilateral FDI: Brazil’s FDI in South Africa

Between January 2014 and May 2024, Brazilian companies invested in four projects in South Africa. This translated to ZAR882.10m worth of capex and resulted in the creation of 297 jobs. Figure 18 shows that during this time, the capex value fluctuated between ZAR12.30m in 2014 and an estimated ZA165.70m in 2023.

**Figure 18: FDI from Brazil in South Africa, 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved. The data for the year 2024 covered the period from January to April.

Figure 19 illustrates the South African sectors in which Brazil invested between January 2014 and May 2024. The top South African recipient for FDI from Brazil was the aerospace sector which received ZAR558.38m in capex in a single project, resulting in 80 jobs. This was followed by the consumer products sector which benefited from ZAR165.67m in capex in a single project that ultimately created 187 jobs. The financial services sector placed third with investments worth ZAR158.01m in capex invested in a single project.

**Figure 19: FDI from Brazil in South African Sectors, Measured in Capex, January 2014–May 2024**

	Capex (ZARm)	Number of Projects	Jobs created
Aerospace	558.38	1	80
Consumer products	165.67	1	187
Financial services	158.01	2	30

Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

Figure 20 lists the top Brazilian companies that invested in South Africa from January 2014 to May 2024. Embraer (Embraer-Empresa Brasileira de Aeronautica) invested the most when looking at capex – ZAR558.40m which generated an estimated 80 jobs during this period. This was followed by Avon products in the consumer products sector which invested in ZAR165.70m in capex, resulting in 187 jobs. Fox Rubicon Capital Partners placed third with a single project valued at ZAR145.70m.

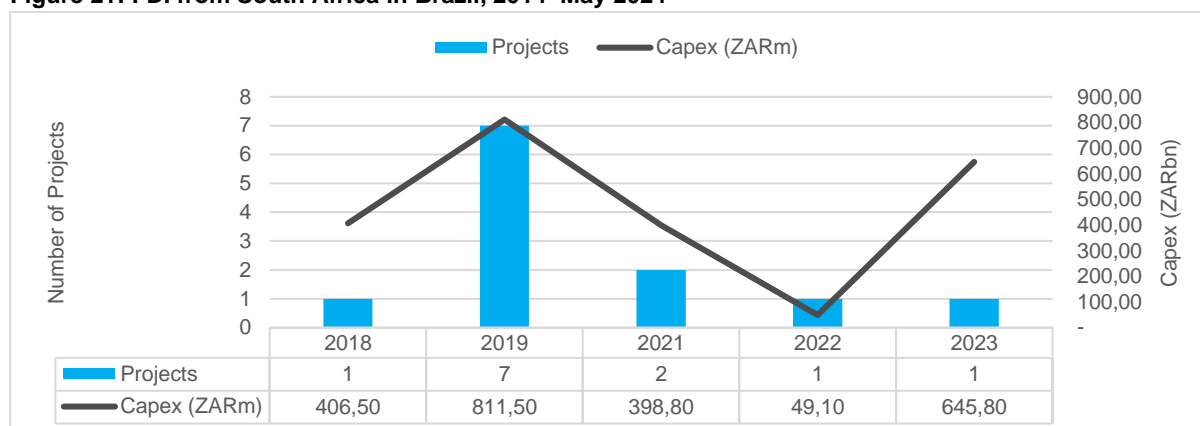
**Figure 20: Brazilian Companies Investing in South Africa, Measured in Capex, January 2014–May 2024**

Investing company	Capex (ZARbn)	Projects	Jobs created	Primary Sector
Embraer (Embraer-Empresa Brasileira de Aeronautica)	558	1	80	Aerospace
Avon Products	166	1	187	Consumer products
Fox Rubicon Capital Partners	146	1	27	Financial services
BTG Pactual	12	1	3	Financial services

Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

**3.4 Bilateral FDI: South Africa’s FDI in the Brazil** South African companies invested in 12 FDI projects in Brazil between January 2014 and May 2024, worth a cumulative capex of ZAR2.31bn. This equated to an average investment of ZAR193.30m per project which generated an estimated 1,042 jobs. South African FDI (in terms of capex) in Brazil peaked in 2019 at a value of ZAR811.50m, which was invested in seven projects. These figures can be observed in Figure 21.

