

4.1% of Brazil's Exports Go to Arab Countries

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Between January and March, Brazilian exports to the 22 countries that comprise the Arab League rose 8.28% compared to the first quarter of 2004. They amounted to US\$ 966.13 million of Brazil's total foreign sales of US\$ 24.4 billion.

Imports came to US\$ 877.3 million, 0.66% greater than in the same period last year.

Trade between Brazil and the Arab countries grew 50% in 2004, in comparison with 2003, to US\$ 8.1 billion. The Arab Bloc's share of Brazil's total exports increased from 3.7% to 4.1%.

Brazil attained US\$ 4.03 billion in sales to the Arabs in 2004 (46% more than in 2003), while imports reached US\$ 4.15 billion (53% more than in 2003, as a result of high petroleum prices).

In some of the countries, such as Syria, Libya, and Algeria, which were visited by Brazilian President Luiz Inácio Lula da Silva or federal government missions, trade more than doubled in 2004.

Sales to Syria grew 244%, according to data from the Secretariat of Foreign Trade (Secex) of the Ministry of Development, Industry, and Foreign Trade.

But there is still great potential for business to grow, in the judgment of the Arab-Brazilian Chamber of Commerce (CCAB) and the Brazilian government.

This is so because the Arab countries consist of 22 sovereign States that, together, have a total population of 317 million inhabitants and a Gross Domestic Product (GDP - the sum of everything produced in all the countries) of US\$ 815 billion.

Last year the Arab countries imported US\$ 239 billion from around the world, 30% more than in 2003, thanks to higher earnings (due to the rise in petroleum prices) and the acceleration of the economy and the productive sector in the majority of these countries, which grew at an average real rate of 4%. Nevertheless, just 2% of their total imports originated in Brazil.

According to CCAB forecasts, Brazilian exports to the Arab League could jump from US\$ 4 billion to US\$ 7 billion in two or three years. For this year, the expectation is for exports to attain US\$ 4.7 billion, 13% more than in 2004.

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