



Country Profile – Brazil

Synopsis of the Country

Capital	: Brasilia
Currency	: Brazilian Real (BRL)
Official language	: Portuguese
Business Languages	: Portuguese and Spanish; English is not used very much
Population	: 196342592
Total Area	: 8511965 sq. kms
GDP	: \$1.665 trillion (2008 est.)
GDP Growth Rate	: 5.2% (2008 est.)
GDP Per Capita	: \$10,300 (2008 est.)
Major Exports	: Transport equipment, iron ore, soybeans, footwear, coffee, autos
Exports Value	: \$200 billion f.o.b. (2008 est.)
Major Countries of Export	: US, Argentina, China, Netherlands, Germany
Major Imports	: Machinery, electrical and transport equipment, chemical products, oil, automotive parts, electronics
Imports Value	: \$176 billion f.o.b. (2008 est.)
Major Countries of Import	: UK, Singapore, Malaysia

Economic Indicators

Brazil is one of the top ten world economic powers. The taxation and monetary policies, cautiously run by President Lula, together with the necessary microeconomic reforms (which have been ongoing since his new term of office began in January 2007), have restored confidence in this market, which even though it was affected by the global economic crisis, has solid bases. In the eyes of all international observers, the Brazillian economy is clearly progressing and less and less vulnerable, as its resistance in the face of the global crisis proved. Additionally, the unemployment rate is constantly dropping. However, the government's debt (mainly domestic) is still high, at around 45% of the GDP. Thanks to a trade surplus, the amount of reserves now equals that of the foreign debt at the height of 190 billion dollars. The consumer price index should increase slightly during this year and follow the downward trend again in 2010.

<i>Main indicators</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>
GDP (billions USD)	1,635.52	1,574.04	1,910.50	2,035.04e	2,161.28e
GDP (constant prices, annual % change)	5.1e	-0.2	5.5e	4.1	4.1
GDP per capita (USD)	8,626	8,220	9,886e	10,440e	10,997e

<i>Main indicators</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>
Inflation rate (%)	5.7	4.9	5.1e	4.6	4.5
Unemployment rate (% of the labour force)	8.0	-	-	-	-
Current Account (billions USD)	-28.19	-24.33	-55.65e	-59.88e	-68.53
Current Account (in % of GDP)	-1.7	-1.5e	-2.9	-2.9	-3.2e

(Source : IMF - World Economic Outlook Database; CIA - The world factbook)

Note: (e) Estimated data

Main sectors of industry

Brazil has abundant natural resources and its economy is relatively diversified.

A major agricultural power, Brazil is one of the leading producers of soya and is the world's first producer of coffee, sugar cane and oranges. It also attracts many world groups in the food industry and biofuels. Brazil has the world's largest commercial livestock herd. Nevertheless, agriculture's contribution to the GDP is relatively small. Forests cover half of the country, with the largest ombrophilous forest in the world situated in the Amazon Basin.

Brazil is also a great industrial country. It benefits from its mineral ore wealth and is the second world exporter of iron and one of the main producers of aluminium. The country is asserting itself more and more in the textile, aeronautics, pharmacy, automobile, steel and chemical industry sectors. Most of the large automobile manufacturers have set up their production plants in the country. The industrial sector contributes to almost a third of the GDP, whereas the tertiary sector represents almost two-thirds of the GDP.

Breakdown of economic Agriculture Industry Services activity by sector

<i>Employment by sector (in % of total employment)</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>
	21.0	21.0	21.0	21.0	21.0
<i>Value added (in % of GDP)</i>	5.5	5.5	5.5	5.5	5.5
<i>Value added (annual % change)</i>	5.3	4.9	5.3	4.9	5.6

(Source : World Bank - last available data)



Monetary indicators	2004	2005	2006	2007	2008
Brazilian Real (BRL)- Average annual Exchange rate for 1 USD	2.93	2.43	2.18	1.95	1.83

Foreign trade in figures

Brazil is amongst the 20 top world exporters. However, the country still has enormous economic potential. The country's main trade partners are the Mercosur (Common South American market which encompasses Argentina, Brazil, Paraguay and Uruguay - website in Spanish or Portuguese), the United States and China. In 2008, Brazil recorded a trade deficit for the first time since 2002, due to the sharp appreciation of the Real against the dollar, which made foreign products cheaper. It is forecasted that the trade balance will not stabilize until 2010.

