



Dutcham
DUTCH BRAZILIAN CHAMBER OF COMMERCE



Compass Guide

Doing business in Brazil

**20
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Edition

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Peggy De Rop

Managing Director DUTCHAM

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Foreword

Welcome to All Dutch entrepreneurs

Ties between the Netherlands and Brazil are strong and are based on culture, history, and society. They form an excellent basis for the important economic partnership that has grown over centuries. Many Dutch enterprises have already found their way to Brazil. Many more may follow.



The biggest challenges of our time, climate change and sustainable development, offer great opportunities for Dutch and Brazilian businesses, knowledge institutes and public sector to work together. The new motto for Dutch business promotion worldwide is “solving global challenges together”. Brazil plays a key role in combatting the climate crisis and protecting biodiversity and global challenges call for joint solutions. Dutch private sector can offer innovative products, technology solutions and good management practices to create a more sustainable future.

The Dutch diplomatic network in Brazil encourages partnerships, advises on the appropriate counterparts, and provides access to information and networks. The Embassy in Brasília, the Consulates-General in São Paulo and Rio de Janeiro, the Netherlands Business Support Offices in Belo Horizonte and Porto Alegre and eleven honorary consuls offer an extensive network to support Dutch companies to connect with the right partners. Brazil can be a truly rewarding country to invest in with a market of almost 220 million people. But doing business here does require preparation, knowledge about the country, its business culture, its language and - last but not least – perseverance. That is why I am so pleased that we can count on Dutcham as a trusted partner of our diplomatic network, to provide peer-to-peer experiences and insights that will guide newcomers.

This new edition of Dutcham's Compass Guide 2022 will provide you with indispensable tools and guidelines on how to do business in Brazil. Do not hesitate to reach out to us for support.

I wish you all success in doing sustainable business in Brazil, or as they say here “sucesso e sejam bem-vindos no Brasil”!

André Driessen

Ambassador for the Kingdom of the Netherlands in Brazil, Brasília

Welcome to the Dutcham Compass Guide

Brazil is a fascinating country with the size of a continent and an enormous diversity in many areas. The 26 states in Brazil each have their own high degree of autonomy with their own rules and regulations and important differences in their cultural and historical backgrounds. Moreover, the country has an enormous diversity in terms of geography, population, habits, traditions, and heritage.

Doing business in Brazil is complex and challenging, but it is worth especially considering that the country is 200 times the size of the Netherlands with a young population and strongly growing purchasing power. Considering the complexity and the local bureaucracy, it requires a good preparation and clear insight to be successful in Brazil. It is often rightly said that “Brazil is not for beginners”. But it is equally a fact that nothing is impossible for well prepared and convinced minds that holds the right information.

The harder it is to do business in Brazil, the easier it is to connect with Brazilians. Their genuine openness and friendliness are contagious for many foreigners to quickly feel at home. Yet there are important cultural differences with the Netherlands that are good to know before you start doing business in Brazil. The directness and discipline of the Dutch are

often at odds with the more relaxed and ambiguous approach of the Brazilians. Nor is their concept of time quite the same, but then again, the lack of punctuality is largely compensated by the high level of Brazilian flexibility.

As the official Dutch Chamber of Commerce in Brazil, we have many years of experience in building relationships and supporting our companies in doing business successfully. We are happy to offer our strong network of successful multinational companies, entrepreneurs, and local service providers to welcome more Dutch companies and investors and to professionally guide them to the Brazilian market. Many sectors – such as agriculture, energy, and life science & health – offer many concrete opportunities for Dutch companies (including small and medium-sized enterprises).



Hopefully this guide will give you a good first impression of the opportunities and challenges in Brazil. The Dutcham team will remain available for all further questions and look forward to welcoming you soon!



Peggy De Rop
Managing Director



Daniel Geiger Campos
President

Welcome to Brazil

*What you need to know
(the basics)*

1. THE COUNTRY, CULTURE, COMMUNICATION AND CHALLENGES

1.1. The country



Brazil is a complex, large and diverse country. It is the fifth largest country in the world, and the largest in South America, with a surface of over 8,5 million square kilometers – which is 200 times the size of the Netherlands and it spans 4 time zones. Bounded by the Atlantic Ocean on the east, Brazil has a coastline of 7.491 kilometers and borders all the South American countries except Ecuador and Chile, covering almost half of the continent's land area. Since it is in the Southern Hemisphere, when it is summer in Europe, it is winter in Brazil.

Its Amazon River basin includes a vast tropical forest, home to diverse wildlife, a variety of ecological systems and extensive natural resources spanning numerous protected habitats.

The capital is Brasília, and the most populated city is Sao Paulo. The federation is composed of the union of the 26 states, the Federal District, and the 5,570 municipalities. It is the largest country to have Portuguese as an official language and the only one in the Americas. English is not widely spoken, although this is improving rapidly, especially in major urban areas such as Rio de Janeiro and São Paulo.

The Southeast region (São Paulo, Rio de Janeiro, Minas Gerais and Espírito Santo States) accounts for 11% of the national territory but answers for 55.4% of the country's GDP. The Southeast was the first region to enter the industrialization process in Brazil, and it is now quite developed industrially and economically. This is the region where is also possible to find the best infrastructure to establish new business.

The Northeast is the second most populous region; however, the demographic density is low, due to the migration to other parts of Brazil.

Brazil is also one of the most multicultural and ethnically diverse nations, due to over a century of mass immigration from around the world. The country has an approximate population of 212 million, equivalent to 2.73% of the world's population. It is the sixth most populous country in the world. With a broad ethnic diversity and most of its population is urban (approximately 88 %). The average age is 33.5 years old and even though women are a majority in terms of numbers, their representation in the corporate world still needs improvement.



Brazil was inhabited by numerous tribal nations prior to the landing in 1500 of explorer Pedro Álvares Cabral, who claimed the area for the Portuguese Empire. Brazil remained a Portuguese colony until 1808, when the capital of the empire was transferred from Lisbon to Rio de Janeiro. In 1815, the colony was elevated to the rank of kingdom upon the formation of the United Kingdom of Portugal, Brazil and the Algarves. Independence was achieved in 1822 with the creation of the Empire of Brazil, a unitary state governed under a constitutional monarchy and a parliamentary system. The country became a presidential republic in 1889 following a military coup d'état. An authoritarian military junta came to power in 1964 and ruled until 1985, after which civilian governance resumed. Brazil's current constitution, formulated in 1988, defines it as a democratic federal republic.

Brazil is a founding member of the United Nations, the G20, BRICS, Union of South American Nations, MERCOSUL, Organization of American States, Organization of Ibero-American States, and the Community of Portuguese Language Countries.

Brazil is also one of the most multicultural and ethnically diverse nations, due to over a century of mass immigration from around the world.



Country

Area

Population

Capital

Largest City

Language

Ethnic Groups

Government

GDP

GDP Inflation

Unemployment

Currency

Internet Users

Time Zone

Driving Side

Calling Code

Ease of Doing B

y's information

8,515,767 Km²

212 M (2020) 0.7% growth

Brasília

São Paulo

Portuguese

48% White

43% Mixed

7,6% Black

1% Asian

0,4% Native American

Federal Presidential Constitutional Republic

1,444.73 B\$ (2020) (-4%.1 growth)

10,06% (2021)

12,1% (2021)

Brazilian Reais (R\$)

162M (2021)

UTC -2 to -5

Right

+ 55

Business Rank

124th Position (59.1) - 2020

Source: World Bank and IBGE (Brazilian Institute of Geography and Statistics)

1.2. THE CULTURAL ARRANGEMENT

1.2.1. *Cultural Background*



The core culture of Brazil is derived from Portuguese culture, because of its strong colonial ties with the Portuguese Empire. Among other influences, the Portuguese introduced the Portuguese language, Roman Catholicism, and colonial architectural styles. The culture was, however, also strongly influenced by African, indigenous, and non-Portuguese European cultures and traditions. Some aspects of Brazilian culture were influenced by the contributions of Italian, German and other European as well Japanese, Jewish, and Arab immigrants who arrived in large numbers in the South and Southeast of Brazil during the 19th and 20th centuries. Brazilian culture is plural, complex, and multifaceted.

Hierarchy, class, and status play important roles in Brazilian society. Personal relationships are highly important in Brazil, and this is reflected in the fact that Brazilians mix personal and professional life to a high degree. Furthermore, Brazil is a very receptive and hospitable nation. Happiness, related to this hospitality, is an aspect widely spread around Brazilian society.

Brazil has the highest genetic diversity in the world. This combined with the wide range of socio-economic living conditions might prove to be challenging for a foreigner who is not used to this diversity. Brazilians compare this diversity with the

“melting pot” in the United States. Contrary to the failure of the melting pot in the United States, Brazilians see their own melting pot as successful. The American idea of the melting pot, where all races and cultures should converge to one (American) culture, is adapted in Brazil in the sense that all races and cultures live together in a harmonious way, all still with their own cultural traits. In this sense the word melting pot should be changed to “stew” or mixture.

This section will dive a bit deeper into certain aspects of the Brazilian culture by highlighting topics such as Brazilian Pride, Optimism, Hospitality, Creativity and Flexibility & Concept of Time.

1.2.2. *Brazilian Pride & Optimism*

Brazilians are proud of Brazil and all its traits. Brazilians always try to highlight the positive side and never stop to be optimistic. For example, in soccer, even when the team isn't playing well, the Brazilians are always optimistic and say they will win.

Perhaps part of this pride and optimism comes from the fact that Brazil is seen as a country of the future. Brazilians draw lots of energy from the prospect of having a glorious future. Being outgoing and energetic are important traits in Brazilian culture.

Although very proud, Brazilians tend to be submissive, which does not contribute to a collective fight for a better future. The data suggests that at the base of this lack of collective fighting for a better future stands the fact that Brazil is a collectivistic society as defined by Hofstede's Identity dimension, discussed previously. The terminology at first sight is confusing and contradicting so a proper explanation of how Hofstede's Identity dimension is often misunderstood is necessary. In individualistic cultures there is little group forming within society as a whole and in this sense the only existing group is society itself. All advancements are seen in the light of society, contrary to collectivistic cultures where group forming is part of everyday life. When people belong to groups within society there is less care for the society, since it is made up of various groups that are not related to each other in the eyes of the individual group members. In collectivistic cultures there is little worry for improving society as a whole since the first point of concern of individuals is their own set of groups.

Often Brazilians see their own society as inferior to many developed countries' societies, and it is of less concern for them since their point of reference are their own groups within society. This however does not contribute to achieving this glorious future for the nation as a whole.



Looking at one's own group there is a feeling of superiority, and this brings with it a lot of pride and positive energy. Foreigners coming from more idealistic cultures may unintentionally insult a Brazilian by making critical comments about Brazilian society, and the lack of a social welfare system, since Brazilians could take these comments personally, as criticism on their own inner circle of groups.

So, although Brazilians are very proud and optimistic, the fact that it is a collectivistic society makes Brazilians very pessimistic in their belief of advancing as a society as a whole. This often makes Brazilians put themselves in an inferior position when talking to people from individualistic, developed countries. Negative comments by Brazilians about their own society are then very common.

1.2.3. Hospitality

Brazil is a very hospitable nation. Everybody is welcome and in general Brazilians show high level of interest in foreigners, in line with the comments of the previous section. This hospitality however can also pose difficulties for many foreigners. As they feel very welcome, they create high expectations to form thorough friendships in a short period of time. When forming these friendships is then harder to realize as expected, or perhaps done in a different way than in the foreigner's home-country, this can create frustration. It can be hard to establish 'real' contact with Brazilians.

It is very common to hear them say "come to my place for a BBQ" or "Let's go out this weekend". Some foreigners might see this as a real commitment to be followed up on, however sometimes it is merely a way for the Brazilian to be cordial. It is not uncommon if this cordiality is not followed up by a real concrete invitation, setting a date, time, and place. Superficial friendships are easily created in Brazil, whereas deeply rooted solid friendships are a lot more difficult to accomplish.

Brazil is a very hospitable nation. Everybody is welcome and in general Brazilians show high level of interest in foreigners.



1.2.4. Creativity

Brazilians are creative and are more resistant to contrariety since they often experienced difficult economic circumstances.

So, this creativity is directly related to having dealt with high uncertainty. An unstable economic environment will cause its population to avoid risks and, in this sense, avoid uncertainty. Since not everything is avoidable, Brazilians have become creative in dealing with this uncertainty.

Due to leading with much economic instability in its history, Brazilians do not have experience in seizing the fullest possible benefit of economic up-times in order to create a solid and sustainable fundament to better deal with down-times that might lie ahead in the future. To exemplify, Brazil exports lots of (cheap) raw materials like petroleum, iron, ore, and coffee beans and subsequently imports (expensive) value-added products like gasoline, steel, and coffee.



1.2.5. Flexibility & Concept of Time



The unstable and uncertain economic times that Brazil has gone through in its history have not only led to a higher level of creativity as discussed before, but it contributed to more room for flexibility as well. On the one hand flexibility is a positive trait, but there is a downside as well. Depending on the capacity of being flexible raises the tendency to think short- term. Flexibility is the remedy to near future problems. This short-term mind-set on itself then leads to more uncertainty on the long- term which on its turn leads to the need of more flexibility. And with this the vicious circle is round.

As Brazilians are used to a flexible way of doing things, they deal better with diversity. When a problem occurs, they are more creative. The downside to this is that there is less planning for the future. Problems are dealt with on a case-by-case basis when they occur.

Summarizing however, it can be said that flexibility is a positive trait of Brazilian culture. Often Brazilians will refer to the terms 'jogo de cintura' and 'jeitinho brasileiro'. Jogo de cintura literally means "waist game" and comes directly from the movement of dribbling past opposing team members in soccer. This dribbling is accompanied by swinging the hips which is seen as a jogo de cintura. So jogo de cintura represents the flexibility needed to deal with difficult, uncertain, and challenging situations.



One way to understand “jeitinho” is as a resource used by “espertos” — savvy, cunning, or sly individuals who use common sense and prior knowledge, as well as naturally gifted intelligence in their thought processes. It implies that a person is “street-smart”, but not necessarily “book-smart.” It typically also connotes opportunism, pragmatism, and using one’s networks, with little regard for the law, the state or for persons outside of one’s own circle or family. “Jeitinho Brasileiro” in its purest form can be considered as a positive trait, however when taking it too far, it might hamper the correct abidance of the law.

Punctuality is a relative concept in Brazil. Especially for Dutch nationals the Brazilian notion of time is quite different than what they are used to. The clock is not the same. The precision is not the same. The accuracy is not the same. Punctuality does not only apply to showing up at the exact time at meetings but to the whole spectrum of time related issues, like i.e., the delivery of a document or the response on a question sent by e-mail.

The lack of punctuality contributes to the need of being flexible, so in this sense lack of punctuality can be both a weak and a strong point. When a Brazilian schedules a meeting at 9 AM, it would be perfectly fine to arrive 10 or 15 minutes late, as this, for most, won’t really be considered late.

It must be said however that wide regional differences exist, i.e., the city of São Paulo is more punctual than the city of Rio de Janeiro. The positive side to lack of punctuality is that there is no need to reschedule a meeting to a later moment, as often would be the case in the Netherlands. This ties back to Brazilians being quite flexible.

Whereas punctuality is often hard to find in Brazilian business, it is even worse in social events. This can be a real difficulty for foreigners since it can be difficult to know at what time to show up at a social event. If you are invited to a dinner at eight o’clock, it can be inappropriate to arrive at eight because you will find that the hosts might not be ready yet. Nobody is expected to be on time on such occasions.

Lack of punctuality contributes to a short-term vision as well. The tendency to postpone certain issues, and the solution thereof, negatively affects productivity. On the other hand, lack of punctuality can trigger a positive learning curve for a foreigner since it requires more flexibility. It is a question of finding equilibrium between structure/organization and flexibility.’

Flexibility is the Brazilian remedy to near future problems and this aspect contributes to Brazilian creativity enabling a more informal way to also communicate.

1.3. COMMUNICATION & LANGUAGE



“The day that you understand jokes is the day that you integrated in that culture. You have to understand the context in which things fit.”



This comment clearly shows the importance of communication. Being able to understand and make yourself understood is perhaps the most important facet of a foreigner's experience in Brazil.

Portuguese is the official language of Brazil. It is a complex and rich language – with over 10 verbal tenses - that most certainly is not easy to learn for a foreigner. It leaves room for different interpretations. You change a comma, and this changes the whole meaning of the sentence. Although it is a European language, it is quite different from Dutch. Knowing other Latin-rooted languages such as Spanish, Italian, or even French, will certainly help in mastering the Portuguese language quickly.

Brazilian Portuguese tends to be more neutral than Portuguese from Portugal, with a less thick accent. Only the 1st and 3rd persons are used, both for singular and plural conjugations, i.e., verbs for “he” and “you” are conjugated in the same way.

Since the Portuguese language was spread over the Brazilian territory over a relative short period of time, when communication over longer distances was already much more common, the accent differences tend to be much less than when compared to European countries, where the local language developed over a much longer period, contributing to large regional differences. Brazilians will be surprised to hear that local accent in the Netherlands change over distances as short as 50 km or less.

Even when foreigners reach a level of fluency in the Portuguese language there still remain possible obstacles for clear communication due to differences in both verbals as non-verbal use of the language. These two aspects are discussed in the next two subsections.

