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معلومات السوق

MARKET INFORMATION

## Brazil

### General Import Procedures



**Câmara de Comércio Árabe Brasileira**  
**الغرفة التجارية العربية البرازيلية**  
**ArabBrazilian Chamber of Commerce**

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## Summary

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## Import Regulation

Since 1997 Brazil has a computerized information system integrated with all Brazilian government departments and institutions, which are responsible for international trade operations. The system called SISCOMEX - Foreign Trade Integrated System - facilitates the operations, reduces paperwork and is mandatory to all importers and exporters. All information pertinent to importing operation is available in the system. Specific administrative procedures for products needing licensing are provided on the Administrative Treatment Table of SISCOMEX. This kind of information is usually updated daily and the only organizations who have access to it are the government linked departments, exporters, importers, brokers and financial institutions dealing with international trade. The users have a password corresponding to their Exporter and Importer Registry with the customs, which allows them to operate the system. Brazilian importers must be registered with the Foreign Trade Secretariat (SECEX) of the Ministry of Industry and Commerce (MDIC). Concerning the custom value, Brazil has the Customs Valuation Agreement of the WTO, with minor differences. According to it, there are five methods for determining customs valuation:

- a) The "first method", or primary basis, based on the CIF price that is actually paid or payable for goods by importers;
- b) The four additional methods must be applied in hierarchical order in case the primary basis is not applicable.

The valuation system is required when entering in Brazil, the product falls into the gray channel. Even if the products access other channels, the Custom fiscal may change it by analyzing the documents. The valuation procedure is taken and the taxes are applied to the determined value.

## Import Taxes

The main relevant taxes for Brazilian Importers are Import Tax - *Imposto de Importação* (II), Industrial Products Tax - *Imposto sobre Produtos Industrializados* (IPI) and Merchandise and Service Circulation Tax - *Imposto sobre Circulação de Produtos e Serviços* (ICMS). Their values can be consulted at CET book (Common External Tax for Mercosur) according to the product's harmonized code. Import Tax (II) - It varies according to the harmonized CODE classification items and sub-items. It is usually between 0% to 35% but exceptions may be found at TEC (CET). Exemptions or any reduction may be established by local law or international agreements. This tax is applied on the CIF value.

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**Industrial Products Tax (IPI)** - It is a federal tax applied to both domestic and imported goods. In case of imports it is assessed at the point of customs clearance. It also runs according to the product classification. The percentage normally ranges from 0% to 35% but there may be exceptions. It is charged on the imported CIF value plus import duty.

**Merchandise and Service Circulation Tax (ICMS)** - It is a state value-added tax applicable on internal service and product circulation, thus on imported products as well. It varies according to state and product. In São Paulo it is 18% of the final value for most of products, while in Rio de Janeiro it is 19%, Santa Catarina it is 17% and so on. It is assessed on the imported product CIF value plus (II) and (IPI).

PIS/Pasep+Cofins - PIS (Social Integration Program) created to fund unemployment insurance program. The COFINS, charged on "gross receipts" including income from financial investments, currency transactions, and financial transactions. They are respectively 1.65% and 7.60%.

Other costs are added to the products on the importing process: Merchant Marine Tax - It is 25% of the ocean freight and Terminal Handling Charges, Warehouse - usually from 0,2% to 5% depending on the product - Terminal Handling Charges: It also varies but costs an average of US\$ 150.00 per container, Compulsory Contribution to the Custom Broker's Union - varies and SISCOMEX Fee: It is usually R\$ 40.00 ( Approximately US\$ 23,00) for a simple Import Declaration. It increases according to the product harmonized code addition.

Based on a research considering the Arab products most exported to Brazil or having a considerable potential to ingress the market, the following table shows the taxes assessed during the import procedure.