Foreign trade indicators	2005	2006	2007	2008	2009
Imports of goods (millions USD)	77,628	95,838	126,560	182,367	133,609
Exports of goods (millions USD)	118,529	137,808	160,649	197,943	152,995
Imports of services (millions USD)	22,409	27,149	34,700	44,396	44,073
Exports of services (millions USD)	14,856	17,946	22,615	28,822	26,267
Imports of goods and services (annual % change)	8.5	18.3	20.7	18.0	-
Exports of goods and services (annual % change)	9.3	4.7	6.6	1.0	-
Imports of goods and services (in % of GDP)	11.5	11.7	12.3	14.0	-
Exports of goods and services (in % of GDP)	15.1	14.6	13.9	14.0	-
Trade Balance (millions USD)	44,703	46,458	40,028	24,837	-
Trade Balance (including service) (millions USD)	36,394	36,804	26,673	8,147	-
Foreign trade (in % of GDP)	26.6	26.3	26.2	29.0	-

(Source : WTO - World Trade Organization, World Bank)

Main partner countries

Main customers (% of exports)	2009
China	13.2%
United States	10.3%
Argentina	8.4%
Netherlands	5.3%

Main customers (% of exports)	2009
Germany	4.0%
Japan	2.8%
United Kingdom	2.4%
Venezuela	2.4%
India	2.2%
Belgium	2.1%
Italy	2.0%
France	1.9%
Russia	1.9%
Mexico	1.7%
Spain	1.7%
Chile	1.7%
South Korea	1.7%
Saint Lucia	1.6%
Saudi Arabia	1.3%
Switzerland	1.3%

(Source: Comtrade)

Main suppliers (% of imports)	2009
United States	15.8%
China	12.5%
Argentina	8.8%
Germany	7.7%
Japan	4.2%
South Korea	3.8%
Nigeria	3.7%
Italy	2.9%
France	2.8%
Mexico	2.2%
Chile	2.0%
United Kingdom	1.9%
India	1.7%
Switzerland	1.6%
Spain	1.5%
Bolivia	1.3%
Canada	1.3%
Saudi Arabia	1.3%
Russia	1.1%
Algeria	1.1%

(Source : Comtrade)



Main products

Main exports (% of exports)	2009
Ores, slag and ash	9.4%
Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	9%
Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	7.6%
Meat and edible meat offal	6.5%
Sugars and sugar confectionery	5.6%
Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	5.5%
Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	5.3%
Iron and steel	4.4%
Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	3.4%
Residues and waste from the food industries; prepared animal fodder	3.2%
Aircraft, spacecraft, and parts thereof	2.7%
Coffee, tea, maté and spices	2.6%
Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	2.2%
Tobacco and manufactured tobacco substitutes	2.0%
Plastics and articles thereof	1.8%
Organic chemicals	1.6%
Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	1.4%
Preparations of vegetables, fruit, nuts or other parts of plants	1.2%
Articles of iron or steel	1.1%
Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	1.1%

Source: Comtrade

Main imports (% of imports)	2009
Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	16.5%
Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	14.8%
Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	12.1%
Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	9.0%
Organic chemicals	5.5%
Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	3.8%
Plastics and articles thereof	3.8%



Main imports (% of imports)	2009
Pharmaceutical products	3.5%
Fertilizers	3.1%
Miscellaneous chemical products	1.9%
Articles of iron or steel	1.9%
Rubber and articles thereof	1.8%
Aircraft, spacecraft, and parts thereof	1.7%
Iron and steel	1.7%
Cereals	1.4%
Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	1.3%
Copper and articles thereof	1.0%
Paper and paperboard; articles of paper pulp, of paper or of paperboard	0.9%
Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	0.7%
Man-made filaments	0.7%

(Source : Comtrade)

Tax Rates

Consumption taxes

Nature of the tax

ICMS : Tax on operations concerning the movement of goods and on national, municipal and local transport services.

Tax Rate

The ICMS is 17%

Transactions : 17% (18% in Sao Paulo);

Inter-state transactions : between 7% and 12%;

Imports are subject to : between 18% and 25%;

Communication services: from 13% to 35%.

Reduced tax rate

A great number of deductions are applicable, each State being able to alter them.