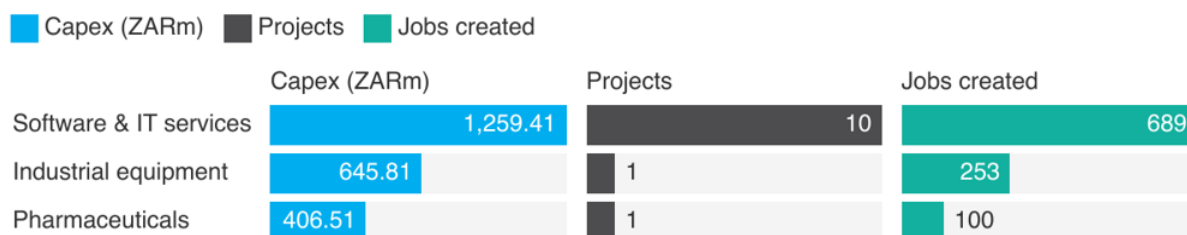
**Figure 21: FDI from South Africa in Brazil, 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.  
The data for the year 2024 covered the period from January to April.

Turning to the different sectors in which South Africa invested in Brazil, the software and IT services sector topped the list, as seen in Figure 22. This sector attracted investments valued at ZAR1,259.41m in capex during the period January 2014 to May 2024. In second place was the industrial equipment sector, which benefited from FDI worth ZAR645.81m that generated 253 jobs. The pharmaceuticals sector was third, having benefited from a single investment worth ZAR406.51m. When measured according to the number of projects, Brazil's software and IT services sector was the key recipient. A total of 10 projects were established in this sector.

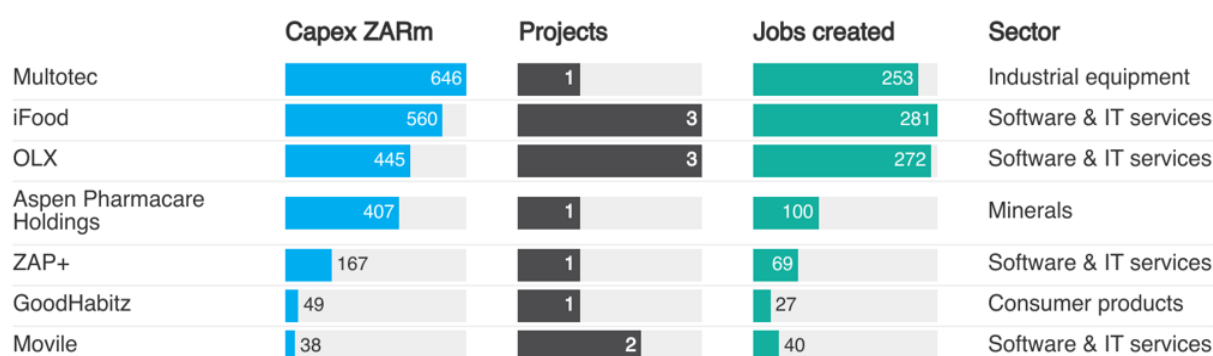
**Figure 22: FDI from South Africa in Brazil in Sectors, Measured in Capex, January 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

The top South African companies (measured in capex) that invested in Brazil between January 2014 and May 2024 are presented in Figure 23. Multotec invested in a single project in the industrial equipments sector worth a capex value of ZAR645.81m. iFood was the second largest investor, having invested in three projects with an accumulative capex value of ZAR559.91m. OLX placed third, having invested in three projects with an accumulative capex of ZAR444.86m.