1.3.1. Verbal Communication

Brazilians are not very direct in their communication. Contrary, their communication can be characterized as very indirect. There is a lot of 'reading between the lines', which can be a huge difficulty, especially for the Dutch that are used to a more direct style of communication. Since messages are predominantly implicit, direct communication might come off as being aggressive in Brazil.

A Brazilian will not directly say so if he doesn't like a certain idea. In direct face-to-face communication he will swirl around the subject. First two to three positive remarks will be made until the high word comes out of not really liking the idea. Brazilians interpret a lot, and that makes direct language difficult, relating to the fact that Brazilians tend to be conflict avoidant.



Lack of interest while communicating through e-mail can result in the absence of a response to a certain proposal or idea. This is a form of showing lack of interest while the foreigner in question might get frustrated and thinks the other party is incompetent. Most of the times this is a wrong conclusion, and, in this sense, silence is very expressive. It shows how much interest you were able to arouse.

Since Brazilians tend to mix social with professional life to a high degree, direct communication can disturb social relations. Direct communication on a professional subject might be taken personally. Due to the mixing of social and professional life there is a higher need to be delicate in communication which often leads to a form of indirect communication.

Differences in style of communication can cause difficulties for Dutch nationals that work with Brazilians. Since Brazilians are used to an indirect style of communication where there is much reading between the lines, they might search for non-existent messages while communicating with a foreign colleague.


Communication in Brazil tends to be very loud and noisy. You often see two or three people talking at the same time, and silence is practically non-existent. In general, silence makes Brazilians uncomfortable.

Interruptions in communication in Brazil are frequent and are often seen as a form of showing interest and respect. This can be quite confusing for a foreigner who sees interruptions as a lack of good manners. In the Netherlands, interruptions would show disrespect to the speaker as the speaker is supposed to give turns to whoever wants to make a comment or ask a question. A foreigner who is not used to interruptions and therefore does not use them may get frustrated while communicating with a Brazilian as he might feel he is not being assertive enough.



1.3.2. *Non-Verbal Communication*

Non-verbal communication most certainly is a lot richer in Brazil than the Netherlands. Verbal communication in Brazil goes accompanied with many hand gestures and facial expressions. This tends to increase the level of emotion that is put into the message. As verbal communication can pose various difficulties for foreigners in Brazil, non-verbal communication can help in establishing clear and understandable communication in the sense that it is more expressive.



Personal distances in Brazil are amongst the shortest in the world. Both men and women will stand closer to you and may touch you lightly during a conversation. When greeting you or saying good-bye, they may shake your hand or hug you, and both men and women will kiss a woman on the cheek, and this is even common for a first-time meeting. A foreigner not used to these decreased personal distances might have a hard time getting used to them.

1.4

Brazil's Challenges

Brazil is a country the size of a continent. It has rich, fertile lands, which, in combination with its (sub)tropical climate, allows for the cultivation of practically any crop. Its almost 8,000 km of coastline provide rich fishing waters. Furthermore, it is rich in natural resources, like petroleum, iron, ore, and many more other metals. Its hydro-dams provide for 60% of the domestic electricity consumption, adding to a large potential of sun and wind energy. Brazil has no hostile neighbors, nor any natural disasters other than flooding of urban areas through rainfall. Despite all these positive traits, Brazil does face some challenges, as will be discussed in the subsequent sections.

1.4.1. Poverty

Brazil ranks as one of the worst in the world in terms of income and wealth equality. Large part of the population lives in (extreme) poverty, whereas a very small percentage of the population possesses a large part of Brazil's total wealth.

Minimum wages are R\$ 1.100 a month (2021), or approximately EUR 180, with slightly higher amounts in some regions. Brazil taxes high on consumer products, and relatively low on income, adding to the unequal distribution of wealth.

Poverty rates were drastically reduced in the first decade of the 21st century, mainly through the Bolsa Família program, a social welfare program of Brazil's federal government. Bolsa Família provides financial aid to poor Brazilian families; and if they have children, families must ensure that the children attend school and are vaccinated.

If they exceed the total of permitted school absences, they are dropped from the program and their funds are suspended. The program attempts to both reduce short-term poverty by direct cash



transfers and fight long-term poverty by increasing human capital among the poor through conditional cash transfers. It also worked to give free education to children who cannot afford to go to school to show the importance of education. Bolsa Família program was officially terminated on December 29, 2021, after sanctioned Law No. 14,284 in Brazil, which officially replaced it by the Auxílio Brasil program.

Poverty in Brazil is most visible by the various favelas (slums) in the country's metropolitan areas and remote upcountry regions that suffer with economic underdevelopment and below-par standards of living. In Rio de Janeiro, about a fifth of its population of six million live in several hundred favelas, situated on steep, neglected land largely beyond the control and services of city authorities.



Unfortunately, poverty rates have gone up again in recent years, mainly due to one of the worst-ever economic recessions in the history of Brazil between 2014 and 2016 and the COVID-19 pandemic.

In 2020, the Brazilian federal Government granted from April to December, an emergency aid to 66 million Brazilians (Nearly BRL 60 Bi) to soft the economic blow of the coronavirus. Millions of Brazilians were briefly lifted out of poverty only to be tossed back again. The national poverty rate dropped suddenly to 4.5% in August from almost 11% at the start of 2020, calculates the Getulio Vargas Foundation.

According to Getulio Vargas Foundation, in 2021 27 million people are now living below the poverty line of 246 Reais per month (less than EUR 40 per month or EUR 1.3 per day).

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1.4.2. Productivity



According to experts, Brazil is a nation of “workaholics”. In Brazil, business owners are still faithful believers of the 8-hours-a-day-system, and some sectors are even willing to add extra working hours per day. With the latest technologies, companies have even more ways of keeping their workforce busy around the clock.

But working long hours doesn't mean necessarily that Brazilians are highly productive. In fact, according to a research of the organization Conference Board, Brazilian workers produce 25 percent of what American workers produce on average. The two main reasons are that workers are less educated and less qualified, secondly, they don't have as much quality equipment at their disposal. Besides this, infrastructure quality, the cost of doing business, efficiency of the financial sector and the openness to trade are also elements contributing to the productivity issue of the country.



Reforms on infrastructure, business environment and financing systems are essential to increase productivity and competitiveness for the future.

Brazil must improve its productivity in order to resume growth, reported the World Bank in 2018. The Brazilian worker only increased his productivity with 17% over the last 20 years, compared to 34% of increase at high-income countries.

By comparison, China, and Russia, also considered emerging economies, saw their productivity rates rising by 9,6% and 3,5% per year. Increasing productivity does not mean raising the unemployment rate or doing more with fewer people. It is all about improving the quality of labor and the products & service provided.


Improving its productivity could allow Brazil to boost its economic growth from 1,8% up to 4,4%",

a study of the Work Bank added. Especially for an economy ranked among the 10 largest of the worlds (and the aspiration of becoming the Latin American Superpower), their position on the competitiveness ladder is worrying.

Reforms on infrastructure, business environment and financing systems are essential to increase productivity and competitiveness for the future. Carrying out reforms requires consensus and long-term decisions, but the benefits for the country can be just as lasting. Productive and competitive companies also become innovative and create more formal jobs. For all these reasons, productivity is an essential item on the agenda to fight poverty and bring about shared prosperity.

1.4.3. Infrastructure





Roads are the primary method of transportation in Brazil of both passengers and freight. Brazil's highway system is inadequate and poorly maintained. Only approximately 25% of Brazil's roads are paved. The railway system in Brazil is very limited. There are only about 25,000 kilometers of tracks in Brazil (excluding urban commuter lines) and this number is in decline as tracks fall out of service. This lack of good infrastructure adds to logistic costs. A study carried out by the University of São Paulo showed that sending grains from Brazilian farms to ports is costlier than shipping those same grains to China.

In contrast, Brazil's air transportation is well developed with almost 2,500 airports of which passenger transportation is concentrated in 65 main airports, of which approximately half are in state capitals. Guarulhos International Airport at São Paulo and Galeão International Airport at Rio de Janeiro are the most important and active international airports of Brazil.

Many of Brazil's ports are government controlled, with Santos in the state of São Paulo being the biggest one.

There are 175 port installations in Brazil, consisting of about 32 public ports and 143 private ports, including maritime and river ports. The key public port in Brazil, based on the volume of cargo transported, is Porto de Santos (Santos Port) located in São Paulo state. Santos Port is by far the largest public port in Brazil, responsible for around 30% of all public port activities in the country.

It is estimated that annually more than US\$6 billion of goods and in excess of 129 million tons of cargo pass through Santos Port in export, import and cabotage trade. Santos Port is the main port of receipt for imports and exports, acting as a hub for the other Brazilian ports. For this reason, Santos Port moves goods related to all sectors of the Brazilian economy, and has facilities for general cargo, containers, liquids, and oil. Because of the structure of the Brazilian economy, most of the goods exported are related to agribusiness and oil.

Congestion in ports occurs frequently, adding to waiting times and cost. During soy harvest season for example, it is not uncommon to have kilometers of trucks waiting to unload in the port of Santos. Due to these difficulties in (government controlled) ports, a number of private port initiatives have surged over the last decade, as for example the Açú Port upstate Rio de Janeiro.

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1.4.4. Education

Many people see education, and the lack thereof, as Brazil biggest problem. It is widely believed that tackling this problem will solve all other problems in Brazil. This is however a long-term project, for which there is little political will.

Public education in Brazil is free at all levels. Primary education is compulsory as per the Brazilian Constitution. Most primary schools are maintained either by municipalities or the states. Both entities are obliged to apply at least 25% of their budgets in education. Since economic disparities exist between states, richer states and cities have more money to deliver quality education, whereas in the poorer cities and states the education will be generally of lower standards.

School non-attendance by absence and malnutrition is one of the biggest educational problems in Brazil. Work under the age of 16 is forbidden by law, however Brazil has many cases of child labor. Children from large poor families start working from the age of 10 in order to help their parents, despite the law of compulsory education between the ages of 10 and 14. Other reasons for school non-attendance are the lack of sufficient school places and the high examination failure rate. Malnutrition also materially affects the intellectual development of children, giving them little chance of adapting to an educational environment.

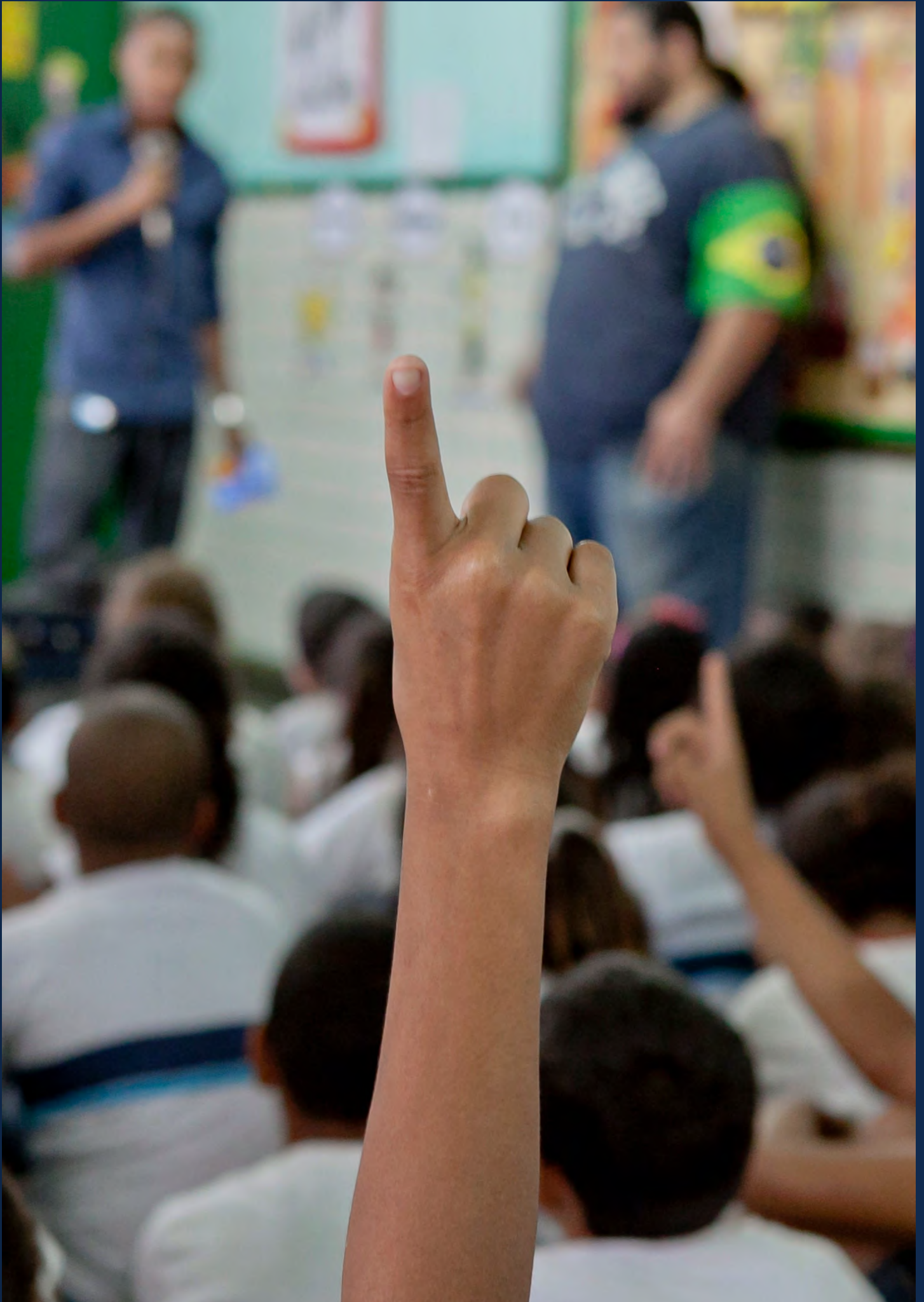
The standards of primary and secondary public education have been falling over the past decades. Since Brazil invested little in education, public

education's standards dropped, and the middle class moved their children to private schools. Nowadays, practically all the middle class sends their children to private schools, with costs varying widely.

Lack of education is an often-heard comment on Brazilian society. Although there is an existent system of public schools, the quality of these pre-university schools is considerably poorer than private education.

This lack of education influences the (professional) development of Brazil. The low level of education in Brazil in general has been a concern as it perpetuates the income inequality situation by decreasing social mobility. This limits the opportunities of those in low-income groups, lowering their chances of narrowing the income gap. Put in a very blunt way, the poor do not have the resources to send their children to good (private) schools, resulting in low-paid jobs at a later stage, making it impossible to send their children to good schools, and-so-on. The opposite occurs for the rich, where resources are available to send their kids to good (private) schools, giving them much better opportunities on the labour market at a later stage, creating financial means to provide the same to the next generation. With that the 'vicious' circle is round.

The low level of education in Brazil in general has been a concern as it perpetuates the income inequality situation by decreasing social mobility.



1.4.5. Health Care

The Brazilian public health system, the Unified Health System (SUS), is managed and provided by all levels of government, being the largest system of this type in the world. On the other hand, private healthcare systems play a complementary role. Public health services are universal and offered to all citizens of the country for free. However, the construction and maintenance of health centers and hospitals are financed by taxes, and the country spends about 9% of its GDP on expenditures in the area.

Overall, the standard of public health care in Brazil is fair. You can expect a good level of care in some areas, but inadequate in others. If you were to experience an emergency whilst in Brazil, you could expect good quality treatment. However, let's say you required nursing care; you would likely be disappointed with the standard. It is also important to bear in mind the fact that the standard of care changes depending on where you are in Brazil. If you go outside of the major cities the standard drops drastically. If you are situated in one of the main cities, you must anticipate waiting lists and big crowds.

Middle class families and up prefer to rely on the private health care system, through a private medical insurance, even in cases of emergencies, as most of the private hospitals have their own ambulance services. This health insurance is costly, making it inaccessible for most Brazilians.



The construction and maintenance of health centers and hospitals are financed by taxes, and the country spends about 9% of its GDP on expenditures in the area.



1.4.6. Violence & Security

Brazil has serious problems with crime. A survey carried out by the Federal Police shows that, in 2021, there were 21.7 homicides per 100,000 inhabitants. Even though it is the lowest rate since 1977 problems like muggings, robberies, kidnappings and (drug) gang violence are common. Police brutality and corruption are also problems that the populations need to deal with. In Brazil, and especially in the urban areas, violence is a daily topic in the newspapers and on the television. It “terrorizes” 7people’s conscience in such a threatening way that it creates an elevated sense of insecurity.



In recent years, much of the discussion surrounding public security in Brazil has focused on Rio de Janeiro. The debate concerning the federal military intervention in Rio due to security issues have made the city the “face” of public security issues in Brazil. However, problems of public security and violence are systemic in Brazil and extend far beyond the limits of Rio de Janeiro.

Over the last decade (2000-2019), an estimated 623,000 people died as victims of intentional violent crime, amounting to roughly 95 people daily. Although these violent crimes occur in all parts of Brazil, they are distributed unequally—both geographically and demographically. In 2019, the seven states with the highest rates of violent deaths in the country were

located in the less developed North and Northeast regions. In addition, violence in Brazil disproportionately affects youth and minority groups.