Other consumption taxes

A tax on industrialized products (IPI) is also collected: an excise duty levied at the federal level. It applies to almost all sales and transfers of goods manufactured or imported in Brazil. The IPI rate can vary between 0% and 335%. The least taxed products are: basic foodstuffs, and the most taxed: alcohol and cigarettes.

Corporate taxes

Company tax

A tax on industrialized products (IPI) is also collected: an excise duty levied at the federal level. It applies to almost all sales and transfers of goods manufactured or imported in Brazil. The IPI rate can vary between 0% and 335%. The least taxed products are: basic foodstuffs, and the most taxed: alcohol and cigarettes.

Tax rate for foreign companies

Companies resident in Brazil pay taxes on their worldwide profits. Foreign companies are only subject to tax if they engage in certain sales operations involving companies or agents resident in Brazil.

Capital gains taxation

The tax rate on long term capital gains is the same as for corporate tax. Non-resident investors are subject to an obligatory deduction of 15%, rising to 25% for residents of tax havens.

Main allowable deductions and tax credit

All the expenses necessary for company activity are deductible. Other expenses can be added: for employees' lunches, training, investment in the north-east of the country or in IT equipment. On the other hand, only 20% of managers' salaries are considered to be deductible expenses.

Other corporate taxes

There are many indirect taxes :

- The PIS and COFINS, respectively allocated to an employee savings scheme and to reimbursement of social security, and levied on the gross income of the company (1.65% and 7.6%). Exports are exempt, but imports are liable.
- A supplementary tax, the ISS, is deducted by municipalities on services which are not subject to the ICMS, and is about 2 to 5% of the price of the service billed.



- A tax on financial transactions, the IOF (0.0041% per day on credit transactions), another on financial transactions, the CPMF (0.38% on all transfers of funds in Brazil or out of the country), from which foreign investors are exempt.
- Concerning real estate, a property tax which varies from 0.3 to 1% of the value of the property is deducted every year by the municipality, as well as a second tax of 0.03 to 20% on rural property, according to the States and the

use of the land. Every buyer must pay a progressive tax of 2 to 6% on the price of the property. This federal value added tax is levied on nearly all sales and transfers of products manufactured in or imported into Brazil, depending on the degree of necessity.

- In addition, import companies pay an import duty which varies according to the type of goods, and companies which pay royalties or pay for services rendered by foreign companies are subject to a deduction of 10%.

India's Total Trade with Brazil

Export to Brazil (2006-07, 2007-08, 2008-09), All Commodities

<i>Exporting Country</i>	<i>Importing Country</i>	<i>Commodity Name</i>	<i>US\$ Million Cumulative 2006-07 val</i>	<i>US\$ Million Cumulative 2007-08 val</i>	<i>US\$ Million Cumulative 2008-09 val</i>
India	Brazil	All Commodities	1452.47	2517.84	2553.76

Export to Brazil (2006-07, 2007-08, 2008-09), All Commodities

<i>Exporting Country</i>	<i>Importing Country</i>	<i>Commodity Name</i>	<i>Rs. Lakh Cumulative 2006-07 val</i>	<i>Rs. Lakh Cumulative 2007-08 val</i>	<i>Rs. Lakh Cumulative 2008-09 val</i>
India	Brazil	All Commodities	657677.2	1013178	1172685.72

Import from Brazil (2006-07, 2007-08, 2008-09), All Commodities

<i>Exporting Country</i>	<i>Importing Country</i>	<i>Commodity Name</i>	<i>US\$ Million Cumulative 2006-07 val</i>	<i>US\$ Million Cumulative 2007-08 val</i>	<i>US\$ Million Cumulative 2008-09 val</i>
Brazil	India	All Commodities	991.01	948.84	1184.9

Import from Brazil (2006-07, 2007-08, 2008-09), All Commodities

<i>Exporting Country</i>	<i>Importing Country</i>	<i>Commodity Name</i>	<i>Rs. Lakh Cumulative 2006-07 val</i>	<i>Rs. Lakh Cumulative 2007-08 val</i>	<i>Rs. Lakh Cumulative 2008-09 val</i>
Brazil	India	All Commodities	448731.2	381813.8	544108.15