## Main Taxes Assessed by Arab Products into the Brazilian Market

Product		Taxes		
HC		II	IPI	ICMS
<b>030371</b>	Sardines	2	0	7%(SP)
<b>071190</b>	Other Preserved Food	10	0	18%(SP)
<b>080410</b>	Dates,Fresh Or Dry	10	0	18%(SP)
<b>080420</b>	Figs,Fresh Or Dried	10	0	18%(SP)
<b>080610</b>	Grapes, Fresh	10	0	18%(SP)
<b>080620</b>	Grapes,Dried,Raisin	10	0	18%(SP)
<b>091010</b>	Ginger	10	0	18%(SP)
<b>091020</b>	Saffron	10	0	18%(SP)
<b>091099</b>	Other Spices	10	0	18%(SP)
<b>150910</b>	Olive Oil Virgin,N Chem Modif	10	0	18%(SP)
<b>150990</b>	Olive Oil Refined,N Chem Modif	10	0	18%(SP)
<b>250300</b>	Sulphur N Sublme,Prec,Collo	0	0	18%(SP)
<b>251010</b>	Calcium Phosphate Unground	0	0	18%(SP)
<b>251020</b>	Ground Calcium	0	0	18%(SP)
<b>280920</b>	Phosphorc+Poly Acid	2, 4 or 10	0	18%(SP)
<b>282612</b>	Aluminum Fluorides	10	0	18%(SP)
<b>310210</b>	Urea	0 or 6	0	18%(SP)
<b>310310</b>	Superphosphates	0 or 6	0	18%(SP)
<b>390110</b>	Polyethylene Gr<.94	14	5	18%(SP)
<b>390730</b>	Epoxide Resins	14	5	18%(SP)
<b>392062</b>	Polyethylene Tereph	2 or 16	15	18%(SP)
<b>392069</b>	No Rein,O Polyester	16	15	18%(SP)
<b>410411</b>	Bov/Eq Hide/Skin,Ful Grn,Unspl	4, 8 or 10	0	18%(SP)
<b>410510</b>	Sheep/Lamb Skin,Tanned,Wet Sta	0, 8 or 10	0	18%(SP)
<b>520100</b>	Not Carded/Combed	6 or 10	0	18%(SP)
<b>540219</b>	High Tenacity Yarn Of Nylon/O	16	0	18%(SP)
<b>570242</b>	Mmf Pile,Made-Up Carpets	35	10	18%(SP)
<b>621040</b>	Men/Boy,Coated,Etc	35	0	18%(SP)
<b>621050</b>	Wom/Girl,Coated,Etc	35	0	18%(SP)
<b>854129</b>	O N-Phtsen Transstr	0	2	18%(SP)
<b>854231</b>	Eic Procsr & Cntlr,W/N Combi W	0	2 or 5	18%(SP)
<b>854232</b>	Electronic Integrated Circuits	0 or 8	2 or 5	18%(SP)
<b>854233</b>	Electronic Integrated Circuits	0 or 12	2, 5 or 10	18%(SP)
<b>854239</b>	Electronic Integrated Circuits	0 or 12	2, 5 or 10	18%(SP)
<b>854430</b>	Veh,Etc Ins Wir Set	16	4 or 10	18%(SP)
<b>854442</b>	Electric Conductors, Voltage <	16	5	18%(SP)
<b>901890</b>	Ot Med/Surg/Den/Vet	0, 14 or 16	0 or 8	18%(SP)
<b>940180</b>	Not Metl/Wood Frame Chairs	18	10	18%(SP)
<b>940330</b>	Wooden,Office	18	5	18%(SP)
<b>940350</b>	Wooden,Bedroom	18	5	18%(SP)



<b>940360</b>	Other Wood Furniture	18	5	18%(SP)
<b>961400</b>	Smoking Pipes, Including Pipe	18	30	18%(SP)
	<b>Average</b>	10,95	3,33	18% (SP)

**Non-Tariff Barriers:** Whenever dealing with medical equipment, health care and pharmaceuticals, establishing a local representation, either an agent/importer or a local subsidiary, is mandatory. All goods shipped in wood packaging need to be accompanied by a fumigation certificate or the wood must have a ISPM-15 stamp.

## Import Licensing

Imports of goods using mail system, up to a value of US\$ 500 and 30 kilograms are allowed without the requirement of an import license. This is not applied to pharmaceuticals for individual use and gifts under US\$ 50. The resting Brazilian imports require license, which can be automatic or non-automatic. The automatic license is done electronically via SISCOMEX and is granted when the products enter Brazil. The importer / broker makes it on his computer terminal together with the import declaration. It will be used as basis for the customs clearance when the goods arrive at the destination port. When the product is subject to non-automatic license, the importer will verify it at CET Book, which will be market with "LI" in the corresponding harmonized code. The requirements for the non-automatic license vary according to the product and it is constantly updated in SISCOMEX.

## Special requirements for non-automatic license

**Sanitary or Animal Health:** These requirements are established by the Ministry of Agriculture for most of food products of vegetal or animal origin. Therefore, imports of meat, fish, crustaceans, mollusks, and other seafood, milk, milk derivatives, eggs, honey, fruits, beverages and other food products.

**Environmental Requirements:** They are established by Brazilian Environmental Protection Agency - IBAMA - for natural synthetic or artificial rubber.

**Registration Number:** They are requested for asbestos, agricultural chemicals, pharmaceutical products, perfumes, cosmetics and medical related products.

**Prior to Custom Clearance:** Products under the Drawback regime, imports from the National Council for Scientific and Technological Development and imports from the free trade zones in Brazil are required to have license prior to customs clearance.

**Prior to Shipment:** Import operation or imported goods, which are subject to special controls from SECEX or from approvals of other government agencies need to obtain license prior to shipment.

Although Brazilian government has made some progress to reduce trade barriers since 1990, there are still several taxes both import and internal taxes which constitute the main barrier when exporting to Brazil.

Taxes are usually the primary instrument to regulate imports in Brazil. Under Brazilian Customs Valuation regulations, customs focus its efforts on many aspects especially on under-invoicing. Therefore, the authorities may hold up imports until the goods are valued in order to apply the proper tax rate. This process can take a long time depending on how irregular the documents are.

MERCOSUR partners usually enjoy free taxes on international trade between themselves. As for trade with outsiders, MERCOSUR implemented the Common External Tariff - CET on January 1st, 1995.