The good news is that the economy is slowly recovering, which helps to undermine the violence in the country. Moreover, the 2018 elected government tend to boost local security to one of the country’s top priorities. Brazil’s challenging operational environment demonstrates how a robust security program is a vital part of doing business in the country. The real internal challenge, however, is convincing corporate leadership that security should not be regarded as mere operational tasks, requiring the development of broader programs and partnerships with different stakeholders, both internal and external. Companies



must engage in the development of an adequate approach to security, integrating it into strategic decision-making.

Brazil's security landscape will continue to be affected by the country's social inequalities, the presence of organized criminal gangs, and the ready availability of firearms. As law enforcement agencies in the country continue to face budget constraints and severe shortcomings, companies will be increasingly required to count on their own resources--and holistic security strategies--to be resilient amid the complex and often volatile security environment of Latin America's largest economy.

The good news is that the economy is slowly recovering, which helps to undermine the violence in the country.

1.4.7. Corruption & Bureaucracy



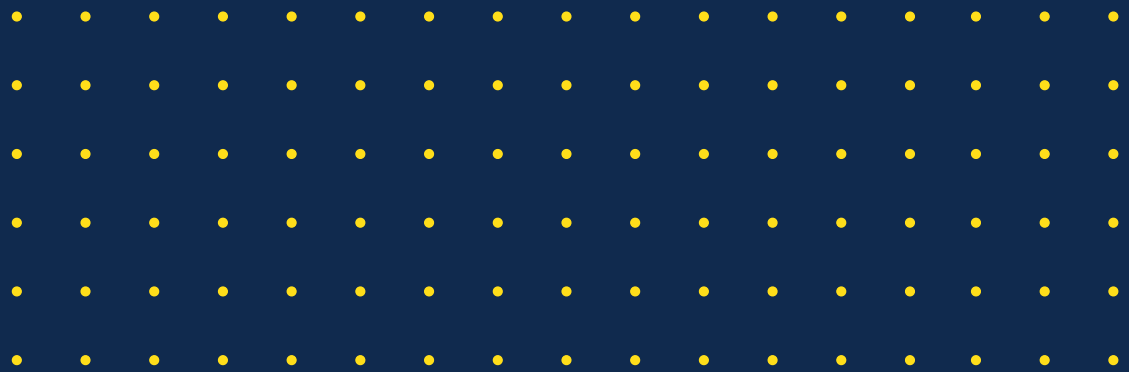
Brazil has a very detailed legislative system, perhaps even the most advanced in the world. Although this is a positive trait it contributes to the amount of bureaucracy, especially for foreigners. This can be a real difficulty since it can be quite complicated to go through bureaucratic processes. Obtaining correct information from public institutions can be a difficult task. Ask three people and you get three different answers.

In many societies there is a clear difference between right and wrong and an intermediate form is repudiated. In Brazil however, the path between 'can' and 'cannot' is called the "jeitinho", as discussed before. It is more than a form of living; it is a form of surviving, reacting with sensibility, intelligence, and sympathy to relate the impersonal with the personal. Unconsciously, every Brazilian acquires a little bit of this characteristic and to a varying extent Brazilians know that personal relations are a path to success.

Having to prove that you are who you say you are, filing out endless forms, hustling around with different documents, wasting time in countless queues at state agencies. These are common ordeals for Brazilians who must face state bureaucracy. Brazil remains one of the only countries in the world where a signature isn't worth much – it first needs to be "validated" by a notary.

Brazilian bureaucracy is as old as the country itself. Portuguese colonizers brought a vastly bureaucratic structure that validated land donations from the Crown to the first settlers. As a matter of fact, the political elite of the land was not only formed by landowners and industrialists – it also contained families that controlled parts of the bureaucracy.

Having to prove that you are who you say you are, filing out endless forms, hustling around with different documents, wasting time in countless queues at state agencies. These are common ordeals for Brazilians who must face state bureaucracy.



The public notary is a great example of that. For centuries, these offices have remained hereditary establishments that hold the monopoly over document validations. It was only in 2016 that the Supreme Court ruled against the hereditary character of those offices.

Things can get so bad that, in the 1970s and 1980s, Brazil had a Debureaucratization Ministry – which became the Small Causes Jurisdiction, a system of courts that deal with small cases, thus giving them faster trials.

In order for a SME to attend to tax legislation, it spends about 2.200 man-hours a year on preparing and filing for fiscal reports to the authorities. This is almost the equivalent of 1,5 FTE – time and money not adding to the value chain. With that Brazil ranks last, keeping 2nd last Bolivia at a respectful distance with 'only' 1.200 man-hours.

For comparison purposes, in the Netherlands a SME spends approximately 120-man hours a year on these same filing, which is the equivalent of less than 0,1 FTE – or in other words, 1 person for 2 days every month.

Bureaucracy and corruption go hand-in-hand. Often it is thought that public servants create hurdles to sell access, and that rules & regulations are made for your enemies. An overly bureaucratic state is the perfect environment for corruption, as its incentives favors, in return for monetary gain.

Bureaucracy can be co-opted by political interests, social movements, but also corporatist interests.

A large part of Brazil's important positions has become domains of parties and nominations agreed in opaque behind-the-scenes negotiations. These positions are an important link in the influence networks that connect politicians, big business cartels, and part of the private sector that monopolize public bidding processes.

In the "Doing Business – 2021 Edition" report launched by the World Bank, the organization highlighted a reform that took place in Brazil in 2019 that positively affected the ease of doing business in Brazil. The country made starting a business easier by making business registration faster and by decreasing the cost of digital certificates. However, this reform only applies to both São Paulo and Rio de Janeiro.

Why Brazil?

*(Opportunities
Today & tomorrow)*



2. UNDERSTANDING THE BRAZILIAN MARKET AND IT'S DYNAMIC.



2.1. THE MARKET

2.1.1. *GPD & size*

Due to the COVID-19 pandemic the World Economy shifted considerably. The Economy of Brazil was the world's twelfth largest economy (2020) according to the IMF. The Brazilian economy is characterized by a mixed economy that relies on import substitution to achieve economic growth. As of late 2010, Brazil's economy is the largest of Latin America and the second largest in the Americas, only behind the United States' economy.

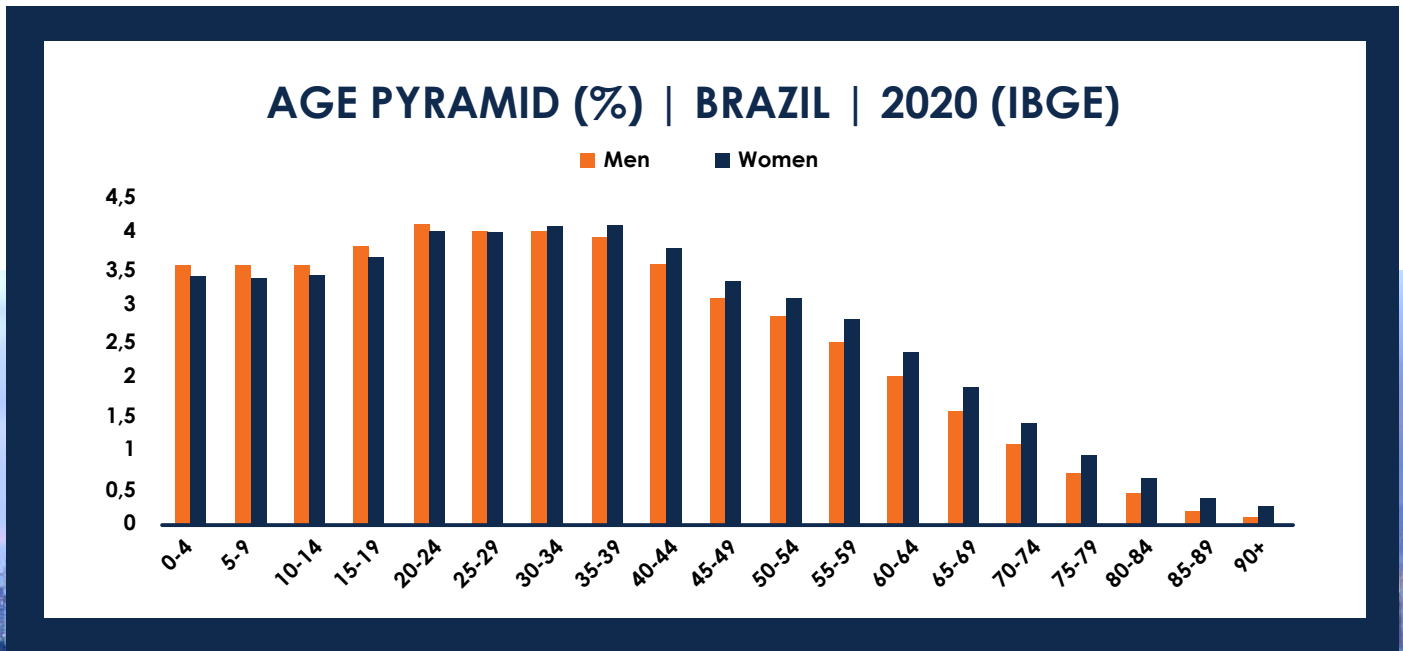
From 2000 to 2012, Brazil was one of the fastest-growing major economies in the world, with an average annual GDP growth rate of over 5%, with its economy in 2012 surpassing that of the United Kingdom, temporarily making Brazil the world's sixth largest economy. However, Brazil's economy growth decelerated in 2013 and the country entered a recession in 2014.

Brazil's economy had a gross domestic product (GDP) of R\$7,5 trillion in 2020, or approximately US\$1,4 trillion nominal, according to the estimates by the International Monetary Fund (IMF), being ranked as the 12th largest economy in the world. According to the report of the International Monetary Fund of 2020, Brazil is the 82nd country in the world in the ranking of GDP per capita, with a value of US\$6.7k per inhabitant.

2.1.2. Demography

Brazil's population is very diverse, comprising many races and ethnic groups. Every ten years a population census is conducted, resulting in a population of 190 million in 2010, and with the latest estimates of 2020 reaching 212 million. Population distribution in Brazil is very uneven. The majority of Brazilians live within 300 kilometres of the coast, while the interior in the Amazon Basin is almost empty. Therefore, the densely populated areas are on the coast and the sparsely populated areas are in the interior.

The proportion of children below the age of 13 in 2020 was 20.7%, 69.3% was between 15 and 61 years of age, while 9.8% was 65 years or older. Life expectancy for males is approximately 73 years, and for women 80 years. The average fertility rate is 1,76 children born / woman (2020), with rates varying per state between 1,38 and 2,35.

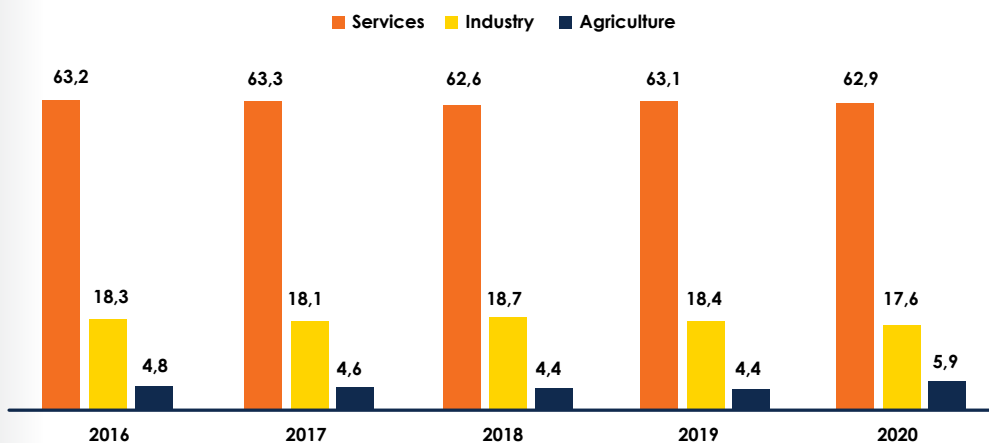


2.1.3. Different Sectors

The service sector is the largest component of the GDP at 62.9 percent, followed by the industrial sector at 17.6 percent. Agriculture represents 5.9 percent of GDP (2020).

According to data from World Bank, The Brazilian labor force in 2020 was estimated at 100 million of which 10 percent is occupied in agriculture, 19 percent in the industry sector and 71 percent in the service sector.

BRAZIL: GDP DIVIDED BY ECONOMIC SECTOR



Source: Statista 2022

Agriculture



With an abundance of land, water and sun, Brazil is very suitable for agriculture. Agribusiness contributes to Brazil's trade balance, despite trade barriers and subsidizing policies adopted by the developed countries. Brazil is one of the largest producers in the world for many agricultural properties, in particular sugar, soy, corn, poultry meat, beef, coffee, orange juice, wood, and cellulose.

In many of these "high volume, low value" agri-commodities, Brazil is the largest exporter in the world. Nevertheless, most of the production is destined for the internal market. There are still many millions of hectares of land available, and especially large areas of land can be used more intensively.

Tourism

Tourism in Brazil is a growing sector and key to the economy of several regions of the country. The pre-pandemic scenario in 2019 had the country receive over 6 million visitors, ranking in terms of the international tourist arrivals as the main destination in South America and second in Latin America after Mexico.

Natural areas are its most popular tourism product, a combination of ecotourism with leisure and recreation, mainly sun and beach, and adventure travel, as well as cultural tourism. Among the most popular destinations are the Amazon Rainforest, beaches and dunes in the Northeast Region, the Pantanal in the Center-West Region, beaches at Rio de Janeiro and Santa Catarina, cultural tourism in Minas Gerais and business trips to São Paulo city.



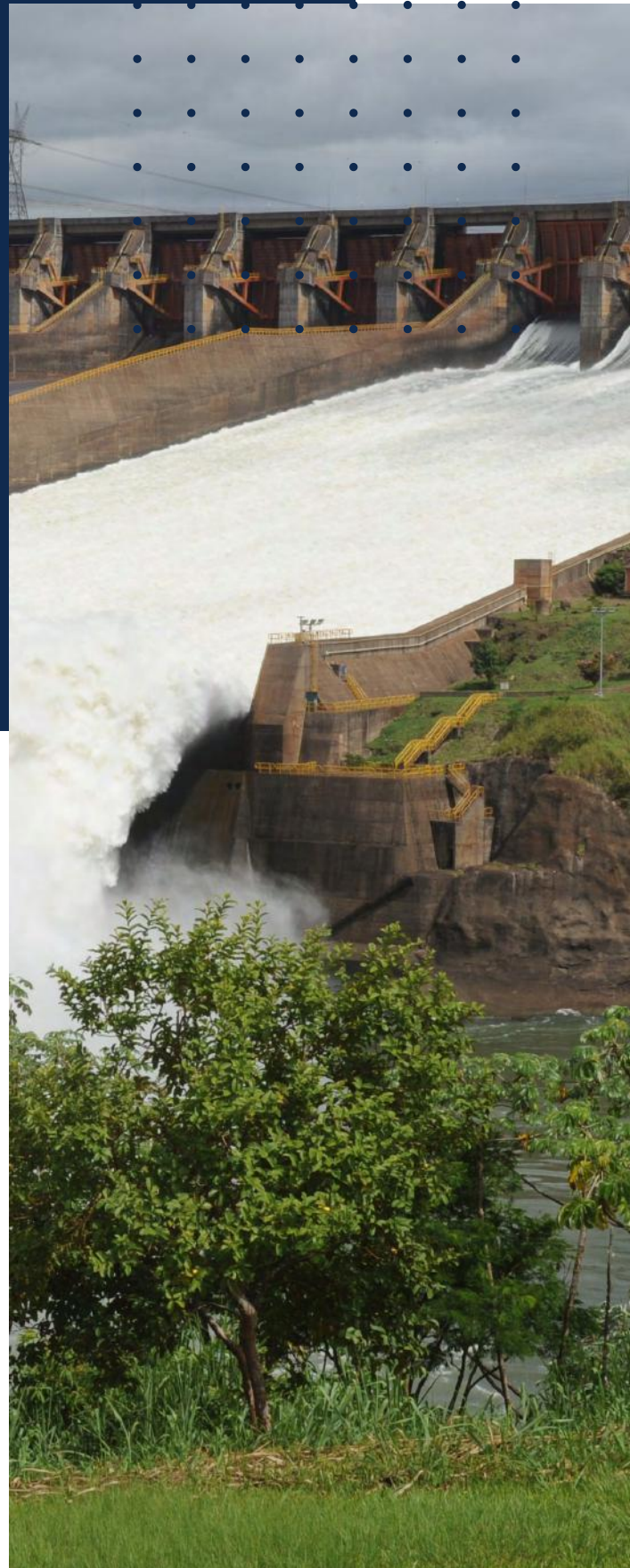
Energy

The Brazilian government has undertaken an ambitious program to reduce dependence on imported petroleum. Imports previously accounted for more than 70% of the country's oil needs but Brazil became self-sufficient in oil in 2006–2007. Brazil is one of the world's leading producers of hydroelectric power, with a current capacity of about 260.000 megawatts. Existing hydroelectric power provides 90% of the nation's electricity. Two large hydroelectric projects, the 19.900-megawatt Itaipu Dam on the Paraná River (the world's largest dam) and the Tucuruí Dam in Pará in northern Brazil, are in operation. Brazil's first commercial nuclear reactor, Angra I, located near Rio de Janeiro, has been in operation for more than 10 years. Angra II was completed in 2002 and is in operation too. The Angra III reactor has a planned inauguration scheduled for 2026.

