

Press release

## **SACE SIMEST works with Braskem to bring Italian SMEs to Brazil**

- *SACE has organized a second business matching meeting to introduce the Brazilian company – a global leader in the petrochemical sector – to more than 50 Italian businesses ready to be its suppliers*
- *The event is one result of the Push Strategy program with which SACE is leading the way for Italian orders worldwide: € 1.7 billion of opportunities are on the table*
- *SACE SIMEST estimates that Italian exports to Brazil will grow by +3.9% this year and by an average of 5.2% each year in the three-year period 2020-2022. The contribution of mechanical engineering is essential: growth is forecast to be +4.4%, from 2019 to 2022.*

*Milan, 26 June 2019* – The second *business matching* meeting with Braskem, the Brazilian giant active in the chemical and petrochemical sector, was scheduled last week at SACE SIMEST's Milan branch. Braskem has already benefited from a € 250 million loan to encourage assigning orders to Italian businesses. More than 50 Italian businesses, which are ready to supply the Brazilian multinational, will take part in the initiative. This event follows the 6 February one, which was organized by SACE SIMEST in San Paolo. During the February event, 120 representatives of businesses, banks and institutions had the opportunity to meet the Brazilian counterparty.

Braskem's managers, who discussed the company's future plans, and SACE SIMEST's specialists participated in the event. The latter introduced the insurance and financial tools of the CDP Group's Export and Internationalization Hub, which facilitated the safe development of business in Brazil. Graziano Messina, Managing Partner of GM Venture and Vice President of the Italian Chamber of Commerce in Brazil, also took part in the meeting.

This initiative is the result of the Export and Internationalization Hub's broader and more effective engagement, which can be traced to the Push Strategy. Through this program, which was launched in 2017, SACE SIMEST is leading the way for Italian exports in emerging markets with high potential for Made in Italy, especially in countries where our businesses have not achieved the recognition they deserve.

With this initiative, SACE SIMEST intended to contribute in a concrete way to increasing Italian exports. This activity is complementary to the Hub's wide range of products, which is now able to satisfy all the insurance and financial needs of businesses throughout the internationalization process. Within the context of this program, SACE has guaranteed Braskem a loan of € 250 million to facilitate Italian businesses', especially SMEs', entry into the Brazilian giant's supply chain, helping them to overcome the challenges linked to their size and geographical distance.

It is a unique way to access the opportunities offered by Braskem's investment plan. Over the next few years, the Brazilian giant plans to develop and make its own production capacity, currently comprising 40 plants located throughout the world, more efficient. Italian businesses active in the production and

commercialization of basic chemical compounds and raw materials, but also suppliers of industrial equipment and machinery for the petrochemical sector, will be the first to benefit from it.

Brazil is a market rich in potential for many Italian businesses aiming at export and internationalization. SACE SIMEST, in its recently published 2019 Export Report, estimated that Italian exports will grow by +3.9% in the course of 2019 and by +5.2% on average each year for the period between 2020 and 2022. Mechanical Engineering, which, at present, is worth 30% of all Italian exports to Brazil, has led the way for Made in Italy in the South American country.

### **Other Push Strategy operations**

This operation with Braskem was not the only one to be completed in the context of the Push Strategy. Over the last two years, SACE SIMEST has guaranteed more than € 1.7 billion in financing to several, big foreign *buyers*, which will result in Italian orders. The Kuwaiti KNPC, an important oil company, for example, was awarded a loan of 625 million dollars; the Indian SREI, an *equipment financing* company in the infrastructure sector, and Reliance Industries, a giant diversified company that ranges from energy to consumer goods, were guaranteed loans of 30 and 500 million dollars respectively; and the Brazilian Nexa, a company active in the mining sector, has received a loan of 62.5 million dollars.

More than 400 businesses have been involved in the business matching meetings – an integral part of the Push Strategy program – in Italy and the rest of the world, gaining the opportunity to meet with the big players who have benefited from these loans.