India's Engineering Exports to Brazil

Export to Brazil (2006-07, 2007-08, 2008-09), Engineering Goods

Exporting Country	Importing Country	Commodity Name	Unit	US\$ Million Cumulative 2006-07 val	US\$ Million Cumulative 2007-08 val	US\$ Million Cumulative 2008-09 val
India	Brazil	Mica	Kgs	0.16	0.22	0.16
India	Brazil	Ferro alloys	Tonnes	0.14	0.85	3.32
India	Brazil	Aluminium other than products	Kgs	1.47	0	0.08
India	Brazil	Manufactures of metals		15.58	23.88	41.40
India	Brazil	Iron & steel bar/rods	Tonnes	9.50	26	25.47
India	Brazil	Primary & semi-finished iron & steel	Tonnes	36.34	15.24	25.68
India	Brazil	Machine tools		1.69	3.59	1.85
India	Brazil	Machinery & instruments		53.1	164.89	252.97
India	Brazil	Transport equipment		10.23	26.32	54.11
India	Brazil	Non-ferrous metals	Kgs	1.68	4.86	6.1
India	Brazil	Residual engineering items		0.2	0.35	0.78
TOTAL				130.09	266.2	411.92

India's Engineering Imports from Brazil

Import from Brazil (2006-07, 2007-08, 2008-09), Engineering Goods

Exporting Country	Importing Country	Commodity Name	Unit	US\$ Million Cumulative 2006-07 val	US\$ Million Cumulative 2007-08 val	US\$ Million Cumulative 2008-09 val
Brazil	India	Machine tools		1.93	1.22	17.07
Brazil	India	Non-electrical machinery		100.37	95.55	103.67
Brazil	India	Electrical machinery		7.81	11.93	7.95
Brazil	India	Professional inst, optical goods etc.		5.82	10.54	9.89
Brazil	India	Transport equipment		35.31	36.97	41.53
Brazil	India	Primary steel pig iron based items	Tonnes	17.77	34.62	47.51
Brazil	India	Iron & steel	Tonnes	88.40	49.25	14.79
Brazil	India	Manufactures of metals		4.55	5.63	4.91
Brazil	India	Non-ferrous metals		47.91	67.45	3.45
TOTAL				309.87	313.16	250.77

Investing in Brazil

FDI in figures

In 2008, Brazil broke its FDI appeal record. Additionally, it became the 4th international investor amongst emerging countries, and the 1st in Latin America. This country's appeal to international investors is due to different factors :

- A market of almost 200 million inhabitants;
- A booming economy;
- Easy access to raw materials; and
- A diversified economy.

Additionally, undeniable progress was made on the plan for poverty reduction and income inequality in Brazil, largely due to the policies implemented during the last fifteen years.



Country comparison for the protection of investors

	Brazil	Latin America & Caribbean	United States	Germany
Index of transaction transparency*	6.0	4.1	7.0	5.0
Index of manager's responsibility**	7.0	5.0	9.0	5.0
Index of shareholders' power***	3.0	6.0	9.0	5.0
Number of payments of taxes per year	5.3	5.0	8.3	5.0

Source : Doing Business 2008, World Bank

Note : *The greater the index, the more transparent the conditions of transactions. **The greater the index, the more the manager is personally responsible*** The greater the index, the easier it will be for shareholders to take legal action. **** The greater the index, the higher the level of investor protection.

Foreign Direct Investment	2005	2006	2007
FDI inward flow (millions USD)	15,066	18,822	34,585
FDI stock (millions USD)	195,562	236,186	328,455
Performance Index*, ranking on 141 economies	85	93	97
Potential Index**, ranking on 141 economies	70	70	-
Number of Greenfield investments***	169	145	152
FDI inwards (in % of GFCF****)	10.7	10.6	15.0
FDI stock (in % of GDP)	22.2	22.0	25.0

(Source: UNCTAD)

Note : * The UNCTAD Inward FDI Performance index is based on a ratio of the country's share in global FDI inflows and its share in global GDP. ** The UNCTAD Inward FDI Potential index is based on 12 economic and structural variables such as GDP, foreign trade, FDI, infrastructures, energy use, R&D, education, country risk. *** Green field investments are a form of foreign direct investment where a parent company starts a new venture in a foreign country by constructing new operational facilities from the ground up. **** Gross fixed capital formation (GFCF) measures the value of additions to fixed assets purchased by business, government and households less disposals of fixed assets sold off or scrapped.

Why you should choose to invest in Brazil

Strong points

Brazil has Universities that perform just as well as their counterparts in the OECD and a very big manpower reserve educated to all levels. It also has extensive raw material resources. A number of sectors offer good business opportunities. The Brazilian economy is diversified and more and more manufactured goods are produced and exported. The potential of the Brazilian domestic market as well as the low cost of labour are elements which may attract foreign investors.