**Figure 23: South African Companies Investing in Brazil, Measured in Capex, January 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

### 3.5 Bilateral FDI: Brazil's FDI in the Western Cape

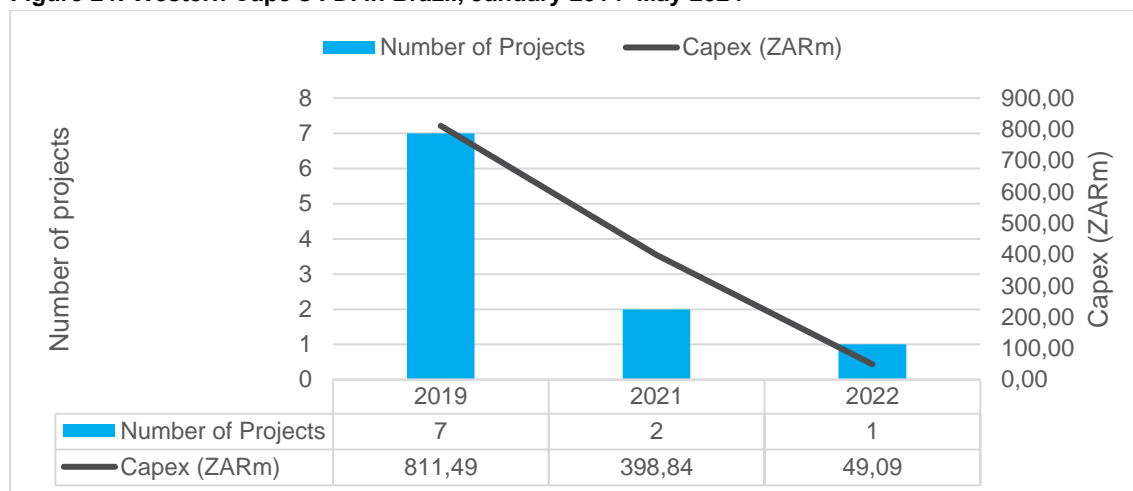
Between January 2014 and May 2024, Brazil made no investments in the Western Cape.

Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

### 3.6 Bilateral FDI: Western Cape's FDI in Brazil

Figure 24 shows that the Western Cape invested in 10 projects in Brazil at a value of ZAR1,259.41m in capex between January 2014 and May 2024. A total of five Western Cape companies invested in these projects which generated 689 jobs. A spike in FDI from the Western Cape occurred in 2019 during the Covid-19 pandemic when the province invested in seven projects in Brazil worth ZAR811.49m.

**Figure 24: Western Cape's FDI in Brazil, January 2014–May 2024**



Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

Note: The data for the year 2024 covered the period from January to April.

#### Western Cape's FDI in Brazil by Sector, Measured in Capex, 2014–May 2024

All of the capex from the Western Cape (ZAR1,259.40m) was invested in ten projects in the software and IT services sector in Brazil.

The top Western Cape investor (measured in capex) in Brazil from January 2014 to May 2024 was iFood, as depicted in Figure 25. The company invested in three projects in the software and IT services sector, at an associated capex value of ZAR560.91m. OLX also invested in three projects worth ZAR444.86m in the software and IT services sector. ZAP + was third with an investment in a single project in the software and IT services sector, worth ZAR167.21m.

**Figure 25: Top 10 Western Cape Companies Investing in Brazil by Sector, Measured in Capex, 2014–May 2024**

Investing company	Capex (ZARm)	Number of Projects	Jobs created	Sector
iFood	560	3	281	Software & IT services
OLX	445	3	272	Software & IT services
ZAP+	167	1	69	Software & IT services
GoodHabit	49	1	27	Software & IT services
Mobile	38	2	40	Software & IT services

