

Brazil's World Trade Center Seminar Discusses Global Trade in Middle East

Contributed by Geovana Pagel
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Ozires Silva, the chairman of the Advisory Board of the São Paulo World Trade center (WTC), says that the world is living the "era of communication", where mobility, information and communication provide global business opportunities. "The foreign market," he notes, "is not an option, but a business strategy."

And he added: "To participate in this trade, it is necessary to move. It is necessary to plan trips like this one to the Emirates to bring results. The challenge we have ahead of us is to come out of our skins, to live outside our frontiers."

Silva was talking to businessmen who participated, earlier this week, in the seminar "Business Opportunities in the United Arab Emirates", which took place at the capital of São Paulo, in southeastern Brazil.

The seminar served for promotion of a trade mission to Dubai, between November 7th and 10th, for participation in the General Assembly of the WTCs Association in the Emirate.

"The WTC is the largest private organization in the world. We are in over 330 cities worldwide, in over 90 countries. We must go aware of everything, not to miss any opportunity. The trip to the Middle East is not going to guarantee business with the region alone, but with the global market. There will be people from all over the world," he pointed out. Silva has already been the president of Embraer and Petrobras, as well as the minister of Infrastructure.

This year the theme of the meeting was "Women as leaders in international business". The São Paulo WTC hopes to take around 40 Brazilian executives in several sectors to the Emirates. Among them is businesswoman Cristina Novaes, president of Conceito Brazil, an international promotion agency that represents the Miami WTC and already develops projects in Dubai.

"It all began in 2007, after a trip to the Emirates. Those who were only eyeing Europe and the United States are now having problems. We saw an opportunity and sought it," guarantees the businesswoman, who is keenly attuned to the theme of the meeting. Of the 22 people who work at her office, 17 are women.

The secretary general at the Arab Brazilian Chamber of Commerce, Michel Alaby, was the most sought after speaker at the event. Alaby spoke about the legal fiscal, political and tax aspects of the Emirates.

"There is no political and trade risk. Import taxes are 5% at the most, with some exceptions. And all funds may be transferred to the country of origin out of Free Zones, where companies may have 100% foreign capital. Outside the Free Zones it is necessary to have a local partner with a 51% share of the business," he explained.

Alaby mentioned the main products exported by Brazil to the Emirates. The list includes chicken, rebar, aircraft, beef, machinery and equipment, sugar, aluminum plates and wire, auto parts and eggs. From January to August 2008, Brazilian shipments to the emirate generated US\$ 816 million, growth of 7.15% over the same period last year.

Brazilian imports from the Emirates, in the eight first months of the year, totaled US\$ 374 million, growth of 83.41% over the same period last year. The main products imported were aviation fuel, agglomerated ores, clothes and other fabric products, polyethylene items and aluminum residues.

In Alaby's opinion trust is all-important in negotiations with Arabs. "Arabs privilege trust and friendship. They use more emotion than reasoning at the time of negotiating," he said. When asked about how women should behave in negotiations with the Arabs,

Alaby guaranteed that it should all take place following normal and professional standards. "There is no problem in negotiating with them. On the contrary, they are more objective: 'Yes or no'. Men usually say 'maybe, let's see tomorrow'," exemplified the secretary general.

"A woman who is used to the business world know show to behave, how to negotiate. In the case of the Arab market, she will need to present the product, showing the qualities that are better than those of Chinese products, for example," he said. Alaby also mentioned some cultural characteristics that interfere in good practices and are fundamental, like formal greetings, trust, eye-to-eye negotiation, product exchange, price negotiation and respect to one's word.

The director at Emirates Airline Brazil, Ralf Aasmann, pointed out that Dubai is just one of the seven emirates where 4 million people live. According to him, the landscape in the city is always changing as mega projects become hotels, artificial islands, shopping centers, airports and ski slopes in the desert. "Today, 20% of the cranes in the world are operating in Dubai, where everything is megalomaniacal," he says.

Dubai received 17 million tourists in 2007. The direct flight between São Paulo and Dubai celebrates its first anniversary today, October 1st. "Dubai is still under construction. It should only be ready in 2020. And it will surprise more and more," said Aasmann.

Gilberto Lima Júnior, of the Brazilian Export and Investment Promotion Agency (Apex-Brasil), also spoke about the importance of learning much about new markets. "It is no good just imagining the dynamics of the foreign market without living it. Apex has actions focused on the Emirates, in partnership with the Arab Brazilian Chamber; a business center that is currently focused mainly on the generation of opportunities," he said.

"Opportunities are there. What must grow is the daring, so as to participate. It is necessary to understand the market considering the market, not the distance. Companies must see with their own eyes. Missions like this one allow for the

true perception of opportunities," he added.

The Brazilian Sales and Marketing Directors Association (ADVB) is going to establish an office in Dubai. According to Agostinho Turbian, the president of the National Federation of ADVBs, which congregates activities in the field, the intention is to inaugurate a base in the Arab country up to 2009.

ADVBs are trade relations organizations that operate fostering good sales and marketing strategies between companies. There are already three ADVBs abroad: in Japan, the US and Portugal.

One more proof of how pertinent is this year's theme of the General Assembly of the WTCs Association is the fact that a woman, Ângela Baldino, should be the coordinator for establishment of the ADVB office in Dubai.

"I think that expansion of women's participation in the area of business is a global tendency," she says. "The choice of the theme for the meeting in Dubai is interesting. If this transformation is taking place all over the world, why should it be different in the Emirates?" she asks.

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