Weak points

Despite being open to world trade, several administrative barriers cripple international trade. Valuing the real against the dollar automatically reduces the country's competitiveness against Asian competitors in some sectors. The Labour laws are very onerous, involving substantial costs to foreign companies and keeping a good part of the local business in the informal sector.

Government measures to motivate or restrict FDI

The Brazilian government encourages and promotes FDI. Most of the barriers to foreign investor activity have been removed particularly on the stock market. A very large number of public companies have been privatized and many sectors deregulated over the last fifteen years.

Visa Information

Visas are not required by holders of passports of the following countries.

Andorra, Argentina, Austria, Bahamas, Barbados, Belgium, Bolivia, Bulgaria, Czech Republic, Chile, Colombia, Costa Rica, Croatia, Denmark, Ecuador, Finland, France, Germany, Great Britain, Greece, Guatemala, Guyana, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Liechtenstein, Lithuania, Luxembourg, Macau, Malaysia, Morocco, Monaco, Namibia, Netherlands, New Zealand, Norway, S.M. Order of Malta, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Romania, San Marino, Slovakia, Slovenia, South Africa, South Korea, Spain, Surinam, Sweden, Switzerland, Thailand, Trinidad & Tobago, Tunisia, Turkey, Uruguay, Vatican and Venezuela.

Everyone else can experience the process of obtaining a visa.

US citizens - \$130.00 non-refundable processing fee per visa is required in reciprocity for an identical fee charged Brazilian citizens applying for a US visa.

- Australia \$35.00
- Russia, Japan \$50.00
- Canada, Nigeria \$40.00
- South Korea, Mexico \$30.00
- Other countries \$20.00



If submitted by mail, by commercial proxy or by other person than the applicant (except by next of kin) payment of a \$10.00 service fee is required (money order or certified check only payable to the Brazilian Embassy).

Additional \$25.00 communications charge (since transmission of visa application to Brazil is required) applies to nationals of the following countries who are not holders of a green card :

Afghanistan, Algeria, But, Central African Republic, China, Comores Island, Croatia, Cuba, Egypt, Eritrea, Ethiopia, Gabon, Ghana, Hong Kong**, India*, Iran, Iraq, Ivory Coast, Jordan, Kampuchea, Laos, Lebanon, Liberia, Libya, Mali, Mauritania, Mozambique, Nigeria, North Korea, Palestinian Auth., Pakistan, Russia*, Sierra Leone, Somalia, South Korea*, Sri Lanka, Sudan, Syria, and Swaziland.

* If living for less than one year in this jurisdiction

** If traveling with a Hong Kong document.

Operating a business in Brazil

Setting up a company

Legal business entities

Types of companies and capital (max/min)	Number of partners/shareholders and liability	Registration fees
La Sociedade a responsabilidade limitada is a limited liability company . No minimum capital.	2 partners maximum. Their liability is limited to the amount of capital contributed. They are also jointly liable for the company's commitments within the limit of the capital remaining to be paid up.	Cost of the registration to the State's commercial office where the company is located : BRL 59.06; Registration to the municipal tax payers's register: BRL 300.
La Sociedade anonima is a public limited company. No minimum capital. NB: 10% minimum of the issue price of the subscribed shares must be paid up in cash.	2 partners maximum. The partners' liability is limited of the amount of capital contributed.	Cost of the registration to the State's commercial office where the company is located : BRL 59.06; Registration to the municipal tax payers register: BRL 300.
The general partnership. No minimum capital.	n.c. Their liability is joint and indefinite.	Cost of the registration to the State's commercial office where the company is located : BRL 59.06; Registration to the municipal tax payers register: BRL 300.
The limited joint-stock partnership. No minimum capital.	There are two types of partners, the active partners and the silent partners. The liability of the active partners is unlimited. The liability of the silent partners is limited to the amount of they capital contributed as long as do not participate in the management of the company.	Cost of the registration to the State's commercial office where the company is located : BRL 59.06; Registration to the municipal tax payers register: BRL 300.