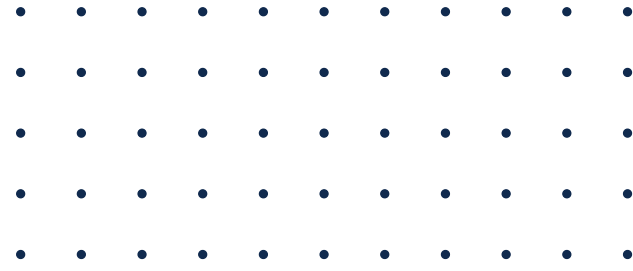
Over 90% of Brazil's car park is "flex", being able to run on petroleum-based fuel and ethanol, where the latter is extracted from sugar cane, which is mainly cultivated in the west of Brazil.

Given the enormous potential, it can be said that the use of solar energy in Brazil is only in its infancy and is mainly used in the many remote locations that are difficult to reach for the electricity grid. There, it competes mainly with polluting diesel generators, which must also be supplied with fuel that is difficult to supply. Although this is an interesting challenge, the market for solar panels will only develop well once the suppliers of power supply and purchase of surplus generated electricity are made possible, so that urban areas are also eligible for this alternative.

The north-east and south of Brazil have favorable conditions for the generation of wind energy. Currently there is an installed capacity of 20 GW, distributed over almost 630 wind parks, with 7.738 windmills in 12 states (2020 - ABEEólica).



Industry



Brazil has the second-largest manufacturing sector in the Americas. Brazil's industries range from automobiles, steel and petrochemicals to computers, aircraft, and consumer durables.

The automotive industry is a major manufacturing sector in Brazil with US\$3.8 billion worth of vehicles being exported in 2019. Key export markets are primarily other South American markets including Argentina, Mexico, and Colombia. Automobile manufacturers are concentrated around the south and southeastern regions of Brazil.

The Brazilian aircraft and spacecraft manufacturing sector exported US\$2.4 billion worth of aircraft, spacecraft, and parts in 2020, with the United States as the largest export destination followed by China and the Netherlands. As one of only five countries in the world to manufacture commercial jets, Brazil also produces regional jets, turboprops, military aircrafts, helicopters, agriculture use aircraft and other general aviation aircraft. The sector is heavily commanded by Embraer SA, the largest Brazilian aerospace company who currently produce 68.7% of the total aircraft, spacecraft, and aviation parts in the country. The region of Sao José dos Campos is the largest aerospace hub in the country. Whilst still fairly niche, the aircraft and spacecraft sector in Brazil has a world-class design-to-build set of capabilities with the opportunity for further expansion through effective implementation of Industry 4.0.

In 2021, Brazil had the 2nd largest iron ore reserves in the world, consisting of 34 billion tonnes of crude ore and 12 billion tonnes of iron content. Carajas mine - in the state of Pará- and Alegria mine in Minas Gerais are currently the two biggest iron ore mines in the country.

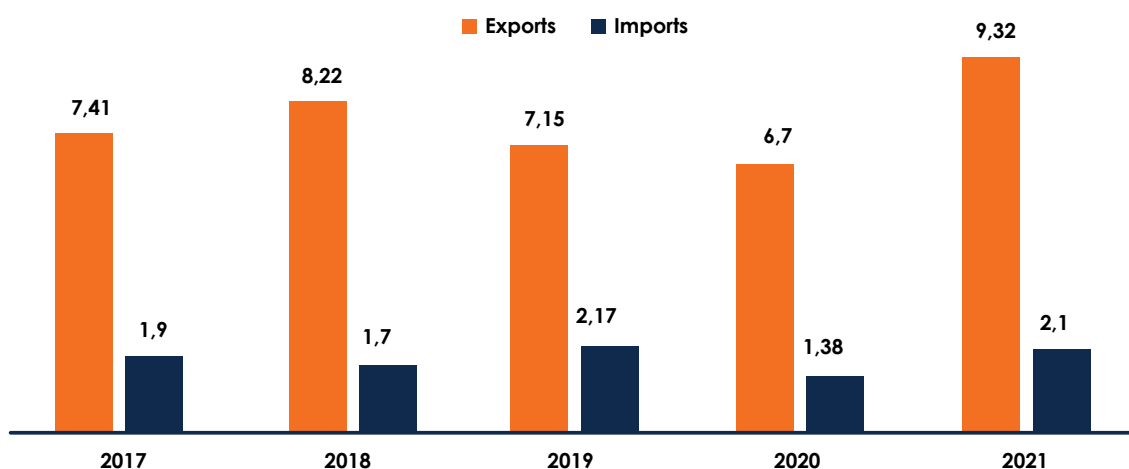
2.2. INTERNATIONAL TRADE BETWEEN BRAZIL AND THE NETHERLANDS

Brazil and the Netherlands share diplomatic, historical, and cultural relations for several centuries and it would be no different with commercial relations.

Diplomatic ties between the two countries date back to 1828, when the Brazilian Empire and the United Kingdom of the Netherlands signed a Treaty of Friendship, Navigation and Commerce. Since then, the countries have mutually benefited from their trade relations.



INTERNATIONAL TRADE BETWEEN BRAZIL AND THE NETHERLANDS (USD BI)



In the last five years (2017 -2021), the Netherlands has been the fourth largest destination in the world for Brazilian exports. In this respect, the trade balance between Brazil and the Netherlands has been positive, with exports being on average four times greater than imports in the same period (an average of USD 5.9 billion).

The main Brazilian products exported to the Netherlands in 2021 were soybeans, crude petroleum oils, soybean meal, and cellulose.

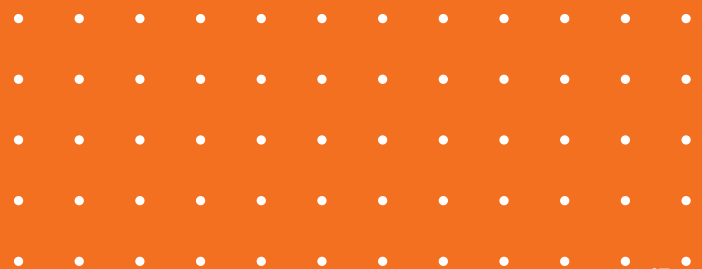
In the same period, imports from the Netherlands accounted for an average of USD 1.85 billion, accounting for only 1% of Brazilian imports and placing the country in the 22nd position of the ranking of countries from which Brazil imports the most.

The main products imported by Brazil from the Netherlands are petroleum fuel oils, chemicals and fertilizers, products from the manufacturing industry, pharmaceutical products, and auto parts.



It is also important to highlight that, in 2021 Brazil was the 11th largest recipient of FDI in the world in terms of inflows (6th the previous year), and the largest in Latin America and the Caribbean. The main investing countries in Brazil are the Netherlands, the United States, Germany, Spain, the Bahamas, and Luxembourg. Investments are mainly oriented towards oil and gas extraction, the automotive industry, financial services, commerce, electricity, and the chemical industry.

For this reason, we would like to list below some investment opportunities that may be interesting for foreign companies interested in the Brazilian market.



2.3. INVESTMENT OPPORTUNITIES

Foreign Direct Investments into Brazil boomed between 2009-2011 but had been slowing down ever since. However, according to the World Investment Report 2021 published by UNCTAD, FDI inflows have decreased by 62%, from USD 65 billion in 2019 to USD 25 billion in 2020.

With a large consumer market, Brazil offers a major trading hub and significant investment potential.

As a result of the COVID-19 pandemic, Brazil saw a significant decrease in FDI in 2020, as the privatization programme carried out by the Federal Government, and infrastructure concessions were paused for several months. The most affected industries were transportation, financial services, oil and gas extraction and the automotive industry (Ford Motor Co. also announced in January, that it would close all three plants in Brazil and stop producing automobiles in the country, where it had been operating since 1919).

Brazil is focusing on a new cycle of sustainable growth, based on an extensive adjustment process and the adoption of measures to improve competitiveness and productivity.

From a long-term perspective, Brazil presents substantial opportunities for foreign companies. Brazil is an attractive market for international investors due to several factors: a domestic market of over 212 million inhabitants, availability of easily exploitable raw materials, a diversified economy that is less



vulnerable to international crises, and a strategic geographic position that allows easy access to other South American countries.

As one of the top 12 largest economies in the world, with a diverse industrial base and a large consumer market, Brazil offers a major trading hub and significant investment potential. According to Fitch Solutions, it is expected that the Brazilian economy will slightly exceed its pre-pandemic size by the 2Q of 2022, underpinned by government stimulus and elevated commodity prices. That said, 2022 is an election year in Brazil and the uncertain political outlook may weigh on investments in the country.

In general, the government has a favorable attitude towards foreign companies and free trade, and foreign and local investors are treated equally under national legislation in most circumstances. The government has introduced several incentives in order to encourage FDI, which vary according to the region and the industry in question.

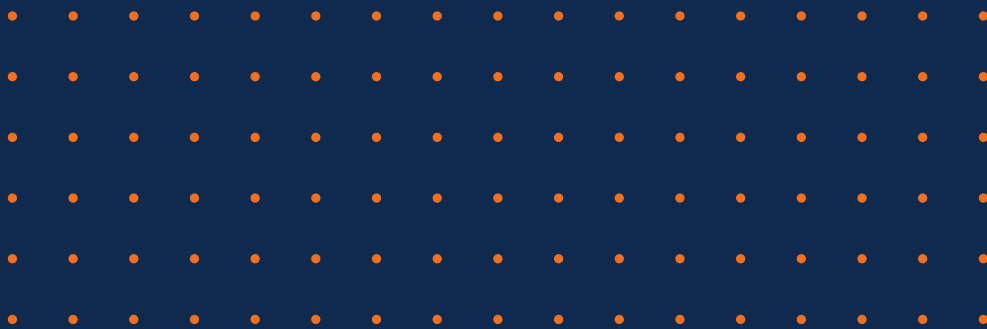
2.3.1. Investment Opportunities in Agriculture



According to Fitch Solutions, there are numerous opportunities for Brazil's agribusiness sector over the coming years. In the short term, grains, soybean, cotton and livestock production and exports are expected to benefit from rebounding global demand following the Covid-19 pandemic.

Over the long term, grains and soybean production will continue to grow as a result of further farmland expansion, with environmental policies remaining relaxed, and yield improvements as Brazil becomes a regional hub for agritech adoption. The government will generally remain supportive of agricultural expansion into the Amazon, despite acknowledging international and corporate pressure by strengthening some environmental controls.

Dutch companies that can provide products, parts, software, and hardware related to agribusiness can profit from these opportunities in the local market.



2.3.2. Investment Opportunities in Renewable Energy

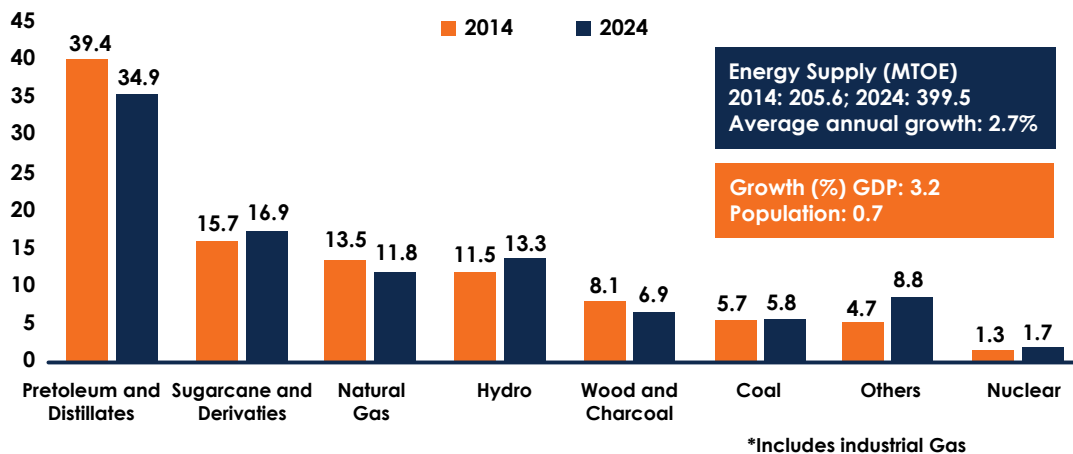
According to the Brazilian Federal Government and Ministry of Industry, Foreign Trade and Services (MDIC), renewable energies are forecasted to account for 45.2% of Brazil's energy mix in 2024, higher than the 39.4% recorded in the previous decade.

Sugarcane bagasse, ethanol, wind power, solar power and biodiesel continue to grow in both absolute and relative terms.

Based on average rainfall patterns, hydroelectric power is forecast to contribute a 13.3% share of the overall energy mix, It should be noted that the share of renewable energy as part of overall energy demand in developed economies is below 10%, while the global average is 14%.



ENERGY MIX STRUCTURE (%)



Source: MDIC



2.3.3. *Investment Opportunities on Ports*

Freight handling at Brazil's ports doubled in the last decade, with annual growth averaging 5.56%, according to the Brazilian Federal Government. In order to continue leveraging this growth, the government proposed a change in the legislation to allow new investment to be made in Brazil's ports. This proposal was adopted in 2013 known as the New Ports Act.

The Brazilian government is set to kick off its plan to offer concessions for various port authorities across the country on March 25, 2022.

In the first auction, for Espírito Santo state port operator CODESA, the government expects the contract winner to invest 335mn reais (US\$61mn) and spend 1bn reais on operating expenses.

The government intends to use CODESA as a benchmark for other concessions in the segment this year, including Santa Catalina's Itajaí port, São Sebastião port in São Paulo state and, the most eagerly anticipated, the Santos Port Authority (SPA), which runs South America's busiest port.

2.3.4. *Investment Opportunities on Airports*

According to Agência Brasil, the national public news agency run by the Brazilian government, on December 21st of 2021, Brazil's National Civil Aviation Agency, ANAC, approved the draft for the request for proposals and concession deals of the 16 airports to be offered to the private enterprise.

The auction for the 7th round of airport concessions should be held in the first half of 2022. The concessions are expected to cover 26 percent of departures and arrivals in the country and should bring in BRL 8.6 billion in private investments over the next 30 years.



2.4. MERCOSUR LATEST DEVELOPMENTS

Overview

After twenty years of negotiations, the EU and Mercosur (Argentina, Brazil, Paraguay, and Uruguay) finally reached agreement in principle on the terms of a Free Trade Agreement on 28 June 2019 (the “Agreement”).

The objectives of the Agreement include:



- Increasing bilateral trade in goods and services and investments, as well as reducing tariff and non-tariff barriers, especially for SMEs.

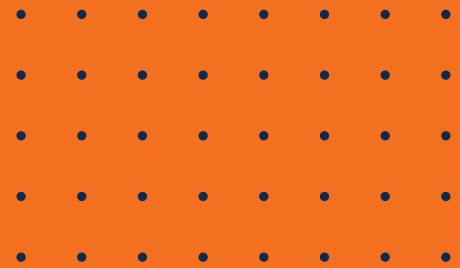
- Creating more stable and predictable rules through improved regulations, e.g., in the areas of intellectual property rights including geographical indications, food safety standards, competition and regulatory practices.

- Promoting shared values, e.g., strengthening workers' rights, combating climate change, improving environmental protection, encouraging companies to act responsibly, and maintaining high food safety standards.

Although agreed in principle, the final terms of the Agreement remain to be finalized, signed and ratified and therefore have not yet entered into force. If signed and ratified, the Agreement would be the EU's largest trade agreement in terms of the population concerned – 780 million people – and one of the largest in terms of volume of trade.

Key elements of the Agreement for Dutch exporters

The provisional text of the Agreement provides for the implementation of the following rules and provisions, among others:



Custom duties:

High import tariffs are well-known obstacles for Dutch companies exporting goods to Mercosur countries. The Agreement provides for the reduction and/or elimination of most customs duties on goods over a transition period of up to 15 years. In fact, in the negotiations, the Mercosur members committed to liberalise 91% of their tariffs. In the cars, car parts, machinery, chemicals and pharma sectors, duties would be entirely removed, if the Agreement entered into force. The elimination or reduction of custom duties would place EU exporters in a significant competitive advantage when compared to e.g., US or Chinese exporters, which would obviously not benefit from the terms of the Agreement.

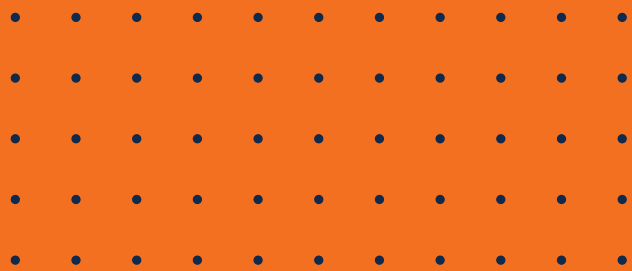
Customs and trade facilitation:

Complicated import procedures and frequent delays are further problems faced by businesses trading with Mercosur and particularly Brazil. The Agreement's customs and trade facilitation provisions would oblige the parties to periodically review existing rules in order to reduce bureaucracy and meet the needs of the private sector. The adoption of new rules would be subject to prior consultation of the private sector. The EU and Mercosur also committed to apply modern and, if possible, automated procedures for the efficient and expedited clearance of goods (including a common legal framework for temporary admission).



