WHITE PAPER

Building a Sales Network for Security Technology in Brazil

How European manufacturers with local production can enter a market growing through connected cameras, licence plate recognition and surveillance services—and what expansion into Latin America really means

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Brazil has become one of the largest markets for electronic security technology in Latin America. Industry association ABESE puts revenue in 2025 at more than BRL 16 billion and expects growth of 18.8% in 2026. The strongest new impetus comes from connected cameras that read licence plates and are linked to state monitoring centres. This represents an opportunity for European manufacturers with strong technical capabilities, but it is not an easy one.

Success in this market is not determined by the best product datasheet, but by distribution, trained installers, service in Portuguese and integration with public platforms. This paper assumes that the products are manufactured in Brazil and focuses on building a sales network. The main lesson for expansion into Latin America is sobering: even Brazil's market leader generates less than one per cent of its revenue from exports and acquired a local company to gain access to Colombia.

1. A Market Growing in Both Scale and Sophistication

ABESE's *Panorama 2025 and Outlook for 2026* reports a market worth more than BRL 16 billion, which grew by 16.2% in 2025. The association expects growth of 18.8% in 2026. The industrial segment—in other words, manufacturers—generates around BRL 4.8 billion; growth of 22% is expected in 2026. According to ABESE, artificial intelligence is already incorporated into 85.7% of products manufactured by the industry. This has implications for every new entrant: intelligent video analytics is no longer a unique selling point; it has become standard. Differentiation must come from accuracy, data protection, integration capabilities and reliability.

Demand comes from two directions. In 2025, installation, maintenance and monitoring service providers identified businesses (71%) as well as residential complexes and small shops (57%) as their most important markets. ABESE expects the fastest growth in 2026—23%—among remote concierge service providers that operate without their own monitoring centre. The market is therefore shifting from the sale of individual devices towards recurring services.

The impression that roughly one in five homes in São Paulo is equipped with cameras and alarm systems cannot be substantiated by an official figure or reliable statistics. However, overall market growth and EMS Strategy Group's activities in Brazil indicate that security technology plays a visible role in everyday life.

2. A New Layer of Demand: Cameras with Licence Plate Recognition and Police Connectivity

On 4 September 2024, the state of São Paulo introduced the Muralha Paulista programme under Decree 68.828, replacing its earlier predecessor, Detecta. It connects public and private cameras to a central platform. According to the state government, the system includes around 94,000 cameras, including approximately 20,000 licence plate readers, 7,000 devices with facial recognition and 66,000 cameras for real-time monitoring. The platform checks captured licence plates against wanted-vehicle data and faces against the National Arrest Warrant Register. Since the programme began, more than 100,000 alerts generated by licence plate recognition and over 3,000 generated by facial recognition have been recorded, according to an announcement issued in August 2025.

The city of São Paulo operates Smart Sampa in parallel. According to the city, the system comprises around 40,000 cameras, approximately half connected by the city and half by private operators. The municipal guard's control centre is staffed around the clock. The city reports around ten million faces and five million licence plates processed per day. The two programmes are linked.

At the local level, neighbourhood initiatives are also emerging. The Chácara Santo Antônio residents' association has signed a cooperation agreement with the security authorities. Cameras at neighbourhood entrances and on strategically positioned poles along streets read the licence plates of cars and motorcycles, store the data in the cloud for three days and transmit it directly to the state platform. In Santos, buildings serve as monitoring points, with cameras integrated into Muralha Paulista. Subscribers can view cameras in their surroundings. In neighbourhoods that have installed these surveillance systems on residential streets, users can access the relevant cameras through an app and monitor activity in real time.

One point is important for understanding these systems: according to our sources, facial recognition takes place on the state and municipal platforms, not on the private camera poles. Neighbourhood systems primarily provide images and licence plate data. Anyone developing a product for residents' associations should not include facial recognition as part of a private offering until the legal position has been clarified (see Section 5).

From a sales perspective, this creates a four-level value chain. The first level comprises cameras, licence plate readers and poles; the second, software and cloud services for storage and analysis; the third, a monitoring centre staffed around the clock; and the fourth, the interface to government platforms. Technical access to Muralha Paulista is relatively straightforward. Registration is free and takes place through the portal using a Gov.br account. Applicants must provide the camera's streaming protocol and the address of its location. In our view, cameras with open standard interfaces therefore have an advantage, while closed systems that communicate only with their own platforms are at a disadvantage in this environment.

