



INTERNATIONAL TRADE INDUSTRY SNAPSHOT

BRAZILIAN AIRPORT EXPANSION OPPORTUNITIES

November 2011

OVERVIEW

In 2010, air travel in Brazil increased by 23%. In order to keep up with the rising demand for air travel services, Brazil will need to invest an estimated USD \$16-\$22 billion over the next 20 years. This investment is needed to accommodate the increase from an annual capacity of 130 million passengers to an estimated 310 million passengers. Brazil's hosting of the 2014 FIFA World Cup and 2016 Rio Olympic Games is accelerating this growth. To address this increased demand the Brazilian government is partnering with private construction companies to upgrade the infrastructure of five airports which are currently managed by the Brazil's airport authority, Infraero.

MARKET POTENTIAL

On August 22nd, 2011, the National Civil Aviation Agency in Brazil (ANAC) awarded a USD \$106 million contract to build and operate new airport terminals near the northeastern Brazilian city of Natal. This contract created Inframerica, a joint venture between Brazil's Engevix and Argentina's Corporación America. The joint venture will continue to provide opportunities for Georgia companies as it will also invest an additional USD \$450 million to build the São Gonçalo do Amarante Airport within three years. The joint venture will hold rights to operate this airport for 25 years with a possible five-year extension.

ANAC plans to privatize additional airports and auction operating rights to the São Paulo International Airport, as well as airports in Brasília and in Campinas. The government is considering licensing airport construction in the cities of Rio de Janeiro and Belo Horizonte as well.

Various opportunities are available to Georgia companies seeking to work as sub-contractors to supply the following products and services: radars and weather radars, construction of runways, taxiways, terminals, control towers and ramps, as well as consulting, management, security, and baggage handling services. For assistance in taking advantage of these opportunities, contact GDECD's Brazil Trade Office.

KEY CONTACTS

- National Civil Aviation Agency in Brazil (ANAC): www.anac.gov.br
- Corporación America: www.corporacionamerica.aero
- Engevix: www.engevix.com.br
- Infraero (Brazilian Airport Authority): www.infraero.gov.br

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