Trade and sustainable development:

The EU and Mercosur states undertook to establish domestic environmental and labour laws and policies consistent with each State's undertakings under the international treaties on the matter. The Agreement stipulates clear commitments to (i) implement measures and cooperate to address climate change, (ii) protect the biological diversity, marine biological resources, and ecosystems and (iii) promote sustainable forest management.



Technical barriers to trade:

Technical barriers (e.g., complex import license regulations) are another well-known problem for European exporters doing business in Mercosur countries. These barriers frequently result in significant additional costs and delays, which come on top of high import tariffs. The Agreement aims at identifying, preventing, and eliminating unnecessary technical barriers. Generally, the Agreement describes the process towards achieving common standards, rather than setting forth concrete objectives and a timeline for achieving the objectives.

Small and medium enterprises (SMEs):

The Agreement puts special emphasis on SMEs. SMEs are particularly affected by non-tariff trade barriers, bureaucracy and other obstacles in Mercosur countries, considering that they tend to have less resources and information than large companies. Pursuant to the Agreement, when planning new technical regulations, the States shall conduct an impact analysis and take due account of the special needs of SMEs. Furthermore, reasonable intervals (not less than 6 months) between the publication of new technical regulations and their entry into force shall be observed. The parties shall provide a publicly viewable website with agreed-upon content on e.g., trade facilitation, tariffs, and other relevant provisions for SMEs.

Current state of the Implementation process



As mentioned above, in order for the Agreement to enter into force, it would still have to be agreed in its final version, signed and ratified by the members of the EU and Mercosur. Notably, the ratification process would require favourable popular votes in various EU member states. However, the process is currently suspended due to stiff resistance from the European agricultural sector, parts of civil society and the governments of some EU member states. According to the critics, the Agreement would trigger further destruction of South American rainforests and result in unfair competition for European farmers.

In more recent times, the European Commission and other stakeholders have made efforts to unblock the implementation process by suggesting the inclusion of additional environmental safeguards in the Agreement, but no significant progress was made. On that note, in October 2021, the Netherlands submitted a paper to the European Commission stating that it will only decide its position on the Agreement after “all required documents and information”¹ will have been presented. The Netherlands furthermore mentioned that “in order to maximize the potential of the current and future relationship between both regions as a means to advance sustainable development, it is necessary that additional actions and long-term cooperation focuses on halting deforestation and climate change”². Some of the suggested additional short and long-term commitments include:

- Ensuring that the countries efforts and contributions in the framework of the Paris Agreement and the Convention on Biological Diversity are sufficiently ambitious;
- Not weakening environmental protection;
- Finalizing, adopting and implementing existing strategic plans with regard to halting deforestation and climate change;
- Creating policies and systems to monitor, report and verify implementation, including the development of a system to verify that products are not linked to deforestation, and periodic audits;
- Reaching a common definition on deforestation and its measurement, reporting and verification”³

1 Response from The Netherlands to the European Commission's request for input on strengthening the Trade and Sustainable Development dimension of the EU - Mercosur trade relationship, October 2021. 2 Ibidem. 3 Ibidem.

Outlook

At present, Dutch companies trading in Mercosur countries experience tariff and non-tariff barriers of all kinds. The situation is particularly difficult for SMEs, which oftentimes do not dispose of the required financial means and information to successfully export to Mercosur markets. If the Agreement entered into force, this would undoubtedly change: most of the sometimes prohibitive import tariffs would be eliminated or significantly reduced over time, and a set of commitments, communication channels and new procedures aiming to simplify import procedures and remove technical trade barriers would be created.

Signing and ratifying a final version of the Agreement looks challenging at present: there exists strong resistance of many European member states, including some which previously strongly advocated in favour of free trade agreements. In addition, large parts of EU member populations seem to be increasingly critical of globalisation and free trade.

Considering that 2022 is an election year in several key countries discussing the Agreement (e.g., Brazil, France), there exists the possibility that, in case some new governments and/or presidents are elected, a new dynamic emerges and the final negotiations of the Agreement are resumed. However, it seems that without a significant shift of public opinion in EU member states, it will be difficult to ratify the Agreement, even if negotiations are resumed and governments were to be more willing to sign the Agreement.



2.5. SWOT ANALYSIS

Foreign Trade and Investment in Brazil

Strengths

- Abundant natural resources, a diverse manufacturing industry and a large consumer market offer ample opportunities for trade and investment.
- The financial sector is sophisticated and allows strong access to debt instruments as well as domestic and foreign markets.
- The judiciary system operates independently of political influence and does not discriminate against foreign companies.

Weaknesses

- Brazil operates one of the most complex tax systems in the world, imposing a substantial burden on businesses in terms of time and expense incurred.
- High import tariffs are applied to most products and complicated arrangements create considerable barriers for companies reliant on imported materials and products.
- The bureaucracy creates numerous levels of red tape that must be navigated in order to set up a business, creating significant delays.

Opportunities

- The government offers several free trade zones and other investment incentives, including tax breaks and subsidized loans.
- Brazilian assets have become relatively cheap, providing opportunities for foreign companies.
- Government investment in tertiary education through providing financial assistance to higher education students will increase the size of the skilled labor force.

Threats

- Failure to meet climate goals and boost sustainability initiatives could limit foreign investment and trade opportunities in the years ahead.
- Ongoing corruption scandals have considerably damaged the operating environment and Foreign Direct Investment decreased in the recent years.
- Governments were not able to implement successful economic reforms, such as an overhaul of the tax system and a reform of the inflexible labor market.

Doing business in Brazil

(First steps)







3. IMPORTANT THINGS TO KNOW WHEN NAVIGATING THROUGH A DIFFERENT CULTURE.

3.1. CULTURAL DIFFERENCES BETWEEN THE NETHERLANDS AND BRAZIL



3.1.1. *The need of understanding the culture*

In a more cultural aspect, an important perception of Brazilians' ability to do business is that in most cases, before closing a deal, Brazilians need to establish a trusty relationship with the other party which is normally achieved in a long term and long hours of conversation, informal encounters, and coffees.

However, once that relationship is built, there is no limitation to compromises that could be arranged between good and friendly business partners.

This emotional component is common in Latin American cultures and in Brazil it is no different. Normally, in other cultures business relations are neutral and objective, however, in Brazil it is considered appropriate to manifest one's feelings during a formal or informal conversation.

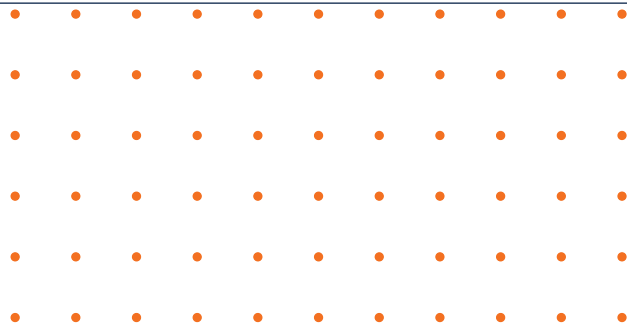
Also, as important to note is the non-verbal communication, like eye contact for example. This type of communication plays an important role on how Brazilians do business, but it can be tricky, since it can be wrongly or inappropriately interpreted by people from different cultures.

Therefore, it is essential to recognize the differences, and refrain from making any judgments based on emotions or the lack of them as already mentioned earlier in this guide.

As a conclusion, sometimes a deal could be postponed if this close relationship is not fully achieved. That is why is so important to have in mind that to do business with Brazilians a foreigner will have to dedicate a great part of its time to build this social link prior to closing a deal.



3.1.2. *The Cultural Differences*



When beginning discussing a commercial transaction with a Brazilian business partner, Dutch entrepreneurs tend to feel rather comfortable with an initial feeling of mutual identification. In general, Brazilians are friendly and warm, even when discussing a business transaction. Often, this warm attitude gives the foreign business partner the impression that the Brazilian partner intends to do business, which may not always be the case.

One of the key differences between Dutch and Brazilian working relations is that Brazilians are, from the start, very warm and friendly. Nevertheless, deep inside, they may have serious second thoughts about the relationship. Brazilians have difficulties in saying “no”, or showing disinterest in a commercial transaction, because they may perceive such a reaction as rude or impolite.

Although Brazilians are not as direct as the Dutch, it is recommendable that Dutch entrepreneurs be direct and clear with respect to their intentions. They should also demand a clear answer from their Brazilian business partner. In some cases, the Brazilian partner may appreciate the Dutch directness. This directness may even have positive effects for the relationship, allowing the Brazilian partner to feel more comfortable and be clearer about his or her own intentions.

Personal relations are important in a Brazilian commercial relationship. It is common for a Brazilian businessperson to invite a business partner to the family home and introduce the family. A Brazilian partner would probably expect a similar retribution if visiting the Netherlands.

It is also important to be sensitive to regional differences. Some areas in Brazil may be more conservative, where people are more sensitive to hierarchy in organizations, in family-owned businesses.

It is possible that some types of jokes (such as sexist jokes, for example) may be acceptable in a certain environment, whilst not in other. In general, women like to be treated cordially (holding a door for a lady may often be an appropriate gesture), but it is important to be cautious if you feel that there is a risk that this may be considered unsuitable. The best advice is to watch how other people behave and to be very attentive to avoid improper behavior.

Brazilians are extremely social. For this reason, the workday may not be as productive as in the Netherlands. Whilst the Dutch would work hard during the day and expect to leave the office early to go home, Brazilians may accept having a longer day in the office, because of several coffee breaks and long lunches.

Unlike the Dutch, Brazilians are not used to plan ahead for events, not even for business events. It is not uncommon for Brazilians to leave preparations for the last minute, even when a specific project is important for the company and requires good planning and preparation. It is often thought that this has to do with the unpredictability of the Brazilian environment: why should you plan if things can change unexpectedly at any time? Although this lack of preparation may create inefficiencies, it also makes Brazilian very good at improving and finding last minute solutions for any problems.

3.2. BRAZILIAN BUREAUCRACY | A WORLD OF COMPLEXITY

3.2.1. *The Government*

Brazil is a Federal Republic adopting a presidential system. The president is the head of state and head of government and is elected for a four-year term, with the possibility of one re-election.

Brazil is divided into 26 states and a Federal District. The Constitution adopts a tripartite system with three branches of government: executive, legislative and judicial:

The Executive Branch

The executive branch is responsible for the governance of the State. It is headed by the President who is advised by Ministers, Secretaries, and public organs. Since January 1st, 2019, the President has been Jair Bolsonaro with Hamilton Mourão as the Vice-President.

The Ministers of State in Brazil are appointed and dismissed by the President and are responsible for a specific area: Finance, Education, Environment, Justice, amongst others. There are currently 23 Ministers in Brazil.

The Legislative Branch

The legislative branch is responsible for drafting and approving legislation through the National Congress which consists of the Senate House and the Chamber of Deputies.

The Senate House is the upper house, and it has 81 seats, being three seats for the Federal District and each of the 26 states. Senators are elected for a mandate of eight years.

The Chamber of Deputies is the lower house and is comprised of 513 deputies each with a mandate of four years.

The Judicial Branch

The judicial branch guarantees individual, collective, and social rights and it resolves conflicts between citizens, public or private entities and the State. It consists of two superior courts (the Supreme Federal Court and the Superior Court of Justice), and federal, state, and military courts.

The Legal System

Brazil has two superior courts - the Supreme Federal Court (a constitutional court) and the Superior Court of Justice (an appellate court) - that are based in Brasília. Then there are federal courts and state courts which have different competences depending on the issue. Furthermore, courts are also divided into general and specialized, such as the military, electoral and labour courts.

The Brazilian Constitution from 1988 is the foundation of all legislation and regulation enacted by the Federal, State and Municipal governments.

Brazil has a civil law system, which means there is a Civil and Civil Procedure Code, and a Criminal and Criminal Procedure Code, besides numerous federal laws, on matters related to corporate, tax, consumer, and labour law.

Finally, there are also state and municipal regulations that need to be followed. Indeed, it is this combination of federal, state and local laws that can be quite challenging for companies in Brazil and is one of the main reasons that foreign companies are advised to have the support of qualified and experienced professionals who can ensure compliance and minimize risks.



3.2.2. Legal & Political Uncertainty

It is not a new given that Brazilian political and legal systems are uncertain, especially due to the various laws and regulations that are commonly changing and being created.

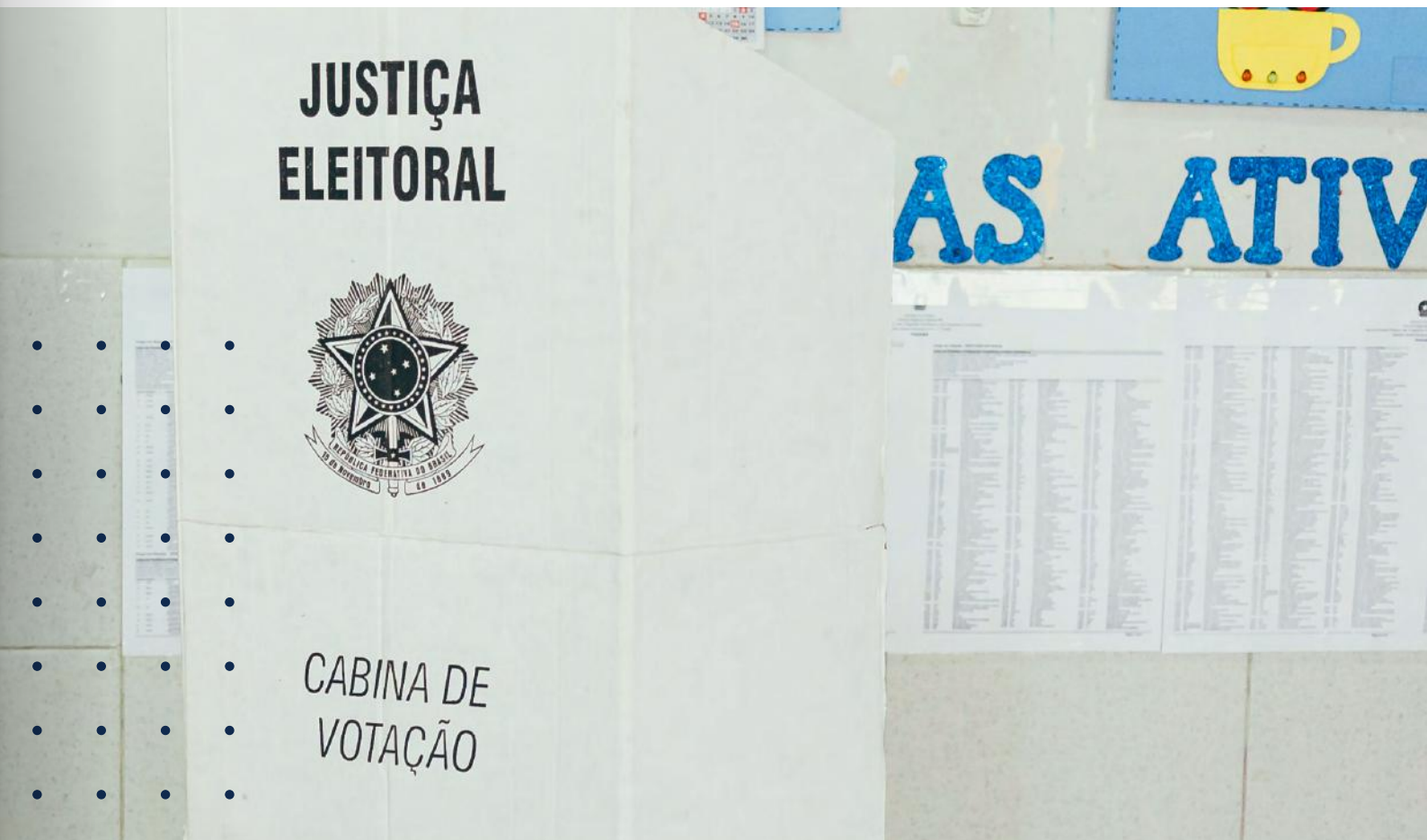
In the political scenario, the main difficulty is the excessively high number of parties – more than 30 - with distinct agendas and interests which makes the coalition between them very improbable and as a consequence also the approval of necessary reforms related to tax, labor, pension, among others.

When having a business in Brazil the entrepreneur must be advised that the first business plan may not be fully implemented, because it could be impacted by a sudden law change or Court decision, which often occur, obliging the review of the plan or even of the entrepreneur's interest on having the business in the first place.

Nevertheless, the excessive number of Court cases reflects even more the legal uncertainty in the country, especially concerning public contracts and bids, which are often challenged in the Brazilian Courts at all levels (federal, state and municipal).

Adding to legal uncertainty is the recurrent change in the position of the courts on certain matters. Companies in Brazil need to handle this matter on a daily basis and it has a clear and direct impact on the decision-making process of the companies.

It is important, therefore, to have specialized personnel and partners that could assist the companies prior to the initial draft of the business scenario/plan in view of the political and legal uncertainty in order to have a wider vision of what the entrepreneur could find or go through once having a business in Brazil.



3.2.3 .Compliance and Corruption from a Legal Perspective

It cannot be denied that corruption has been an endemic problem for entrepreneurs in Brazil for a long period of time. In a way, it can be said that corruption has been imbedded in the Brazilian culture and that it has affected businesses in a number of ways, from small payments to speed the issuance of a business license to millions of dollars aimed at guaranteeing huge contracts with the government.

The environment involving international corruption has changed since the 1990's with the wide application and enforcement of the US Foreign Corrupt Practices Act (FCPA) by US authorities and the adoption of the OECD Anti- Bribery Convention that became effective in 1999.

