

TOURISM IN BRAZIL HAS REACHED ITS HIGHEST TURNOVER SINCE 2015



year.

Brazil's tourism industry has been steadily expanding in recent months, with growth observed every month. Based on reports by the Ministry of Tourism and the Federation of Commerce of Goods, Services, and Tourism of the State of São Paulo (FecomercioSP), the travel market earned R \$ 73 billion from January to April 2023, an increase of 15.8% compared to the same period in the previous

In the first four months of 2023 alone, tourism in Brazil has already recorded the arrival of 2.97 million international travelers. This equals 75% of the total number of visitors last year. **The travel industry has shown its best performance since 2015, with revenues reaching R\$17.6 billion** in April alone.

However, the pricing of itineraries presents challenges, hindering more economical trips to Brazil due to high demand.

Despite price instability, the travel industry's positive results have been noted. By the end of the year, the industry may reach one of its highest revenues.

Increase in Corporate and Leisure Travel

According to the data, corporate and leisure travel presented a remarkable performance. The air segment stood out with the most significant amount, of R \$ 5.6 billion in April. This represents an increase of 18.1% compared to the same month of the previous year.

For business travel, there was a 29% increase in the first four months of this year. This accounted for 45% of the total amount collected during that time. Along with the airline industry, cultural, recreational, and sports activities are also positively performed. They reached a value of R\$ 1.3 billion, indicating a growth of 12.3% compared to the previous period.

The Food and Accommodation sectors played a significant role in the growth of revenues, increasing by 6.9% and reaching R \$ 5.05 billion in the fourth month of this year. The entity anticipates that this sector will continue to flourish due to the likelihood of a decrease in inflation, an improvement in the labor market, and an imminent reduction in interest rates.

Airline Industry Breaks Records in May

In May 2023, the Brazilian airline industry achieved a new record by transporting 7.3 million passengers on domestic flights. This figure marks the highest passenger number since 2015. Brazil recorded 36.6 million travelers in the year's first five months.

According to ANAC (the National Civil Aviation Agency), there was a substantial increase in demand for domestic flights in May, with a growth of 7% compared to the pre-pandemic period in 2019. The supply of seats had an even more significant increase, with a gain of 13.8%.

Government Support

The current government has added tourism in Brazil to its list of priorities. It aims to implement some of Portugal's successful strategies to increase the number of foreign visitors. Portugal has seen an impressive increase in foreign tourists from 7 million to 22 million over the past 12 years. Brazil hopes to replicate some of its initiatives.

A proposed measure encourages airlines to include Brazil in their stop-over programs. This would allow passengers who are only stopping in Brazil to continue their journey and extend their stay there for a few days without incurring additional ticket costs. Two ministries back the proposal: Tourism, led by Celso Sabino, and Ports and Airports, overseen by Márcio França.

Brazil's top five source markets for tourism are Argentina, with 1.2 million tourists, followed by the United States, with 271.1 thousand. Paraguay, 215.5 thousand, and Chile, 197.8 thousand. And Uruguay, with 184.9 thousand.

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