

Brazil Goes After a Piece of Gulf's Construction Boom

Contributed by Alexandre Rocha
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The civil construction sector grows 11.6% a year in the countries of the Gulf Cooperation Council (GCC), with construction material trade presenting an annual turnover of US\$ 3.6 billion, a value that may rise to US\$ 5 billion in 2009.

These are some of the figures supplied yesterday, October 9, during a meeting at the Arab Brazilian Chamber of Commerce offices in São Paulo.

The meeting included representatives of the Brazilian Export and Investment Promotion Agency (Apex) and of companies and organizations that are going to participate in the Big 5, the construction sector fair that is going to take place in the United Arab Emirates starting on the September 28.

According to market estimates represented at the meeting, in Dubai alone, where the event is going to take place, there are 125 projects approved by public and private enterprises that should be built by 2010.

"Knowing about this growth is important for companies that are going to participate in the fair," stated the Apex international event analyst and manager of the Big 5 project, Ricardo Santana. The GCC includes the Emirates, Saudi Arabia, Bahrain, Qatar, Kuwait and Oman.

China is currently the main supplier of construction material to these countries, with a share of 36% of the market, according to Santana. At the same time, businessmen and consumers know little about the Brazilian industry. That is, in the countries of the Gulf, Brazil is not considered one of the large players in the sector.

To change this image, the Apex is going to promote, in the sidelines of the fair, an advertising campaign to attract attention to Brazilian products. The campaign's slogan will be "Brazil: the new alternative".

"The intention is to tell them: 'Look, I'm here and my products are attractive'," said Santana. "We must show our attributes," added the coordinator of the international events unit at Apex, Juarez Leal.

The marketing effort will include, among other actions, the placement of 120 billboards in Dubai at the time of the fair; invitations for potential buyers to visit the Brazilian stand, with 10,414 sent by traditional mail and another 9,000 sent by e-mail; the sending of 1,999 SMS messages by mobile phone warning about the Brazilian participation; and the launching of website www.big5-brasil.com.br, which is going to include information about Brazil, its construction material industry and the companies involved.

At the two-story stand with an area of 450 square meters, apart from the space for companies, there will also be the Café Brasil, which will offer typical products, like coffee, the guaraná soft drink and snacks, to visitors.

"The campaign will be exclusive for the region, as each market has its own characteristics," stated Leal. One of the differentials that Apex intends to show is the existence of a center for distribution of Brazilian products that Apex has in Dubai, which helps reduce the distance between the supplier and importer.

First of all, the market in the Gulf takes into consideration the quantity of products, according to Santana. In second place comes the availability, and in third place the price. "Apart from the ease of having the distribution center, Brazil has high quality products and is competitive in terms of prices," he said.

In all, 30 companies and organizations from Brazil are going to participate in the Big 5, with promotion by the Apex and the Arab Brazilian Chamber. Brazil is going to be present in an institutional manner for the fourth time, the third with co-organization by the Chamber.

The sectors represented will be, among others, refrigeration, air conditioning, ventilation and heating, as well as ornamental stones, ceramic tiles and bathroom metals.

While the fair is going on, the Arab Brazilian Chamber and the Federation of Industries of the State of Santa Catarina (Fiesc) are going to promote a trade mission with construction sector businessmen from the state of Santa Catarina. The executives are going to visit three countries in the region: the Emirates, Qatar and Kuwait.

Among the participants is Braminas, a marble and granite industry based in the city of Bragança Paulista, in the interior of the state of São Paulo. The company participated in the Big 5 last year. "I have never seen anything like it in terms of civil

construction," stated the company's commercial director, Aricésar Assunção Ribeiro.

The company explores 10 rock mines in the states of São Paulo and Minas Gerais and produces around 10,000 square meters per month, being between 40% and 50% of the total exported. According to Ribeiro, the Middle East is the main market.

Braminas has been selling to Palestine for 10 years and has had a distributor there since 2004. The company has already also exported to Qatar, Libya and Pakistan, and is about to ship a load of granite to the Emirates. The organization is also negotiating with an importer in Saudi Arabia.

The ceramic tile sector, in turn, wants to expand its presence in the region. "The sector is already acting there, though shyly. There is potential for growth," stated Janaína Calonga, who is responsible for the support to international events at the National Association of Producers of Ceramic Tiles (Anfacer). In all, 10 companies in the sector are going to exhibit.

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