3. Who Sells in the Market—and How They Win

Intelbras describes itself as Brazil's largest domestic manufacturer of cameras and security technology. The listed company generated net revenue of around BRL 4.5 billion in 2025, of which 61% came from security products. In 2025 alone, it trained around 280,000 people who install its technology. It has several hundred distributors and more than 80,000 resellers. Its CEO cites domestic product development, customer service in Portuguese and a presence in 98% of the country's municipalities as advantages over predominantly foreign competitors.

Chinese suppliers such as Hikvision and Dahua are also strongly represented. Hikvision cameras with licence plate recognition have, for example, been procured for motorcycles used by the military police and municipal guard in São Paulo. Around 600 companies are members of the ABESE industry association.

This leads to an uncomfortable lesson. In our view, success in Brazil depends on access to installers, training, available spare parts and service in the local language. A European manufacturer may have technically superior products, but if it does not train installers, it is unlikely to sell much in Brazil.

4. Building the Sales Network

Sales to end customers generally take place through three channels. The traditional channel runs from the manufacturer through distributors to resellers, system integrators and installers, and then to residential complexes, retailers and other businesses. The second channel consists of monitoring companies with their own control centres. They equip their customers with technology and charge a monthly fee for the service. The third channel is the public sector, which purchases through tenders, cooperation agreements or system integrators. There are four ways to build and develop a company's own sales operation. These approaches are not mutually exclusive, but each is suited to different circumstances.

Approach	Strength	Risk	Suitable when
Pilot project with an integrator or monitoring company	Direct access to camera networks and field references; feedback on how the technology performs in operation	Dependence on a partner. If the partner operates a monitoring centre, it needs authorisation from the Federal Police	At the outset, particularly for solutions involving video analytics or licence plate recognition
Own sales subsidiary with technical sales and training	Control over pricing, brand and customer relationships; development of in-house training expertise	Fixed costs and start-up losses; need for a local manager with market access	A viable project pipeline is in sight and funding is available for several years
Selected distributors	Access to installers and resellers across a broad geographic area	Distributors usually carry multiple brands; attention and training support must be earned	The product and service have been validated in the market and broader geographic coverage is needed
Commercial agents	Low fixed costs and a quick start	Legally protected status; in the event of termination without cause, compensation of at least one-twelfth of total remuneration may be due	A region or industry segment is being tested for a limited period

A phased approach is recommended. Start with a pilot project in São Paulo involving a system integrator or monitoring company that can validate the technology in the field and provide references. In parallel, establish a small sales subsidiary with technical sales and a training team. Only once the product, service and market positioning have been validated should selected distributors be added in other regions. The public sector can be approached through system integrators. Commercial agents are suitable for limited-term trials, rather than for building the core sales operation.

Partner selection should take account of financial stability, references and training capabilities. Monitoring companies must also demonstrate that they hold a valid Federal Police authorisation. Membership of ABESE is an indication of professionalism, but it is not a guarantee. The contractual distinction is important. Brazil's law governing commercial representation provides for compensation of at least one-twelfth of the total remuneration received during the term of the contract in cases of termination without cause. Whether an agreement is treated as a distribution contract or a

commercial representation agreement depends on how it operates in practice and should be reviewed by a Brazilian lawyer before signing.

European manufacturers can differentiate themselves above all through reliability, data protection in design and operation, and integration capabilities. As the data protection authority and the regulation of biometric data receive greater attention, the value of solutions with demonstrable privacy safeguards is increasing. In our experience, the technology must also suit local conditions, including fluctuations in power supply and variable connectivity.

Local manufacturing strengthens sales in three ways. It enables the delivery times and spare-parts availability expected by installers. It also supports the argument for domestic value creation and may provide a preference in public tenders. For the federal administration, Decree 11.890/2024 provides for a price preference margin of up to 10% for goods manufactured domestically, with an additional margin of up to 10% for products developed and innovated domestically, up to a maximum of 20%. This applies only to goods designated by the government for this purpose and does not apply where domestic production capacity is insufficient. Whether security technology qualifies in a specific case must be checked for each tender.