The changes in the international environment have influenced a number of legislative changes in Brazil since the end of the 1990's, in particular regarding the fight against organized crime, money laundering and corruption. Brazil has adopted a sophisticated anti money laundering legislation, which is based upon international standards. The country also developed a rather thorough controls and enforcement mechanism under the responsibility of the Brazilian Central Bank. The adoption by Brazil of certain international treaties, including the OECD Anti-Bribery Convention, has led to the implementation of a number of new laws and regulations, including, in 2013, the Law on Criminal Organizations and the Brazilian Anti-Corruption Law, also known as the "Clean Company Act".

The Clean Company Act entered into force on 29 January 2014. Since that date, companies that operate in Brazil are subject to a system of "strict liability" for acts of corruption. This means that companies may be held responsible for any acts of corruption practiced in their names or in their benefit, irrespective of having acted with negligence or intent. For example, if a company hires a third party (such as an agent) that promises or offers a bribe to a public official in order to guarantee a certain benefit, this company may be held responsible for the acts of the agent, irrespective of knowledge about the acts of

corruption. Violation of the Clean Company Act may lead to a number of sanctions, including a fine of up to 20% of the annual turnover and debarment, which may include the prohibition to participate in public tenders or receive financing from public banks.

Since the entering into force of the Clean Company Act and the unveiling of a number of operations against corruption (the most famous of which is the so-called Operation Car Wash), many companies in Brazil have adopted compliance programs in order to protect the company against corruption. In the last few years, anti-bribery compliance has become a very important aspect of doing business in Brazil. For example, in M&A transactions, a well performed anti-bribery due diligence is considered to be very important. Also, after a successful acquisition or after starting up a "green field" business, it is very important to pay attention to compliance and set up a compliance program, taking into consideration the size, the risks and needs of the business.

Companies may be held responsible for any acts of corruption practiced in their names or in their benefit

3.2.4. *Dispute Resolution*

Parties have a choice between state courts, arbitration, and mediation to resolve a dispute in Brazil. There are however some important issues to consider before choosing one of these methods.

State courts

Brazil adopts a civil law system with state and federal courts and two superior courts: the Supreme Federal Court (a constitutional court) and the Superior Court of Justice (an appellate court). The Brazilian judicial system is independent. Judges are appointed after passing a public exam, except for the Supreme Courts Justices, who are appointed by the President, after the approval by the Senate House.

A procedure before Brazilian courts can be long and complex as there may be several appeals before a final decision is made. As it is a country of continental dimensions with significant cultural and economic differences between regions, legal disputes may have different outcomes depending on the specific region. However, one of the functions of the Superior Court is to harmonize eventual contradictory decisions given by local courts to avoid different interpretations of the law and unpredictability.

If the parties to an international contract do not want to have their disputes being settled by Brazilian courts, it is possible to have the contract governed by the laws of another country and submitted to the jurisdiction of foreign courts. As a rule, Brazilian courts will regard this choice of law and jurisdiction as valid, except in cases where the jurisdiction of Brazilian courts is mandatory (i.e., disputes regarding properties in Brazil).

However, in cases where it is likely that there will be a need to enforce a judgment against a Brazilian party it is recommended to have the dispute submitted to Brazilian courts. A foreign judgment can be enforced in Brazil, but it must be submitted first to the Superior Court of Justice to be recognized before it can be enforced. This procedure can take some time and be prejudicial to parties that are looking for a prompt enforcement of a decision, especially because there are, for example, very limited legal alternatives for attaching assets of the debtor before the start of an execution process.



Arbitration

Arbitration is also a very good choice if parties would like to choose for an alternative dispute resolution method. Brazil is a signatory of the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards and the national law on arbitration (which was enacted in 1996 and later changed in 2015) reflects the pro-arbitration scenario.

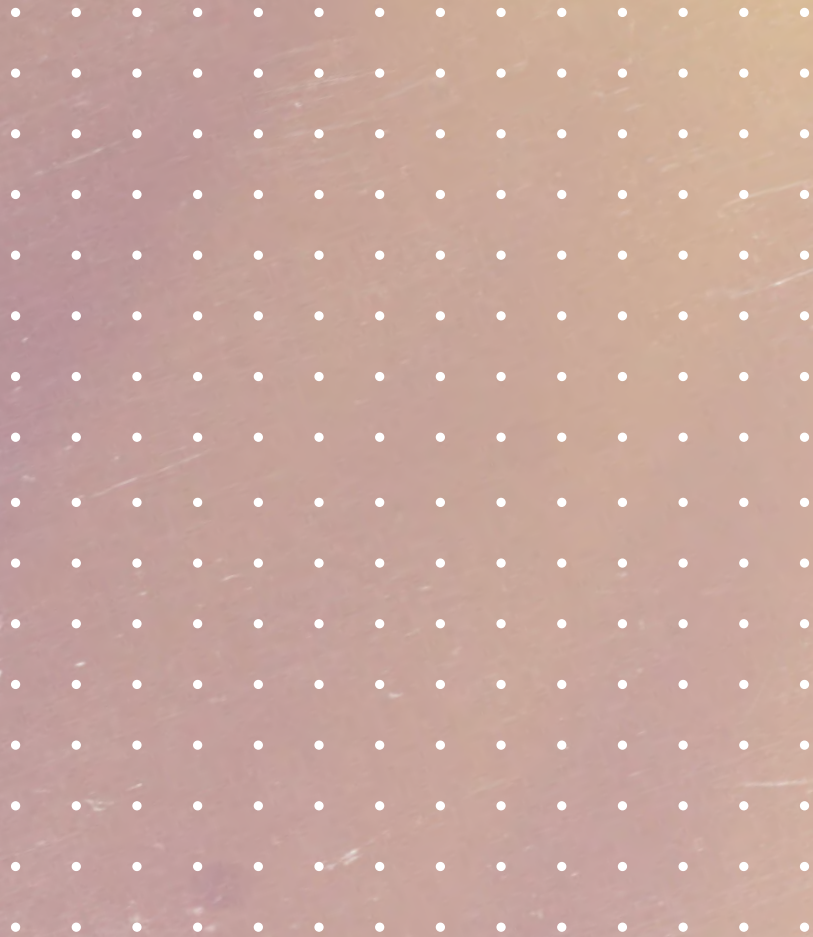
If the parties choose for arbitration, the contract must have a well-drafted arbitration agreement (i.e., applicable law, seat of arbitration, institution, and number of arbitrators etc) to ensure that the clause will be enforceable. Specific legal requirements might apply for disputes involving labour or consumer law and for contracts signed with the Brazilian government or public entities.

When the seat of arbitration is in Brazil, the award can be enforced directly by Brazilian courts. On the other hand, foreign arbitral awards must be recognized first by the Brazilian Superior Court of Justice before it can be enforced. Therefore, if it is likely that the award will have to be enforced against a Brazilian party, it is recommendable to have Brazil as the seat of arbitration. Parties can agree on the applicable law: they can either choose Brazilian law or the national law of another country. There are several reputed arbitration institutions in Brazil.

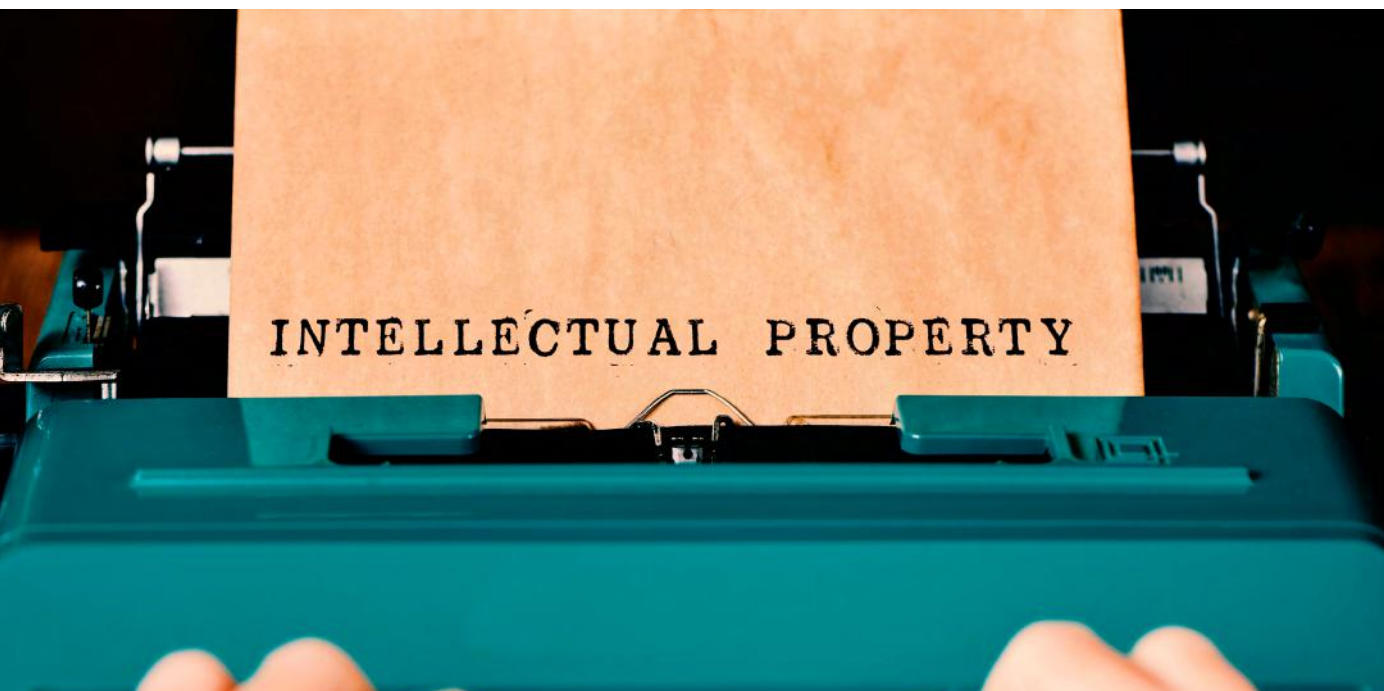


Mediation

Mediation is also another alternative dispute resolution method regulated by the Brazilian Mediation Law enacted in 2015. It can be less costly and faster than state court proceedings or arbitration. Brazil has signed (but has not yet ratified) the Singapore Convention on Mediation. This has been an important recognition of the importance of mediation, especially for international commercial disputes, and it can certainly facilitate the enforcement of settlement agreements in Brazil in the future.



3.2.5. Intellectual Property



Brazil has respected intellectual property rights since its independence as a nation. It was one of the 14 original signatory countries of the Paris Convention for the Protection of Intellectual Property Rights, adopted in 1883. Since then, the system of protection of intellectual property rights has always been embedded in the Brazilian legal system and has evolved in accordance with internationally accepted standards in the protection of intellectual property rights.

The Brazilian legislation on the protection of industrial property rights (patents, trademarks, industrial design, etc.) dates of 1996. The agency responsible for the registration of industrial property rights is the Brazilian Institute on Industrial Property, the INPI. Registration of a patent offers protection against patent infringement for a period of 20 years (counted from the deposit) and registration of trademark offers protection for renewable periods of 10 years, counted from the registration.

Under the Brazilian legislation, the rights deriving from the creation of software programs are treated as a copyright. A copyright over a software program may be registered with the INPI, but such registration, in itself, does not offer a protection against the use of the software by third parties. The registration may, however, serve as evidence of the authorship of the software, in case third parties contest it.

The INPI also registers contracts relating to the transfer of technology (such as trademark licensing, franchise, technology transfer, among other). Although the registration of such contracts is not required by law, it is necessary (i) for the contract to produce effects against third parties, which is essential in an enforcement procedure (ii) to allow the remittance of royalties to right holders located abroad (iii) for the deductibility of royalties for income tax purposes. It is important to note that, based on the tax legislation and the rules issued by the Central Bank relating to international money transfers there are limits (varying from 1 to 5% of the revenue generated with the respective technology) for the deductibility of royalties for tax purposes and for the remittance of royalties to companies located abroad, in particular to related companies.

3.2.6. Labor & Employment Law

Labor and employment matters are mainly ruled by the Federal Constitution and The Labor Law Consolidation (“CLT”). The Labor Legislation is a protective legislation and serves as regulation of the employment and other types of labor relationships.

The employees have basic rights that are granted by law such as a maximum 44-hour work week, overtime payment, paid vacation days, Christmas bonus (13th salary), FGTS (Guarantee Fund for Length of Time), among others.

Even though the Brazilian Labor Legislation is known to be very protective, employees can be made redundant without any just cause, meaning the employer may dismiss its employees without having to justify or prove the reason for the dismissal, with very few exceptions (tenure due to pregnancy, work accident, etc.).

In case of termination without just cause the employee will be entitled to a few rights such as prior notice (30 days), vacation days that were acquired during the employment agreement plus 1/3 compensation, an indemnity equivalent to 40% of all FGTS deposits, etc.

Moreover, it is important to highlight that labor relations may also be regulated by collective bargaining agreements, which shows the key role unions play in Brazil.

Collective bargaining agreements allow companies to establish different types of shifts, compensation of overtime work and to implement benefits that better fit the reality of its employees, among other advantages for all parties involved.



Employers must be aware that contributions to social security have a high impact on payroll and may affect costs with personnel.

Outsourcing is permitted by law and may be used in all companies' activities.

Companies are monitored by the Labor and Employment Ministry that, among other things, may fine companies in case of any irregularity found.

Also, the Labor Prosecutor's Office may audit companies to make sure they follow the labor legislation.

All in all, it is crucial that companies are well advised on labor matters to prevent any violations of the law and to make sure labor relations are well managed.

3.2.7. Migration Law

The Brazilian migration law provides different types of visas: transit, tourism, temporary residency, permanent, diplomatic, official purposes, and personalities courtesy.

The proceedings required to obtain a visa in Brazil are normally very bureaucratic since it must respect an administrative proceeding at the Brazil's Representations abroad or at the Ministry of Justice in Brazil in case of request for permanent residency – normally applied for foreigners who intend to reside in the national territory.

The permanent visa is granted to people who want to settle in Brazil, mainly to work or invest.

In case of investors the main condition to be observed to obtain the permanent visa is that the investment in an existing or a new company shall be made in foreign currency in the minimum of US\$50,000.00 in an activity that will create jobs and/or develop technology.

Foreign citizens admitted in Brazil, on a permanent condition, must register in the Federal Policy within 30 days after their arrival in the country. The document given to this citizen is the CRNM (Carteira de Registro Nacional Migratório), and it is used to identify their residence status.



3.3 – KEY STEPS IN A NUTSHELL

Brazil is a very bureaucratic country with legislation and regulations on federal, state, and municipal levels. It usually requires a lot of paperwork, with “stamps” and legalization of documents for nearly every request made to the government.

When it comes to foreign documents, companies need to follow the correct procedure for the document to be valid. Brazil and The Netherlands are signatories of the Apostille Convention which means that Dutch documents need to be apostilled in The Netherlands to be valid in Brazil. Afterwards, the document needs to be translated in Brazil by a sworn translator.

Starting a business in Brazil can be complicated and bureaucratic but most procedures are now done online. Here are some steps when registering a company in Brazil as a foreign shareholder:



- 1. Register the foreign company before the Brazilian Federal Tax Authority and Central Bank**
- 2. Check the availability for the local company's name and the feasibility of location and activities**
- 3. Register the local company at the Chamber of Commerce and Federal Tax Authority**
- 4. Apply for local licenses and permits**
- 5. Obtain an official digital certificate for e-signature and invoicing**

If the company plans on hiring local employees, it is crucial to follow all the steps for employee registration and to comply with Brazilian legislation to minimize risks of labor suits.

3.4. TYPES OF BUSINESS ENTITIES IN BRAZIL

There are mainly two types of companies that can be incorporated in Brazil:

Corporation “Sociedades Anônimas” (S.A)

It can be compared to a naamloze vennootschap (nv) in The Netherlands. It is used mainly for big corporations and investments. The liability of the shareholders is limited to the shares that are subscribed and paid for. There are two types of corporations:

(a) Public Corporations (“companhia aberta”):

shares are traded on stock exchanges and the company will be subjected to the regulations and oversight of the Brazilian Securities and Exchange Commission (CVM - Conselho de Valores Mobiliários). There is a requirement for a minimum of three shareholders. ¹


(b) Private Corporations (“companhia fechada”):

shares may only be traded privately and not through listing on stock exchanges. It can be established by two or more shareholders.

Limited Liability Companies Sociedade por Quotas de Responsabilidade Limitada” (LTDA)

This is the most common type of legal entity chosen by foreign investors in Brazil. It can be compared to a besloten vennootschap (bv) in The Netherlands. The company is liable for its debts and any liability of the shareholders is limited to their shares in the company. Since 2019, a LTDA company can be established by one-shareholder only and no minimum capital is required.





Procedure to open a company in Brazil:

The procedure to incorporate a company in Brazil is made online and it requires the assistance of a lawyer and an accountant. It can take an average of about one to two weeks or longer depending on the place where the company will be registered and the type of business activities that might require further licenses from the federal or local government.

Legal representative in Brazil:

To become a shareholder in Brazil, a foreign individual or entity must appoint a legal representative in Brazil. He or she can either be a Brazilian national or foreign national who is resident in Brazil. The legal representative will be responsible for receiving any summons in the name of the foreign shareholder and for acting before government authorities to sign corporate documents.

