



# ANIMASEG

ASSOCIAÇÃO NACIONAL DA INDÚSTRIA DE MATERIAL DE SEGURANÇA E PROTEÇÃO AO TRABALHO

Brazilian Association of Manufacturers of PPE and Work Safety Products

## **Brazilian PPE Market and the Impact of COVID-19 on PPE**

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# **ANIMASEG**

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**Brazilian Association of Manufacturers  
of PPE and Work Safety Products**

Founded on April 15, 1978

160 Associated Companies



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# Brazilian PPE Market and the Impact of COVID-19 on PPE

- **Brazilian market**
- **Behavior during the pandemic**
  - **Non-COVID PPE**
  - **COVID PPE**
- **Conclusions**
- **Expected impacts**



# Brazilian market

Brazil - 212 Million Inhabitants

Workforce - 95 Million workers

Companies - 4.9 Million companies  
(Companies with up to 4 employees - 3.6 Million - 73%)

GDP - \$ 1.445 trillion  
gross domestic product

## Devaluation of the Brazilian currency against the US dollar

	2018	2019	2020
1,00 US Dólar =	3,65	4,00	5,2
%		-9%	-23%

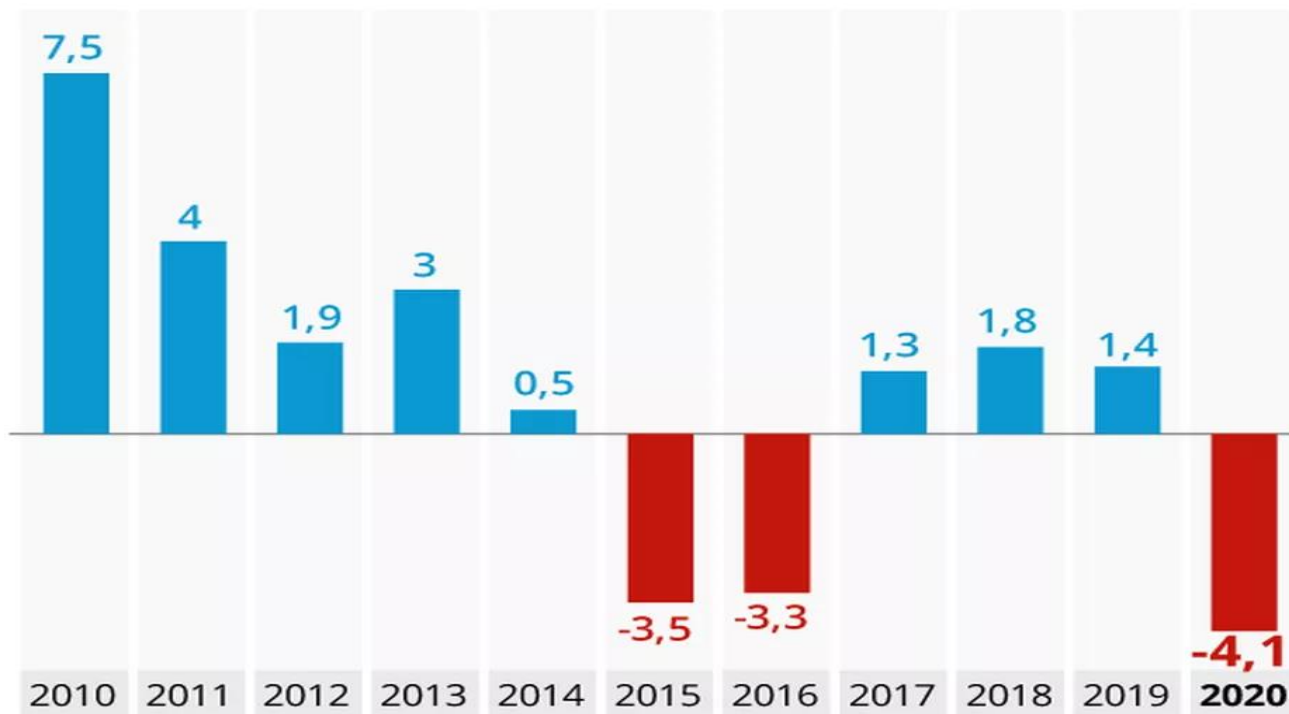


# Brazilian market

## Evolução do PIB

(Evolution of GDP)