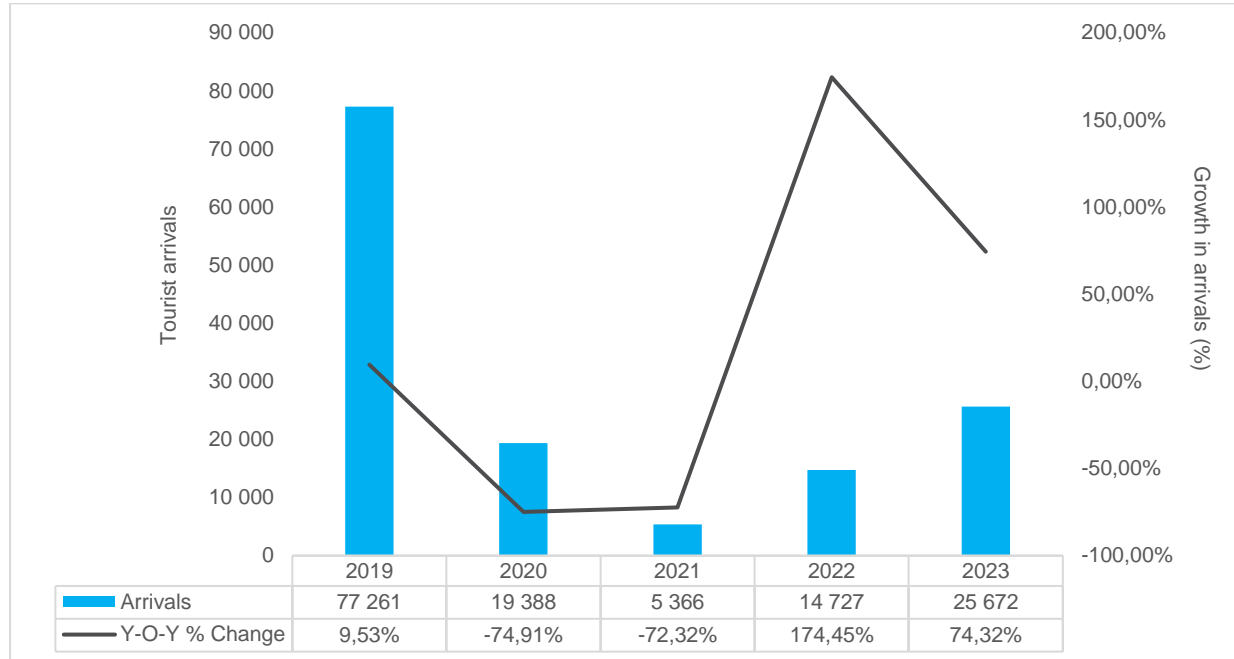
Source: fDi Markets, a service from The Financial Times (2024). All Rights Reserved.

## 4 Tourism

### 4.1 Tourist Arrivals from Brazil in South Africa, 2019–2023

In 2023, a total of 25,672 Brazilian tourists arrived in South Africa, reflecting a significant increase of 74.32% when compared to the same period in 2022. This can be seen in Figure 26.

