

LIST OF KEY MARKET ACCESS BARRIERS IN BRAZIL UNDER THE MARKET ACCESS STRATEGY

Barrier	Description
<p>Intellectual Property Rights related problems</p>	<p>Deficiencies in IPR enforcement, namely in the fight against piracy and counterfeiting, together with a considerable registration backlog in patent and trademark applications. The delay in the ratification of the Madrid Protocol further contributes to this backlog. Particular difficulties in the registration of pharmaceutical patents due to additional discriminatory requirements.</p> <p><i>Remark: Not much progress.</i></p> <p><i>Despite recent domestic efforts to curb IP infringements, the situation remains problematic for EU companies operating in this country. There are deficiencies in IPR enforcement, namely in the fight against physical and online piracy and counterfeiting, as well as a considerable registration backlog in patent and trademark applications. The delay in the ratification of the Madrid Protocol further contributes to this backlog. Particular difficulties exist in the registration of pharmaceutical patents due to additional discriminatory requirements.</i></p>
<p>Taxation related problems</p>	<p>Lack of alignment with OECD practices in respect of transfer pricing, business profit and intra-group tax rules together with complex domestic taxation systems which include multiple cascading and discriminatory taxes that pose numerous challenges to EU companies operating in Brazil.</p> <p><i>Remark: No progress.</i></p>
<p>Restrictions in the Insurance sector: opening reinsurance to competition</p>	<p>The Brazilian monopoly on reinsurance has been dismantled in 2007, but Brazilian authorities still refuse the provision of cross-border reinsurance services which correspond to the most widely followed commercial practice in this area.</p> <p><i>Remark: No progress.</i></p>
<p>Maritime Transport : ensuring a liberal and non-discriminatory regime for international maritime transport (including intra-</p>	<p>In this sector, Brazil maintains several restrictions, such as reservation to Mercosur operators with regard to intra-Mercosur traffic, no possibility for EU operators to operate feeder and discriminatory taxes such as the lighthouse fees.</p> <p><i>Remark: No progress.</i></p>

Mercosur)	
Restrictions in the Telecommunication sector	<p>Brazil does not allow the provision of cross-border telecom services and in particular satellite services although such services correspond to today's business model notably in business-to-business activities.</p> <p><i>Remark: It is proposed to eliminate this key barrier as there were no complaints of EU companies in recent years.</i></p>
Import problems in the medical sector	<p>Obstacles due to excessive regulatory controls imposed by ANVISA and cumbersome procedures to grant import licenses: intervention in patents registration and new regulation that requires GMP certificates to sell medical devices in Brazil.</p> <p><i>Remark: Case is solved as Brazil will recognise some EU notified bodies. The new text has been notified to TBT. Ideally Brazil could have recognised all EU notified bodies instead of a limited number. However, the new rules are not yet implemented. Therefore this key barrier could be kept as MADB trade barrier with the mention "monitoring solution".</i></p>
Export Taxes	<p>Exports of bovine raw hides, skins and wet-blue are subject to an ad-valorem export tax of 9%.</p> <p><i>Remark: No progress.</i></p>
Custom issues	<p>Congress approved in June 2008 a new law modifying custom valuation procedures in Brazil. Under this provision, the Government is allowed to replace any ad valorem tariff line by a specific duty of around 6 €per unit.</p> <p><i>Remark: No progress.</i></p>
Government procurement	<p>The "buy Brazil act" law 12.349/10 of 15 December 2010 amended federal laws of public procurement at the federal, state and municipal levels as well as for public entities. Foreign companies can participate in international tenders, but must be legally established in Brazil to take part in national tendering. However, the law foresees a preference for goods and services produced in Brazil of up to 25%. Given the significant influence of the state-controlled sector due to its large size, discriminatory government procurement policies are a substantial barrier to EU exports.</p> <p><i>Remark: No progress.</i></p>
SPS : No import of bovines	<p>Brazil does not allow the import of bovines and bovine products due to the current bovine spongiform encephalopathy</p>

and their products (BSE)	<p>(BSE) import conditions. Brazil argues, on the basis of opinions of 2006, that the scientific information available is not sufficient to say that certain products (like meat and blood) are absolutely exempt of risk of BSE.</p> <p><i>Remark: No progress.</i></p>
SPS Market access issues related with animal products	<p>Lengthy, burdensome and unpredictable SPS procedures followed by Brazil in allowing imports from EU Member States (despite recent progress by Brazil, the backlog of visits to the EU remains the main EU concern), and afterwards in applying pre-listing of exporting establishments to individual EU Member States.</p> <p><i>Remark: Not much progress.</i></p>