Business setup procedures

The Articles of Association (Contracto social for an SARL or Estatuto social for an SA) must be drawn up in Portuguese by a lawyer. Company registration is carried out either at the Register of Commerce (Junta Comercial), or at the Civil Register of legal entities (Registro Civil das Pessoas Judicias) according to the nature of the company. A study is carried out to see if the name of the future company already exists. Then you have to register at the local agency of the Cadastro Nacional de Pessoas Juridicas (CNPJ); then, once you have proof of registration, at the municipal authorities of the company's location.

Reaching the consumers

Consumer behaviour

Consumers are loyal to brands; including the low income population which this allows to assert itself. More well-off consumers pay particular attention to quality, after-sales service, and the company's social commitment (protection of the environment, sanitary standards, etc.)

National pride is reflected in consumer habits, but Brazilians remain attached to foreign products as exterior signs of wealth (technological equipment, American sports brands, etc.)

Consumer profile and purchasing power

Consumption among the majority of the population is turned towards food and housing. The Brazilian consumer is more demanding and selective. He is aware of quality, the price of goods and special offers. Brazil is a dual economy, in which the upper classes distinguish themselves by consumption close to that of the United States and Europe, while the poorer people have to be careful with prices and buy almost exclusively on the unofficial market.

Distributing a product

Evolution of the sector

With the liberalization of trade, undertaken since 1990, many agents and distributors have formed themselves into companies and begun to import to sell on their own account. Today, the majority of the large distribution chains have their own import agency. For several years, supermarkets and in particular hypermarkets, have become more and more important in the distribution milieu. Brazilian hypermarkets make 80% of sales of staple commodities.

Market access Procedures

Non-tariff barriers

A large number of imported products are subject to a prior licence application to the SECEX (Secretariat for Foreign Trade), which is the only organization authorized to issue this licence. The licence is valid for 60 days from the date of shipment of the goods (sometimes from the date of the licence application). This period cannot be extended and is often insufficient. A new licence application must then be made. For textiles, regulations are even more strict: the licence is only issued if payment is carried out within 30 days following the date of the B/L (importers have to prove that they have effectively paid within the 30 days).

All imports must be accompanied at least by 2 copies of the commercial invoice and the B/L. In the case of non-compliance with the legal requirements of the country, the Customs have the right to impose large fines, up to 100% of the usual Customs duties being common. It is advisable in any case to work with a very good Brazilian Customs broker who alone will be in a position to be informed more or less in due course about Customs regulations. It is necessary to consult the numerous sanitary regulations before importing anything.

Customs duties and taxes on imports

10.73%, within the average for emerging countries.

Customs classification

Brazil applies the Harmonized Customs system.

Import procedures

Every importer must be registered with the authorities in charge of foreign trade, SISEX, in order to integrate the Customs computer system, the SISCOMEX. This represents a costly investment, as the prerequisites, especially in terms of minimum capital, are considerable. The regime in place in Brazil has an automated process for issuing import licences, except for a certain number of products listed below.

Importing samples

Imported samples will be considered by the Customs at their market value, unless there is a particular agreement according to the quantity and size of the samples.

Organizing Goods Transport

Main useful means of transport

17% of domestic transport is carried out by sea or by waterway; sea traffic plays a leading role in international goods transport, since it transports 97% of Brazilian exports. A total of some 350 million tonnes of goods are transported by this means every year.



Brazil's large cities are well served by air. However, goods transport is not much developed, mainly because of the high cost of this type of transport.

Practically all the State capitals are linked by tarmacked roads. São Paulo, Rio de Janeiro and other important States have expressways. The road and motorway network covers approximately 1.5 million kilometers, of which some 160 000 are tarmacked, an increase of more than 300% over the last two decades. This is the means of transport used most, as it handles about 85% of the transport of people and Brazilian products. Recently, the exploitation of several motorways has been transferred to the private sector.

The railway network carries 22.5% of goods traffic. Only 7% of the lines are electrified.

