

## Brazil's Embraer Wins Russian Approval After Diplomatic Visit

By The Moscow Times

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Brazilian plane-maker Embraer won regulatory approval for its biggest regional jets to fly in <u>Russia</u>, the company said Thursday following a meeting between the countries' leaders.

The certification opens a new frontier for the E-190 and E-195 commercial jets as demand dries up in Western Europe amid the continent's debt woes. It also reinforces the delicate diplomacy surrounding Embraer's drive onto the home turf of Russian rival Sukhoi.

Embraer waited months for regulatory approval, which came only after Brazilian President Dilma Rousseff met with Russian Prime Minister Dmitry Medvedev on Thursday. Russia also certified Embraer's ultralarge Lineage 1000 private jet.

Diplomacy has long played a role in the big, cross-border <u>business</u> for aircraft, defense contracts and related deals. And Rousseff's diplomatic trips have coincided with big news for Embraer before.

A 2011 visit she paid to <u>China</u> paved the way for Embraer to build planes there but raised concerns about how much the company's fate depended on Brazilian foreign relations.

On Thursday, Embraer shares fell 2.4 percent in Sao Paulo trading to 13.13 reals, while the benchmark Bovespa stock index. <u>BVSP</u> slipped 0.2 percent.

Embraer has booked orders from 10 <u>airlines</u> in Eastern Europe and Central Asia, including deals in Azerbaijan and Belarus in recent months, as the company struggles to rebuild its order backlog from a six-year low.

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