Procedure to close a company in Brazil:

The procedure to close a company in Brazil will depend on the status of the entity when the decision is made, i.e., existence of creditors and/or legal claims. There should be no tax debts and the accounting of the company must be up to date.

3.5. IMPORTANT THINGS TO KNOW WHEN STARTING

3.5.1.

Finances

The Brazilian Central Bank (BC) is a federal entity associated to the Ministry of Economics responsible for the assurance of the stability of the population's purchase power, the control and regulation of the banks operating in the country and the maintenance of the inflation within the aim determined by the federal government.

One of the main responsibilities of the Brazilian Central Bank is the monetary policy and the regulation of the exchange rates and operations, beyond the financial relations abroad. It is also responsible for the regulation and supervision of the National Financial System ('SFN').

The Central Bank supervises, audits, and controls all financial transactions, nationally or internationally. Therefore, to transfer amounts from Brazil to another country or from another country to Brazil it is necessary to do it through an authorized bank or exchange operator.

Usually, the banks or exchange operators provide all the information necessary to open bank accounts in Brazil – for which the procedures tend to be very bureaucratic and time-consuming despite of the advanced technology in place nowadays – and to proceed with an international transaction, as the exchange rates, the financial transaction tax (IOF), the income tax (when due) and all other fees and/or taxes eventually levied on the transaction.

Brazilian Companies with capital abroad, companies receiving foreign investments, and foreign companies operating in Brazil must comply with the rules established by the Central Bank.

For example, the registration of foreign investments in Brazilian companies has to be done for each transaction at the Central Bank's system ("SISBACEN"), by means of an electronic declaration record (known as RDE-IED – "Electronic Registration Statement – Direct Foreign Investment").

The registration of foreign investment with SISBACEN shall be done by the representative of the Brazilian company receiving the foreign investment or by the representative of the investor, within thirty (30) days counted as of the date of the exchange operation.

Besides that, all companies that detain more than US\$100.000,00 overseas (assets or rights) shall submit to the Central Bank an electronic declaration relating those assets/rights or accounts.

Another important financial element in Brazil is the high interest's rates, measured by the Special Clearance and Escrow System (SELIC) and the inflation's rate, which is usually an attractive figure for foreign investors.

The Central Bank supervises, audits, and controls all financial transactions, nationally or internationally.



3.5.2.

Banking and Finance System

After the incorporation of legal entity in Brazil, it is essential that a bank account is opened with one of Brazil's retail banks in order to be able to receive and make payments.

The market for retail banks is very concentrated in Brazil. There is a limited number of very big banks (including private and public banks) and a slightly larger number of very small banks. Opening a bank account is not always an easy process. Since the end of the 1990's, Brazil has had a rather rigid anti money laundering legislation. Accordingly, it can take weeks before the compliance department of a bank clears the

customer through its "know your client" process. Such "KYC" processes are long and bureaucratic in Brazil and usually the banks request an unusual amount of documentation and make several requirements about legalization of documents, etc. It is important to take into consideration that the opening of a bank account may take long and, if possible, it is recommendable to start contacting local banks before a local entity is incorporated, in order to speed up the process.

Brazil has a modern financial services sector and online banking is widely used. Bank accounts can be operated from outside of the country if necessary. Brazilian banks invest a lot in technology and security and the largest banks can be considered as very safe and secure.

3.5.3.

Money transfers In and Out of Brazil



As opposed to other countries, there are no restrictions in Brazil with respect to transferring money in and out of the country. However, transactions involving international money transfer may be bureaucratic and cannot be taken for granted, as they require preparation and organization.

Since 1999, Brazil adopted a floating exchange rate regime, as opposed to the fixed exchange rate regime, which was applicable in the past. Accordingly, the price is set in negotiations between, on the one hand, the seller or buyer of foreign currency and, on the other, the institution that is authorized by the Brazilian Central Bank to operate in the foreign exchange market. Those institutions may be regular banks or authorized exchange brokers. If the exchange transaction involves an amount more than USD 3,000, then the transaction requires the execution of a so-called fx-agreement ("contrato de câmbio"). Every fx-agreement is given a number and registered with the foreign exchange system of the Brazilian Central Bank.

Banks and other authorized institutions have several legal responsibilities when it comes to exchange transactions, including the obligation to

identify the client (KYC obligations) and analyzing the transaction, verifying its legality and economic basis and the underlying documentation. Such compliance requirements often add some bureaucracy and time to the transaction. Therefore, when planning to make money transfers in and out of Brazil, it is important to verify with the bank or authorized institution what documentation will be required in connection with the exchange transaction to avoid any surprises that may delay the transaction.

Exchange transactions may trigger the application of certain taxes, such as withholding income tax when paying royalties or interest on an intercompany loan to a foreign company. Therefore, it is important to make a prior analysis of the tax implications of a certain transaction.



In addition to requiring the execution of an fx-agreement, certain exchange transactions are also subject to registration with the Brazilian Central Bank. For example, equity contributions in a Brazilian company must be registered as foreign direct investment and regularly updated. This registration is mandatory for the payment of dividends and for the repatriation of capital. Registration requirements also apply to transactions based upon intercompany loans.

The failure to register and update such registrations may subject the company to fines in addition to causing problems or delays in planned transactions. Accordingly, companies must keep an organized administration of the mandatory registrations with the Brazilian Central Bank to allow international transfers of money without any problems or delays.

It is important to make a prior analysis of the tax implications of a certain transaction.

3.5.4.

Tax System

Taxation in Brazil is regulated mainly by the Federal Constitution of 1988, the National Tax Code and the Federal Income Tax Regulation.

Taxes are paid by all residents and private business entities in Brazil, including corporations, limited liability companies, partnerships, branches and agencies of companies with head offices abroad. Taxes are collected by federal, state and municipal governments.

Brazil has a complex tax system and a high tax burden over a company's income since there are 3 levels of tax authorities in the country – federal, state and municipal.

The taxes in Brazil are highly levied over consumption and products and there are several restrictions regarding the use of tax credits. Brazil does not overcharge the income – the highest rate for the individual income tax is 27,5%. However, corporates can be charged from 15 to 32%, disregarding the possible rate reduction for some activities.

In short terms, at the federal level there are several type of taxes: (i) income tax (IRPJ); (ii) social contribution on profit (CSLL); (iii) industrialized products tax (IPI); (iv) financial transactions tax (IOF); (v) contribution on the intervention of the economic domain (CIDE); (vi) contribution to the social security financing over income (COFINS); (vii) contribution to the Social Integration Program on revenue (PIS/PASEP); (viii) social contributions from the employer to social security (INSS); and (ix) rural territorial tax (RTI). Import and export have also specific taxes, as the importation tax and customs tariffs.

There is also a state level tax on the circulation of goods and services of telecommunications and transportation (ICMS) and taxes on inheritance, donations (ITCMD) and motor vehicles (IPVA). And at the municipal level the service tax (ISS), urban property tax (IPTU), and tax on transfers of urban property (ITBI).

However, federal, state and municipal governments often grant tax incentives/benefits to particular sectors or operations (especially oil & gas and infrastructure), such as special customs regimes for import/export activities.

TAX	NAME	DESCRIPTION	TAX LEVEL
CIDE	Contribuição e Intervenção no Domínio Econômico	Applicable for companies that import or commercialize products and items covered by the tax. Tax that applies to royalty payments, technology transfers and compensation of technology supply, and technical assistance. The name CIDE applies in other cases too like on the commercialisation of fuel and on telecommunication services, and the calculation differs.	10%
COFINS	Contribuição Social para o Financiamento da Seguridade Social	Tax financing social security, applied to monthly invoicing and paid by companies who collect taxes based on added value	From 0% to 7,6%
CSLL	Contribuição Social sobre o Lucro Líquido das Pessoas Jurídicas	A social contribution on net income that applies to a company's net profit. It is charged on every legal entity with presence in the country and those that are treated by tax legislation.	From 9% to 15%
Import Duty	Imposto sobre a Importação	Import duty that applies to the entrance of foreign products in Brazil. It is determined by the products NCM and paid by the importer, the recipient of the international shipping named by the sender, those who are acquiring the commodity and the bidder of seized or abandoned products.	
IOF	Imposto sobre Operações Financeiras	Tax charged on financial transactions such as operations involving credit, currency exchange, insurance and security. Depending the operations, the tax is to be paid by different entities (by private individuals & legal entities in case of credit; by insured legal entities & private individuals in case of foreign currency/insurance operations or finally in case of security operations, by those who acquire security and financial institutions.)	From 0,38% to 25%
IPI	Imposto sobre Produtos Industrializados	Applied to national and foreign products that have been modified in some industrialized way for consumption or use. IPI is a federal tax paid by the local manufacturer or by the importer of the goods, and the rate is based on the products NCM code.	From 0% to 300%
ITR	Imposto Territorial Rural	A federal tax that applies to properties located outside the urban area, paid by the property owner.	From 0.03 % to 20%
PIS/Pasep	Contribuição para os Programas de Integração Social e de Formação do Patrimônio do Servidor PÚBLICO	A federal tax based on gross revenue earned by all types of legal entities including non-profit and organizations held by the government.	From 0.65% to 1.65%
IRPF	Imposto de Renda de Pessoas Físicas	Personal income tax that each individual is required to deduct of their annual income. A federal tax paid by private individuals living in Brazil and private individuals living abroad but receiving taxable income in Brazil.	From 0% to 27.5%
IRPJ	Imposto de Renda de Pessoa Jurídica	A corporate revenue tax that applies to the net profits of any legal entity in Brazil. A federal tax paid by public or private legal entities based in Brazil, regardless of their purposes or nationality	15 % or 25%
IRRF	Imposto de Renda Retido na Fonte	The income tax withheld at source, that applies to labour income, capital income, remittances abroad and other incomes, such as prizes, advertising services provided by legal entities and remuneration for services provided by legal entities.	From 7.5% to 27.5%
IE	Imposto sobre a Exportação	An import tax applied to the exporting of national products. The calculation basis is the financing price that the product would reach on the international market under free competition conditions. It is a federal tax that is paid by the exporter of the goods from Brazil.	From 30% to 150%
ICMS	Imposto sobre Operações Relativas à Circulação de Mercadorias e Serviços de Transporte Interestadual e Intermunicipal e de Comunicações	A value-added tax on sales and services which applies to the movement of goods, transportation and communication services and to supplying any goods. It is paid by private individuals and legal entities that commercialize any goods, by those who import products from abroad, those who acquire goods seized by customs and those who acquire petroleum products from abroad. For Telecom related items, a 30% ICMS rate can be applied in some Brazilian States.	From 4% to 25%
IPVA	Imposto sobre a Propriedade de Veículos Automotores!	A vehicle tax applied to the possession of motorized vehicles like cars, trucks, motorcycles, etc. A state tax and must be paid by anyone who owns a motorized vehicle.	From 1.5% to 4%
IPTU	Imposto sobre a Propriedade Predial e Territorial Urbana	A real estate tax applied to properties located within urban limits and charged by the municipality. It must be paid by the property owner or tenant in case of rental property. Rate: varies according to the municipality, location of the property and property size.	
ITBI	Imposto sobre Transmissão Inter Vivos de Bens Imóveis e de Direitos a eles Relativos	A municipal tax and it is paid by the buyer or the transferee of the property or right.	Between 2-3%
ISS	Imposto sobre Serviços	A tax applied to services provided to a third party by a company or professional and is paid by the service provider. The calculation basis comprises the monthly income of the taxpayer and the price of the service.	Max 5%



3.5.5.

Import & Export

When considering importing to Brazil or exporting from Brazil, it is important to take into consideration that Brazil is a rather closed economy from a perspective of international trade.

Brazil is a member of the WTO. However, in trade negotiations, Brazil has always been very reluctant in reducing tariffs for industrial products. In fact, high import tariffs have continuously been used by Brazil as an instrument of industrial policy, aiming at protecting the Brazilian industry against external competition.

Another important aspect of the Brazilian trade policy is that Brazil is a member of Mercosur. Mercosur is a customs union formed by Brazil, Argentina, Uruguay and Paraguay. The Mercosur countries have abolished customs duties for the circulation of products within the area (with some exceptions) and adopt a “common external tariff” or “TEC” for imported products coming from third countries. For most products, the “TEC” lies around 2 to 20% and varies in accordance with

the complexity of the product (e.g., lowers tariffs for commodities and raw materials and higher tariffs for finished products). For most products, the average import tariff adopted by Brazil is around 12 to 14%. Brazil applies a significant number of national exceptions to the TEC. As a result, the Mercosur is considered to be a “flexible” customs union and the level of economic integration between the countries is still rather low.

Also, Brazil adopts certain special customs regimes which may apply to certain import operations or certain industries, such as the oil and gas industry or the automobile industry. In addition, certain products may benefit from lower import duties (the so-called “ex tarifário”) when there are no similar products that are produced nationally.



3.5.6.

Accounting Principles

On 1st of January 2008 onwards changes were introduced in Corporate Law setting the way to a process of accelerated convergence of Brazilian Generally Accepted Accounting Principles (BR GAAP) to IFRSs.

Full convergence with IFRS was reached for financial reporting years ending at 31 December 2010 and onwards.

The move towards IFRS in Brazil started in 2006 when the Brazilian Central Bank (BACEN) published its intention to require certain financial institutions to present consolidated financial statements in accordance with IFRS by 2010.

The Brazilian Securities Commission (CVM) decided in 2007 to extend these requirements to all

publicly listed entities to present consolidated financial statements in accordance with IFRS by 2010. Early adoption of IFRSs was permitted and a small number of companies did adopt early.

Non-Publicly Accountable Enterprises (NPAEs) are obliged to prepare their financial statements in accordance with BR GAAP but are permitted to adopt IFRSs for the consolidated financial statements. Non-large sized NPAE's have the option to apply the Brazilian equivalent to SME.

A Large-sized entity is defined by Corporate Law as a company or group of companies under common control, whose total assets, in the previous year, amounted to over R\$ 240 million, or whose total gross annual revenues exceeds R\$ 300 million. Specific exceptions apply to financial institutions and insurance companies.

3.5.7.

Non-Financial Institutions



The Brazilian congress approved in December 2007 (effective 1 January 2010) a law that set the path for the convergence of the BR GAAP to IFRS. The law established that accounting pronouncements issued by the Brazilian Accounting Pronouncements Committee (CPC) will have to be in line with the IFRSs issued by the IASB.

The CPC is made up by main bodies of the Brazilian capital markets, the accounting institutes, the BACEN and CVM. Its objective is to issue local enforceable accounting rules in line with the IFRSs as issued by IASB.

The CPC has its own due process, involving deliberations of the CPC members and public consultation before it issues standards. Afterwards, the pronouncements issued by the CPC must be endorsed by the government bodies and by the CFC in order to have legal effects and be applied by companies subject to regulation by the CVM, BACEN or CFC.

CPC has issued, and regulatory bodies have endorsed, substantially all BR GAAP standards equivalent to IFRSs and IFRICs, which became effective for financial statements for periods starting on or after 1 January 2010. As a result, BR GAAP substantially converged with IASB IFRSs.

Companies are required to follow the IFRSs as issued by the IASB.

"Side-by-side presentation" of consolidated FSs (under IFRS and BR GAAP) and individual FSs (under BR GAAP), in the same set of FSs, for Brazilian publicly listed entities are allowed, considering that the two frameworks are substantially equivalent.

Listed entities

All CPCs were endorsed by CVM, which means that all Listed Entities need to prepare their consolidated financial statements in accordance with IFRSs as described above.

3.5.8.

Security In & Outside Business

Brazil has moved fast and safely to a new business environment direction since the outbreak of the “car wash” operation in the end of 2014. Many improvements are under way but to figure out what kind of risk management scenario we will find by the end of 2019 we will need first to understand what happened since then.

Brazil has had a history of an acceptable corruption symbiosis between public and family business and government entities and politicians. Being successful used to be measure by your capabilities to have the right relations with government officials, from the lead to the opposition parties. The common result of law enforcement investigations on corruption were prescription of the crimes, lack of proofs, procedural nullities.

Changes in this scenario started by the end of the 90's, when the Brazilian government signed the first Multi-Lateral Agreement in crime investigation exchange with the US, followed by the anti-money laundering law. Later this first step was added with the OCDE agreements on banking data access, the creation of the COAF (FIU similar law enforcement body), the training and improvement of skills and IT tools for Judges, prosecutors, police officers and experts. The end of this process of changes culminates with the anti-corruption package signed by President Dilma Rousseff in June 2013, which brings to the table the plea bargain procedure.

The new investigative tools, new money laundering and corruption laws and trained law enforcement professionals on one side, with corruption acceptance by the same key players on the other side, was the right scenario for Brazil's business environment change for a lifetime.

The years 2015 and 2016 will be known by the years of the law enforcement revenge. CEO's of big Brazilian family businesses sentenced to jail, together with their operator's money launders. Front companies, phony contracts and cartel transactions are revealed to the public. The criminals have no alternative than settle plea bargains to reduce their time in prison and lenience agreements to save their businesses.

The years 2017 and 2018 came with new investigations resulting from the original Car Wash operation, a group of politicians sentenced to jail and others being prosecuted for receiving bribes to support their election campaigns, and more interesting an incredible improvement in compliance awareness for operating in Brazil.