Useful Addresses

Embassy of India in Brazil

Embassy of India

SHIS QL 08, Coj 08
Casa 01, Lago Sul, CEP 71.620/285
Brasilia, DF
Tel. : 00-55-61-2484006[4 lines]
Fax : 00-55-61-2485486
E-mail : hoc@indianembassy.org.br
Website : www.indianembassy.org.br

Consulate General of India

Avenida Paulista, 925 – 7th Floor
Sao Paulo-01311
Brazil
Tel. : 00-55-11-31710340-41
Fax : 00-55-11-31710342
E-mail : bhojwani@indiaconsulate.org.br
Website : www.indiaconsulate.org.br

Embassy of Brazil in India

Embassy of the Federative Republic of Brazil

8, Aurangzeb Road
Tel. : +91-11-2301 7301
Fax : +91-11-2379 3684
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Honorary Consulates

Shakespeare Court
21 A, Shakespeare Sarani
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Tel. : +91 33 2247 9752, 2240 1935
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New Marine Lines
Mumbai 400 020
Tel. : +91-22-2200 2236
Fax : +91-22-22009456
E-mail : akadokia@vsnl.com

Trade Associations

International Chamber of Commerce of Brazil

Rua Timbiras, 1200, 60andar
30140-060 BELO HORIZONTE
Brazil
Tel. : 5531-213-1550
Fax : 5531-213-1552
E-mail : camint@camint.com.br
Website : http://www.camint.com.br

Associacao Brasileira das Empresas Comerciais Exportadoras

Rua Da Candel`ria, 9-60 andar
S/601
20091-020 RIO DE JANEIRO
Brazil
Tel. : 55021 2531225
Fax : 55021 2537278

Associacao de Comircio Exterior do Brasil (AEB)

AV. GENERAL JUSTO, 335 / 4o. Andar
20021-130 RIO DE JANEIRO
Brazil
Tel. : 5521- 2544-0048 / 25
Fax : 5521- 2544-0577
E-mail : aebbras@aeb.org.br
Website : http://www.aeb.org.br

Confederacao Nacional da Industria (CNI)

Av. Nilo Peganha, 50, sl.3216
20044-900 RIO DE JANEIRO
Brazil
Tel. : 5521 5348145
Fax : 5521 5348292
E-mail : webmaster@mail.cni.org.br
Website : http://www.cni.org.br

Confederacao Nacional do Comercio

Av. General Justo, 307, 40 andar
20022 RIO DE JANEIRO
Brazil
Tel. : 55021 2970011
Fax : 55021 5247111
E-mail : cncrj@cnc.com.br

**Confederation of Chambers of Commerce of Brazil**

Rua Da Candel`ria, 9-120 andar
20091-020 RIO DE JANEIRO
Brazil
Tel. : 55-21 2639461
Fax : 55-21 2637613
E-mail : cacb@nutechnet.com.br
Website : <http://www.cacb.org.br>

Federacion de Camara de Comercio Exterior

Av. General Justo, 307, 60 andar
20021-130 RIO DE JANEIRO
Brazil
Tel. : 005521-38049289
Fax : 005521-25247111

Useful Links**Business Environment****Standards**

Brazilian technical standards association (www.abnt.org.br)

Brazilian committee for standardization in the fields of electricity, electronics and telecommunications (www.cobei.org.br)

List of organizations authorized to issue certifications (www.inmetro.gov.br/credenciamento/organizacoesCredenciadas.asp)

Tax Authorities - Administration of federal tax revenue (www.receita.fazenda.gov.br)

HSBC Bank information pages on Brazil (<http://fita.org/countries/www.offshore.hsbc.com/1/2/international/offshore-banking/tax-benefits/tax-going-to-brazil>)

Sources of general economic information**Ministries**

Ministry of Agriculture and Reserves (MA) (www.agricultura.gov.br)

Ministry of Foreign Relations (MRE) (www.mre.gov.br)

Institute for Mine development (INDI) (www.indi.mg.gov.br)

Ministry of Development, Industry and Foreign Trade (www.desenvolvimento.gov.br/sitio)

Ministry of the Economy (Fazenda) (www.fazenda.gov.br)

Ministry of Labor (www.mtb.gov.br)

Statistical Office

Brazilian statistics institute (www.ibge.gov.br)

Central Bank

Central Bank of Brazil (www.bcb.gov.br)

Stock Exchange

Rio de Janeiro Stock Exchange (www.bvrj.com.br)

São Paulo Stock Exchange (www.bovespa.com.br/Principal.asp)

Search Engines

Yahoo! Brazil (<http://br.yahoo.com>)

Aonde (www.aonde.com)

Achei (www.achei.com.br)

Lycos Brazil (www.lycos.com.br)

MSN Search Brazil (<http://search.msn.com.br>)

RadarUOL (www.radaruol.com.br)

Altavista (www.altavista.com.br)

Terra (www.terra.com.br)