Ano a ano, em %



Fonte: FGV e IBGE

Infográfico elaborado em: 03/03/2021



# Brazilian PPE Market

## PPE – Industry

### 2019

- In Brazilian Reais: 10.3 Billion (+ 19% compared to 2018)
- In US Dollar: 2.6 Billion (+ 10% compared to 2018)

### Devaluation of the Brazilian currency Reais against the US dollar

	2018	2019	2020
1,00 US Dólar =	3,65	4,00	5,2
%		-9%	-23%

### 2020

- In Brazilian Reais: 10.8 Billion (+ 6% compared to 2019) (estimate)
- In US Dollar: 2.2 Billion (-15% compared to 2019) (estimate)



## Brazilian PPE Market

	Milhões de USD 2019	2019/2018 %	2020/2019 %
Safety clothing	725	+4	-25
Safety Shoes	540	+9	-30
Hospital Gloves	500	+18	-3
Safety Gloves	400	+6	-22
Respiratory Protection	140	+11	+191
Fall Protection	82	-5	-28
Face and Eye Protection	63	-1	-18
Safety Helmet	48	+6	-24
Barrier Creams	24	-9	-35
Hearing protectors	20	-2	-29

### Devaluation of the Brazilian currency Reais against the US dollar

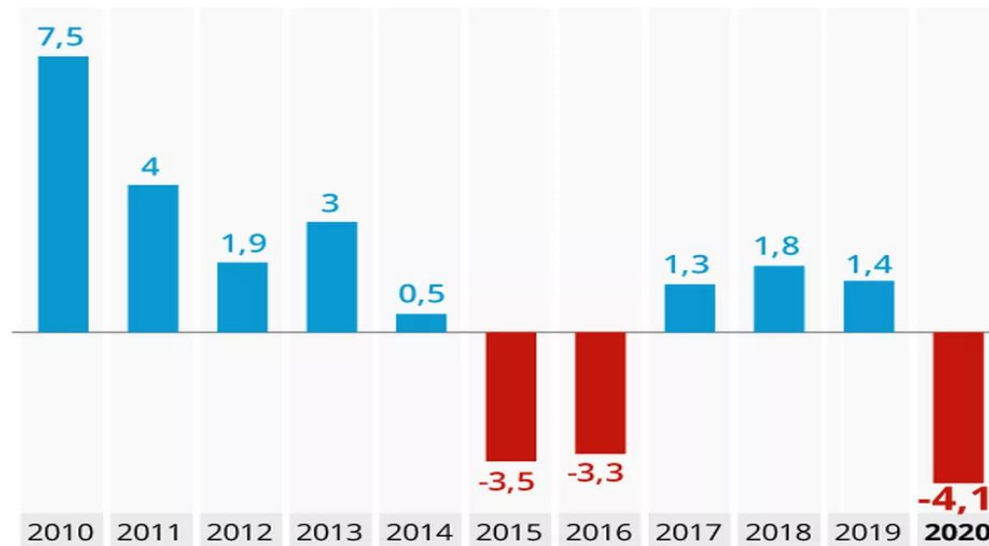
	2018	2019	2020
1,00 US Dólar =	3,65	4,00	5,2
%		-9%	-23%



# Brazilian PPE Market – Impact of COVID-19

2019 – Em recuperação devido a crise brasileira – 2014-2016

**Evolução do PIB** (Evolution of GDP)  
Ano a ano, em %



Fonte: FGV e IBGE



Infográfico elaborado em: 03/03/2021



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Brazilian PPE Market and the Impact of COVID-19 on PPE



