

## **Opening a New Market for K-Beauty: MSS Talks Cooperation with Brazil's Cosmetics Industry and Mercado Livre**

The Ministry of SMEs and Startups (MSS) visited the Brazilian Association of the Personal Hygiene, Perfumery and Cosmetics Industry (ABIHPEC) and Mercado Livre in São Paulo on July 27 (local time) to discuss how Korean K-beauty SMEs can expand into the Brazilian market.

Brazil is one of the largest beauty markets in the world, yet Korean companies have made relatively few inroads there, partly because of the sheer distance involved. Recently, though, the explosive popularity of K-pop, K-dramas, and the wider Korean Wave has driven up interest in and demand for K-beauty, making Brazil a promising new market to tap. The country is also rich in the natural plant-based ingredients – drawn largely from the Amazon basin – that are widely used in cosmetics, another draw for the beauty industry.

The visit was arranged to explore how these strengths could be paired with K-beauty, and how the government could support that. Discussions centered on boosting K-beauty's presence in Brazil through online channels, expanding exchange between the two countries' beauty industries, and finding joint projects to pursue.

### **ABIHPEC: Cooperation Across the Cosmetics Value Chain**

With ABIHPEC – whose members account for more than 90 percent of Brazil's total cosmetics sales – the discussion spanned the full cosmetics value chain, including upstream sectors such as raw materials. The two sides exchanged views on building networks and sharing information between companies in each country, pursuing joint R&D and production that combines Brazil's natural resources with Korean technology, and navigating export regulations together.

### **Mercado Livre: Support for Korean Brands to Break In**

With Mercado Livre – the largest e-commerce platform in Brazil and across South America – the two sides agreed that the Korean government, its partner agencies, and Mercado Livre would work together to provide financial and technical support to help Korean SME brands list on the platform and promote and market their products.

They also discussed having Mercado Livre come to Korea to meet with promising K-beauty brands well positioned to succeed in Brazil and the wider South American market.

"Cosmetics are the top export item among SMEs, and for them to move beyond today's growth and climb to the top of the global market, we need to strengthen the beauty industry ecosystem as a whole and work harder to diversify our export markets," said Vice Minister Roh Yong-Seok, who represented Korea at both meetings. "We will develop concrete plans so that cooperation with Brazil – the heart of South America, with its abundant natural resources and vibrant culture – can help meet these goals."

For more news and updates on Korea's SME and startup policies, follow the Ministry's official **LinkedIn** page:

<https://www.linkedin.com/company/mss1357>