A U.S. Trusted Traveler Program With Brazil:
A Much-Needed Sign of Confidence in the U.S.-Brazil Relationship

Brazil-U.S. Business Council
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Imagine this: Two continental-size countries both with enormous tourism potential, agricultural powerhouses that also boast robust manufacturing industries, world-class innovators, and no history of conflict between them. This scenario fits Brazil and the United States to a tee. Brazil has a booming middle class eager to visit the United States, while America has a thriving business community that is enthusiastic about doing business with Brazil. Given this profile, why not have a trusted traveler program between the two?

Adding Brazil to a trusted traveler program like the U.S. Global Entry Program (GEP) with reciprocal treatment from Brazil should be a natural outcome of the bilateral relationship and should be treated by both countries as a priority. The Brazilian and U.S. private sectors are eager to see such an agreement become a reality. Both governments owe it to Brazilian and American citizens who, despite current political tensions, have continued to work diligently together and have displayed patience and enormous resilience through a period of ambiguity.
What is the U.S. Global Entry Program?

Global Entry is a U.S. Customs and Border Protection (CBP) program that allows expedited clearance for preapproved, low-risk travelers upon arrival in the United States. Applicants undergo a background check and interview as part of the process. At the airport, program participants proceed to GEP kiosks, present identification, place their fingertips on a scanner for verification, and make a customs declaration. The kiosk then issues the travelers a receipt and directs them to baggage claim and the exit.

In the Americas, Canada, Mexico, and Panama are member countries of the GEP. Other participating countries are Germany, the Netherlands, Qatar, Saudi Arabia, South Korea, and the United Kingdom. Partnering countries must agree to the vetting of their citizens applying for GEP. There is no requirement to share an individual’s specific background information between participating countries.

Why should the United States extend the GEP to Brazilians?

With a growing middle class and a population of 200 million, Brazilians continue to choose the United States as their top destination—a total of 2.1 million visited in 2013. Twenty-one percent of all Brazilian international departures head to the United States. These visitations have a significant impact on the U.S. economy, and this impact could be even greater if Brazil is granted entry into the GEP.

The 2.1 million Brazilians who visited spent a total of $10.5 billion during their stay. That works out to be about $5,000 per visit, which is more than the
average expenditure for international tourists coming to the United States. This spending has made the travel industry the largest U.S. export to Brazil. Brazilian travel spending directly supported 69,700 U.S. jobs in 2013.

By 2018, Brazilian arrivals to the United States are forecast to grow to 3.1 million. These numbers justify the interest of the U.S. government in negotiating a trusted traveler program with Brazil. Moreover, the Department of Homeland Security (DHS) is motivated by the success of the program with other countries and the overall satisfaction of applicants, Americans and noncitizens alike.

**Why should Brazil establish reciprocal treatment for Americans?**

The U.S. trusted traveler program does not require reciprocity of treatment from its partner countries. At the same time, one would expect that Brazilian reciprocity would be appreciated by the U.S. government and Americans traveling to Brazil. A Brazilian trusted traveler program for the United States would benefit Brazil with an increase in the flow of American tourists and business and government travelers.

According to the Brazilian Ministry of Tourism, 586,000 Americans traveled to Brazil in 2012, the second-highest group of tourists, exceeded only by Argentines. This number should be substantially higher in 2014 since Americans purchased one-fourth of all World Cup tickets sold for the event hosted by Brazil. A trusted traveler program could also increase the number of recurring visits by Americans over the long run because the new hotel and travel infrastructure being created for the World Cup and the 2016 Rio Olympics would make increased visitation more sustainable. And considering that Americans are able to travel to 173 destinations worldwide without a visa already, such a program would be welcome news.
What does the bilateral relationship have to gain?

Including Brazil in a trusted traveler program would benefit both countries as it would enable more Brazilians and Americans to travel, increase visitor spending, and potentially increase jobs. And we should not underestimate the value of such a program to the businesspeople who travel between the two countries. There is an increasing flow of Brazilian and U.S. executives who travel back and forth for training, specialized skilled labor exchanges, trade fairs, and business and government delegations. These frequent fliers will most likely be first in line to join the program.

Last year, Brazil and the United States engaged in serious negotiations to implement a GEP. The two private sectors had hoped to see a GEP declaration of principles signed by President Rousseff and President Obama in 2013 as one of the concrete accomplishments of the state visit that was postponed. The absence of another presidential visit should not impede progress on a trusted traveler program. On the contrary, reaching an agreement would be a message of mutual trust and confidence that could launch a new phase of the bilateral relationship. All options should be on the table: a pilot GEP with a limit on the number of beneficiaries, a modified GEP for business visa applicants only, or a standard GEP. Regardless of the form or scope, a GEP would be a positive signal that the U.S. and Brazilian private sectors have been patiently awaiting.
Quick Facts

Brazilian Travelers to the United States

With a growing middle class and a population of 200 million, Brazilians continue to choose the United States as their top destination—a total of 2.1 million visitors in 2013. These visitations have a significant impact on the U.S. economy. This impact could be even greater if Brazil is granted access to the U.S. Global Entry Program (GEP).

Economic Impact

• In 2013, Brazilians spent a total of $10.5 billion, an increase of 13% from 2012.

• Brazilian tourists spent $5,085 per visit in 2013, which is greater than the average expenditure of $4,500 for international tourists.

• The travel industry was the No. 1 U.S. export to Brazil in 2013.

• Brazilian travel spending directly supported 69,700 jobs in 2013. Every 34 overseas travelers to the United States generally creates one job.
Brazilian Travelers

- The United States is the top travel destination for Brazilians, with 21% of all international departures heading to the United States. The next most popular destination, France, only captures 14% of Brazilian travelers.

- The improved process of approving visas has helped spur travel to the United States as the average wait time has been cut to two days in April 2014 from 93 days in June 2011.

Outlook

- Over the next two years, Brazil is expected to continue its double-digit growth, building on a seven-year trend of positive growth.

The United States is forecast to receive about 3 million Brazilian travelers in 2018, but this number could be much larger if Brazil is granted access to the GEP.
Brazilian Visitors to the United States (in millions)
The Brazil-U.S. Business Council (BUSBC) is the premier business advocacy organization dedicated to strengthening the economic and commercial relationship between Brazil and the United States. Established in 1976, the Council is composed of two sections. The U.S. Section of the Council represents major U.S. companies that invest in or have business in Brazil. It operates under the administrative aegis of the U.S. Chamber of Commerce and maintains independent policy formulation and membership. The Brazil Section of the Council is managed by the Brazilian National Confederation of Industry (CNI), composed of the 27 Brazilian state-level Federations of Industries. BUSBC also works in conjunction with the American Chambers of Commerce for Brazil (AmCham Brazil), the U.S.-Brazil CEO Forum, and sectoral associations in both countries. Together, this powerful structure enables the Council to forge consensus between the two private sectors and communicate to both governments with a unique bilateral voice.
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