5. Regulation as a Sales Factor

Companies providing monitoring services require authorisation from the Federal Police. Law 14.967 of 9 September 2024, the Private Security Statute, explicitly includes the monitoring of electronic security systems among private security services and makes prior Federal Police authorisation a condition for providing them. Decree 13.012 provides further rules from 2026. For manufacturers, this means that sales partners operating monitoring centres must demonstrate that they hold the required authorisation, and regulation of the monitoring-services market is becoming increasingly important.

Under Brazil’s General Data Protection Law (LGPD), biometric data are classified as sensitive personal data. The data protection authority, ANPD, has included the regulation of biometric data in its 2025–2026 regulatory agenda. An example of the potential strength of regulatory intervention came in August 2026, when, according to Data Privacy Brasil, the ANPD ordered the immediate suspension of facial recognition used to record attendance at public schools in the state of Paraná.

At federal level, on 12 August 2026 the Chamber of Deputies passed Bill 1,828/2023, which would allow facial-recognition cameras in railway stations, buses, public streets and government buildings. The bill has been before the Senate since 1 September 2026. According to Data Privacy Brasil, the text includes impact assessments, transparency requirements and a ban on decisions based solely on automated processing, while civil-rights organisations have raised concerns about discrimination risks and error rates. The bill concerns public authorities and operators of essential public services; private use remains subject to the LGPD. For manufacturers, this has two implications: the public market for facial recognition may open up, while evidence of accuracy, data protection and auditability is likely to become essential. The outcome in the Senate remains uncertain.

In our view, this is the greatest uncertainty for planning. The market for licence plate recognition is established, while facial recognition remains politically controversial and legally unsettled. Product developers should be able to treat these two applications separately.

6. From Brazil to Latin America

The idea of serving all of Latin America from Brazil is attractive, but it is easy to overestimate its practicality. The market leader itself provides the clearest example. Intelbras exports to several Latin American countries, yet exports accounted for less than 1% of net revenue in 2024. In 2023, the company acquired a 55% stake in Colombian provider Allume for around BRL 24 million. Allume generated approximately BRL 102 million in revenue in 2022 and has branches in Bogotá, Medellín

and Barranquilla. It was Intelbras's first overseas acquisition. Even a company with one of Brazil's largest sales networks therefore entered a neighbouring market through a local company.

This points to a phased approach. First establish the business in Brazil: without references, service and a training structure in the home market, an export sales operation is unlikely to gain traction. Next, consider neighbouring Mercosur countries, where access may be easier because of the common trade framework. Only then move on to markets such as Colombia, Chile or Peru, each through a local distributor or an equity investment. Mexico operates under different rules and should be assessed separately. Spanish-language requirements, country-specific approvals, distribution networks and local competitors make each market a project in its own right. Customs requirements are outside the scope of this paper.

The Exposec exhibition in São Paulo provides a platform for business contacts. For 2026, more than 800 brands and over 58,000 trade visitors were expected. We have not found reliable, freely available figures that allow the market sizes of individual Latin American countries to be compared. Commercial market studies are available, but they are either paid or cannot be independently verified, so they are not used here.

7. Risks to Plan For

Price pressure is high. The market ranges from basic devices to professional systems, and strong domestic and Chinese suppliers are active across it. Further risks include dependence on political programmes and the unsettled legal position regarding facial recognition. The programmes described above belong to the state and city of São Paulo. We have not systematically investigated the extent to which other states are developing comparable networks. Poorly drafted or inadequately classified sales agreements can also create legal risks.

Conclusion

According to the industry association, Brazil's security technology market is growing at a double-digit rate. It also offers opportunities for European manufacturers with genuine technical capabilities, particularly in licence plate recognition, video analytics and privacy-conscious technology. Success depends on an effective sales network, not solely on a product's technical specifications. Companies entering the market should begin with a pilot project, establish a small sales and training organisation, check partners' authorisations and financial stability, ensure that contracts are properly structured, keep their technology open to integration with public platforms, and clearly separate licence plate recognition from facial recognition. Expansion into the rest of Latin America should follow only once the Brazilian business is established, and should be pursued through local partners.

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Furthermore, we design resilient supply chain frameworks, conduct comprehensive risk assessments, and guide dual-sourcing strategies, with operational support through to a successful series production ramp-up.

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