Economic portals

Economic Portal-Brazil (www.wilsoncenter.org)

Reaching the consumers**Consumers associations**

IDEC, Brazilian Institute for the Defense of the Consumer (www.idec.org.br)

Main advertising agencies

Members of the professional association of Brazilian advertising agencies (<http://webserver.4me.com.br/wwwroot/abap/associados.pdf>)

For further information on Customs Department in Brazil

Customs Department (www.receita.fazenda.gov.br)

Organizing goods transport**Ports**

Port of Recife (www.portodorecife.pe.gov.br)

Port of Santos (São Paulo) (www.portodesantos.com.br/index_i.html)

Port of the Rio Grande (www.portoriogrande.com.br)

Port of Salvador (www.codeba.com.br)

Port of Rio de Janeiro (www.portosrio.gov.br/rio/Riopor.htm)

Port of Belem (www.cdp.com.br/porto_belem.aspx)

Port of Paranagua (www.portosdoparana.pr.gov.br)

Port of Vitoria (www.portodevitoria.com.br)

Port of Itaquí (www.portodoitaqui.ma.gov.br)

Port of Sao Sebastiao (www.dersa.sp.gov.br/porto)

River port of Manaus (www.portodemanaus.com.br)



Airports

Brazilian airports website (www.infraero.gov.br/aero.php)

Sea transport organizations

Government agency for sea transport (www.antaq.gov.br)

Air transport organizations

National Civil Aviation Agency (www.anac.gov.br)

Road transport organizations

National land transport agency (www.antt.gov.br)

Rail transport organizations

National land transport agency (www.antt.gov.br)

Business Directories

The Yellow Pages (www.listas-amarelas.com.br)

Busca.sos102.com.br (<http://busca.sos102.com.br>)

BrazilBiz (www.brazilbiz.com.br)

Manufacturers' associations of the main industries

Association of shoe manufacturers (www.abicalcados.com.br/index.html)

Association of institutions involved in applied research (www.abipti.org.br)

Association of defense material and security industries (www.abimde.com.br)

Association of aerospace industries (www.aiab.org.br)

Association of car manufacturers (www.anfavea.com.br/Index.html)

Association of machine and equipment manufacturers (www.abimaq.com.br)

Brazilian association of the food industry (www.abia.org.br/default.asp)

Trade Agencies and their representations abroad

Chamber of Commerce and Industry of Rio de Janeiro (<http://ccirj.fuzing.com>)

Enterprises Federation

Union representation for trade in goods, services and tourism (www.portaldocomercio.org.br)

National Confederation of Industry (<http://implantacao.cni.org.br>)

National agency for support for SMEs (www.sebrae.com.br)

Unions

Unitarian Workers Group (www.cut.org.br)

CGT Brazil (www.cgtb.org.br)

Força Sindical (www.fsindical.org.br/fs/index.php)

Democratic Social Union (www.sds.org/new)

Investment aid agency

The agency for the promotion of foreign investment (www.apexbrasil.com.br)

BNDES (www.bndes.gov.br)

FINAME (www.bndes.gov.br/programas/industriais/finame_modermaq.asp)

Traveling in Brazil

Passport and visa service

Federal police (www.dpf.gov.br)

Diplomatic representations

Ministry of Foreign Affairs (www.mre.gov.br)

Maps of urban networks

Plan of the São Paulo metro (<http://www.urbanrail.net/am/spau/sao-paulo.htm>)

Plan of the Rio network (www.metrorio.com.br/en/estacoes.htm)

Plan of the Brasilia network (www.aboutbrasil.com/facts/metro.html)

Rail Companies

SuperVia (www.supervia.com.br)

Road maps by State (www.dnit.gov.br/mapas-multimodais/mapas-multimodais)

Tourism Organizations

Brazilian Tourism portal (www.braziltour.com/site/br/home/index.php)

Ministry of Tourism (www.turismo.gov.br)

Rio Convention Camp & Visitors Bureau (www.rcvb.com.br)

Free translation tools (Free English-Spanish-English translation of texts and web pages)

Lexilogos : Dictionnaire en ligne (www.lexilogos.com/portugais_langue_dictionnaires.htm)

Eurodicautom : Dictionnaire de l'UE (<http://iate.europa.eu>)

(Source : EEPC INDIA Website, Statistics Department – EEPC INDIA, www.fita.org)