## **Brazilian Market – Impact on **Non-COVID PPE****

**Non Covid PPE represented in 2019: 79% of the Market**

**2020**

- **6 months of lockdown - March to September / 2020**
- **During the lockdown demand for Non-COVID PPE decreased 70%**
- **In September 2020, demand recovered and the market (not Covid) managed to recover, but even so ending up the year with less -7% (Reais) and less - 25% (US dollar)**



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**Brazilian PPE Market and the Impact of the COVID-19 Pandemic on PE**

## **Brazilian Market – Impact on COVID PPE**

- **Covid PPE represented, in 2019: 21% of the market**
- **Demand had initial peaks (April to June) and PPE shortage threats, which caused government and political reactions, such as:**
  - **PPE Exportation to the hospital area was prohibited**
  - **PPE apprehension in factories / airports**
  - **Import tax reduced to 0%**
  - **PPE Certification rules have been reduced**



## Brazilian Market – Impact on **COVID PPE**

- **At the same time, there were several threats to PPE production sector, such as:**
  - **Raw Material - Increase in costs and supply blocking by several countries**
  - **Limited Brazilian manufacturing raw material due to years of an import policy**
  - **Logistics Problems**
  - **To the industry, Covid PPE doubled the price**
  - **To the final consumer, the price increased more than 10 times**



## Brazilian Market – Impact on COVID PPE

- Increased demand (in quantity) by product:
  - FFP2 Respirators: 3 times
  - Procedure Gloves: 2.5 times
  - Hospital garments: 1.5 times
  - Facial Protectors: 1.5 times
  - Surgical Mask: 10 times

	Fev/2020	Fev/2021
Non-Covid PPE	79%	69%
Covid PPE	21%	31%



# Brazilian Market – Impact on **COVID PPE**

## Brazilian production status in **Feb / 20**

### FFP2 Respirators

- 28 certified supplier companies
- Providing 14 million PFF / month
- 23 Brazilian manufacturers
- 11 million / month manufactured in Brazil
- Raw material - 30% produced in Brazil



# Brazilian Market – Impact on **COVID PPE**

## Brazilian production status in **Feb / 21**

### FFP2 Respirators

- 64 certified supplier companies
- Providing 45 million PFF / month
- 53 Brazilian manufacturers ( + 130%)
- 34 million / month manufactured in Brazil
- Raw material - 80% produced in Brazil

**Note: There are also several companies in the process of obtaining certification**



## Brazilian Market – Impact on **COVID PPE**

- **Hospital Gloves: 2,5 times in quantity**
  - 99% Imported
- **Surgical Mask: 10 times in quantity (No-PPE)**
  - Feb/20 - No Brazilian manufacturer
  - Feb/21 - 150 Brazilian manufacturers
- **Face Protection: 1,5 times in quantity**
  - Note: Large number of products not considered PPE
- **Safety Clothing: 1,5 times in quantity**
  - Note: A Study Commission was created to Regulate Clothing for Biological Risks



# Impact of COVID-19 on PPE

## Conclusions:

- **Lack of technical knowledge of PPE**  
General population / media / politicians / Government
- **Wide propagation of PPE in the mainstream media**
- **Increase in demand**
- **Lack of knowledge about the potential in Brazilian production**
- **Absence of an industrial policy for the PPE sector**
- **Globalization reduced the national industry**
- **Lack of solidarity between countries**
- **Logistics Problems**
- **Reaction and entrepreneurship of Brazilian industry**





# Impact of COVID-19 on PPE

## Expected impacts

- **More visibility of the Sector**
- **More awareness about the importance of using PPE**
- **Recognition of local producers**
- **Government incentive for local production**
- **The country's need to have a strategic policy that does not take into account only economic liberalism and globalization, but also the maintenance of the internal production capacity, both of the final product and of the raw material.**





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Thank you for your attention

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