**Figure 26: Tourist Arrivals from Brazil in South Africa, 2019–2023**

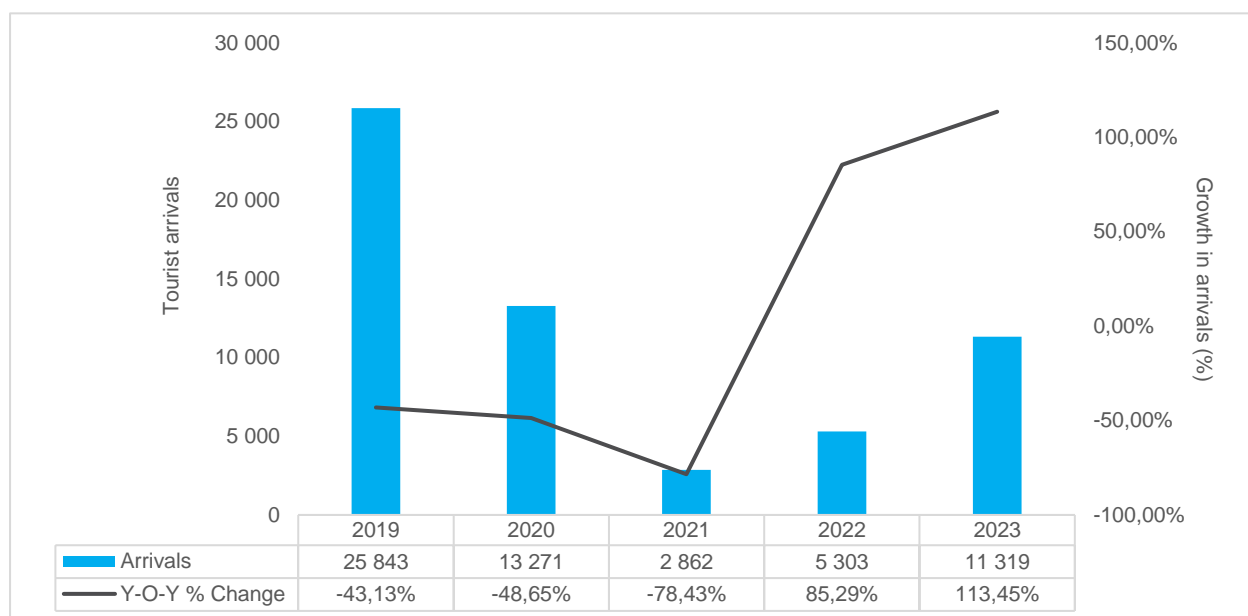


Source: SA Tourism (2024)

### 4.2 Tourist Arrivals from Brazil in the Western Cape

Figure 27 shows that in 2023, the Western Cape welcomed 11,319 tourists from Brazil, representing a y-o-y growth of 113.45% when compared to 2022.

**Figure 27: Tourist Arrivals from Brazil in the Western Cape, 2019–2023**

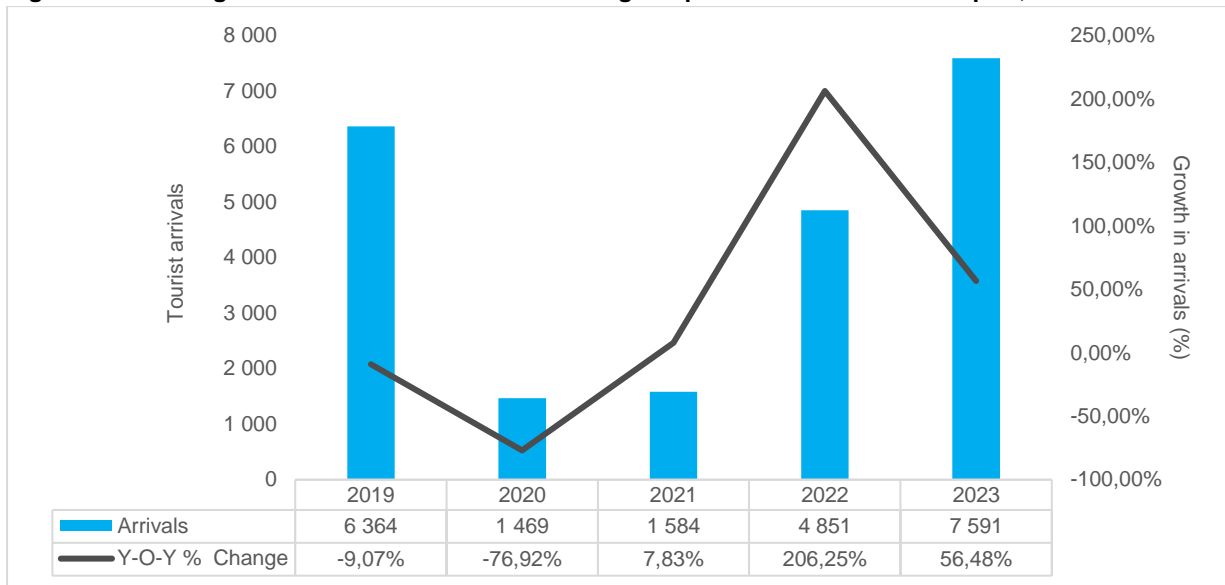


Source: SA Tourism (2024)

### 4.3 Passenger Movement from Brazil through Cape Town International Airport

In 2023, the number of Brazilian tourists travelling to Cape Town via air increased, with 7,591 air arrivals recorded for the year, as depicted in Figure 28. This represents a y-o-y growth of 56.48% compared to 2022.

**Figure 28: Passenger Movement from the Brazil through Cape Town International Airport, 2019–2023**



Source: Stats SA (2024)

#### DISCLAIMER

Wesgro has taken every effort to ensure that the information in this publication is accurate. We provide said information without representation or warranty whatsoever, whether expressed or implied. It is the responsibility of users of this publication to satisfy themselves of the accuracy of information contained herein. Wesgro cannot be held responsible for the contents of the publication in any way.