The number of professionals dedicated to internal investigations, compliance and related practices is increasing exponentially together with their average salaries and hunting requests. The compliance awareness that was strong only on transnational pharmaceutical business is now spread to any business that wants to present itself to the market as an ethic company.

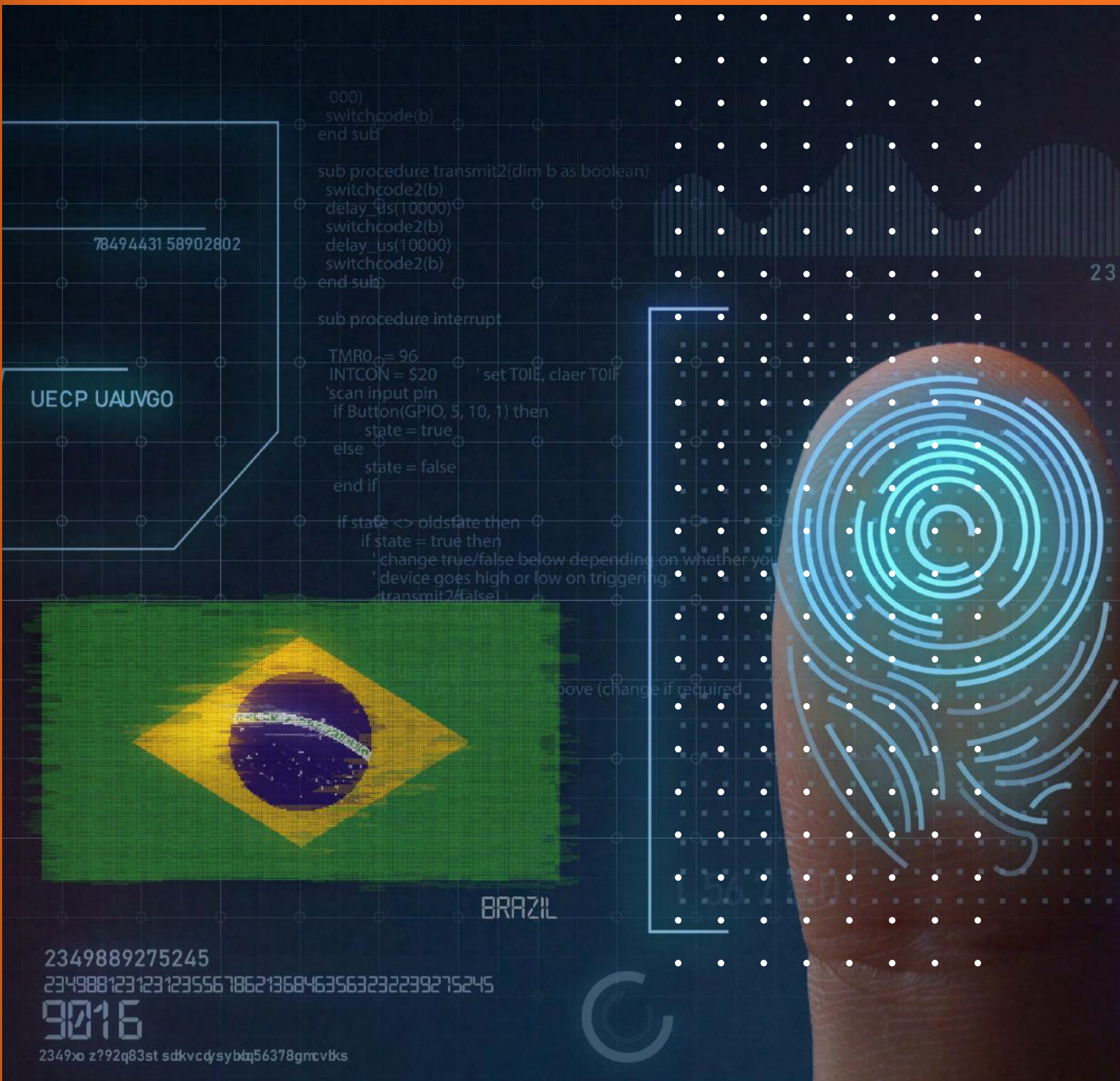
Law firms and the big four consulting boutiques are now armed with IT tools and trained professionals to reply to any kind of incident presented by their clients, working together among them and with the law enforcement authorities.

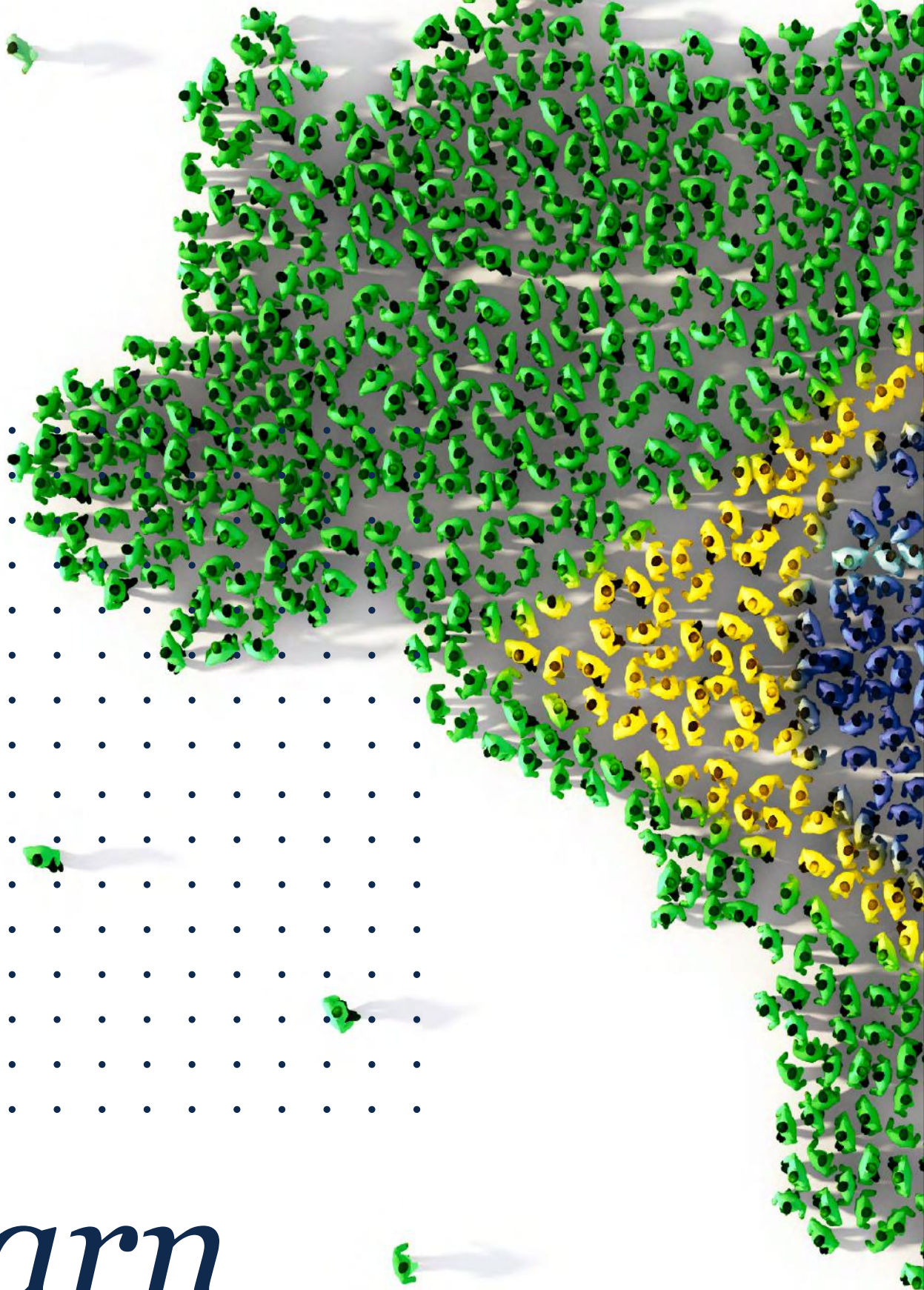
The new year brings the expectation of solving government debt problems and if this happens, an increase of investments and M&A transactions will follow the positive news. In this scenario, the investors will find a total new risk management environment to operate but care is still an issue to be considered.

Having a compliance program and a professional in charge is not a guarantee that the target business is better than the one that has nothing. The right approach is to assess the maturity of the compliance program of the company and how it reacts to presented incidents and whistleblowing reports. The concern about bribery and corruption

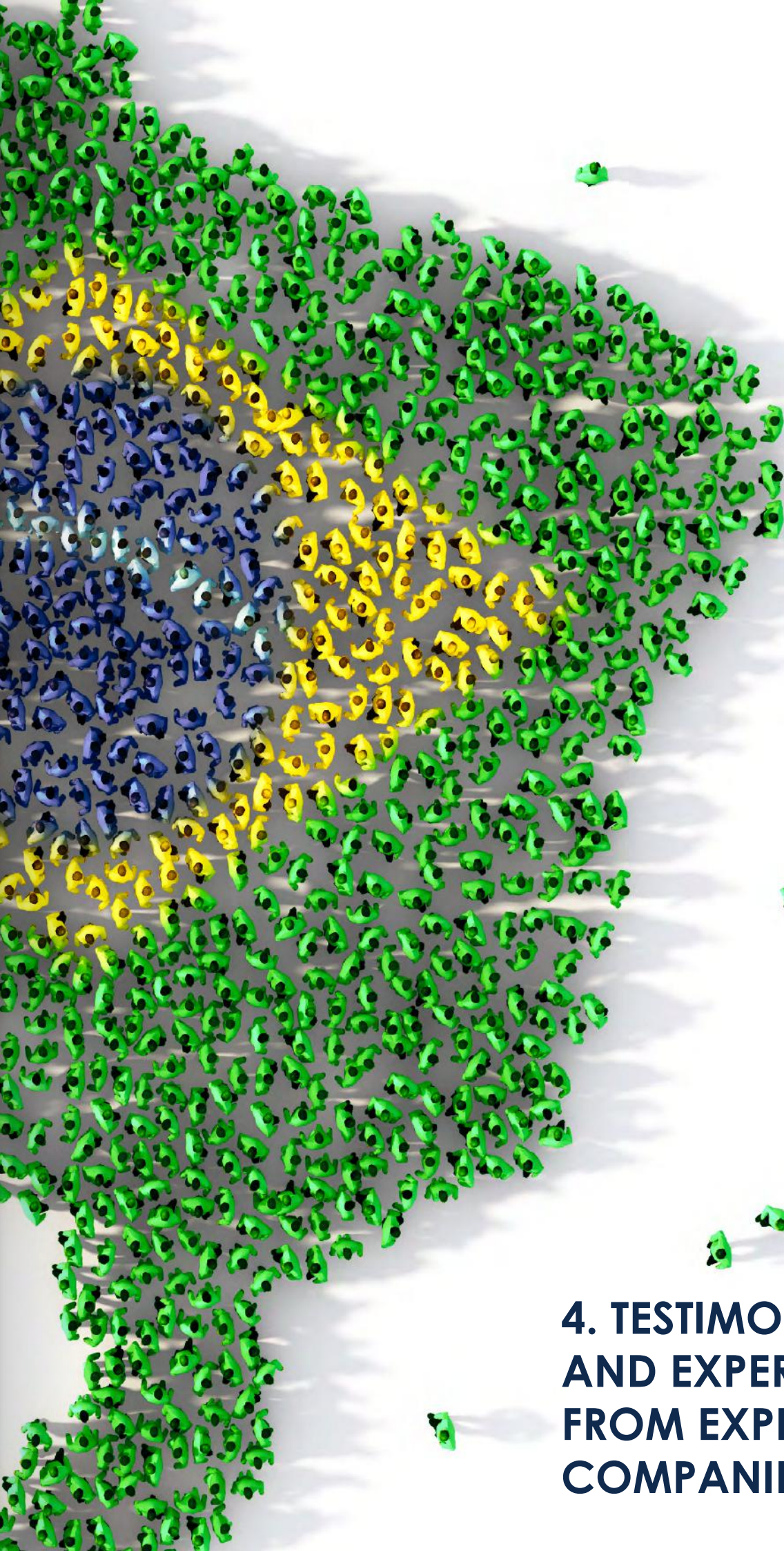
schemes may blind investors to lose the track for fraud prevention. We have seen a number of post-acquisition arbitration and court disputes related to fraudulent transaction or accounting misinterpretation of assets/liabilities evaluation.

The overall conclusion is that Brazil - considering the corruption - has a better environment for doing and acquiring business with professionals with the right exposure, tools and top-level consulting and law firms to assist the investors. There might be some bumps on the way to go but the losses and exposure could be mitigated with the right risk management in place.





Learn From Others



**4. TESTIMONIALS
AND EXPERIENCES
FROM EXPERIENCED
COMPANIES IN BRAZIL.**

Agrifirm



Yes, you should! Invest in Brazil! But forget everything that you learned outside of Brazil. Becoming successful here means you need to invest in understanding Brazil, the Brazilians and all the beautiful and challenging aspects that the country has to offer. It's a continent disguised as a country with many subcultures in the different regions. All those regions have their own identity and particularities which are important to understand.

Make sure to have an open and alert mind in understanding the country, its people, and the industry you plan to compete in. Find specialists to support you with the complex tax and labor laws and with the bureaucracy that might come on your way.

Form your opinion based on what you see and experience, not on what you have heard or saw in the media. You will find that much of what you thought you knew is either different or with much more nuance.

And you will learn that the country has even more to offer than you already might expect.

Talk with potential customers, Brazilians and others that have made the step before you. Use the Dutcham network, we can help! Analyze the market. This way you can best prepare and learn where the opportunities and challenges lay. Because challenges you will find, many of them! But when you come prepared and informed, you will see that these challenges are worth it...

Trust me, it will be an amazing ride!

Feel free to get in touch to share experiences.

With kind regards,

John Dortmans

Director

Agrifirm LATAM - Top finalist for the Entrepreneur of the Year Award – 2021

FCR Law

Demystifying Brazil



FCR Law

“Brazil is not for beginners” according to a Brazilian proverb. While Brazil is certainly not the easiest place to do business, Brazil has always offered tremendous opportunities for international companies due to the sheer size of its territory and population.

For those that are not yet familiar with Brazil, we have assembled a few tips and takeaways from our years of experience as a law firm assisting companies with their investments in Brazil (in no particular order):

- Make sure that you contract local staff in accordance with Brazilian labor laws; avoid hiring freelancers because of the inherent labor law risks;
- Hire an experienced tax advisor to assist you navigating the complex Brazilian tax system; This will ensure your compliance with the law, but also may result in unexpected tax efficiencies: in fact, due to the complexity of Brazilian tax law, sometimes there are several ways of structuring one and the same business from a tax perspective (and each alternative may have its advantages and disadvantages);
- International service and software businesses are subject to high taxation in Brazil when exporting services / licensing their software from abroad; they should be aware of the significant tax advantages that may result from incorporating and correctly setting up a Brazilian subsidiary;
- Prior to carrying out import and export transactions, Brazilian legal entities are by law required to hold a specific import license called “Radar”. The requirements and intricacies of obtaining the license depend on the volume of the transactions.
- Incorporating a local subsidiary is uncomplicated and quick nowadays; we have made the experience that the sheer fact of incorporating a local subsidiary may

result in a boost to companies’ sales in Brazil, because (i) it oftentimes allows international companies to reduce their sales prices due to positive tax effects, if set up correctly, (ii) it allows for pricing in Brazilian currency and issuing Brazilian fiscal notes (notas fiscais) to Brazilian customers, which are much easier to handle for them than international invoices, (iii) it allows for professionalizing sales and services on the ground, and (iv) last but not least, Brazilians highly appreciate it when their international business partners decide to incorporate in Brazil – it is generally seen as a welcome long-term commitment to the Brazilian market;

- In case you wish to acquire a Brazilian company, conduct a thorough legal, labor and financial due diligence with specialized advisors prior to entering into definitive agreements; many Brazilian companies struggle with the complex tax and labor laws and are subject to a range of legal proceedings and contingencies you must be aware of before acquiring them;
- Be aware that shareholders of limited companies may be co-responsible for unpaid labor and tax debts under Brazilian law, which is why you should ensure full compliance with the applicable laws at all times;
- Disputing at Brazilian courts may literally take years, and some judges may not be prepared for lawsuits involving complex and sometimes international business matters; for important contracts, always consider including an arbitration clause instead of referring disputes to the ordinary courts.
- If you have questions about the above or generally doing business in Brazil, please feel free to get in touch with us under lukas.rhomberg@fclaw.com.br and info@fclaw.com.br.

Lukas Rhomberg
Partner
FCR Law

HollandBrazil

“Brazil is a country with unlimited possibilities. With a good preparation and a strong organization, it is a country where doing business can be very lucrative and rewarding.”

Finding firstly the right business partner and building a solid relationship of trust is often a matter of trial and error. It takes time, energy, knowledge, and careful preparation. However, these are important elements to consider before doing business in Brazil as they often save a lot of time, investment and above all, frustration.

It is advice that we can give with conviction after having assisted many small and medium-sized companies in their market entrance in Brazil. Beside lots of opportunities, we also encountered many concrete challenges.

Strengthened by the experiences built up over the years, we decided to set up HollandBrazil, a consultancy company to support (mainly Dutch) companies with their business activities in Brazil. One of our main activities is relates to compliance, as the bureaucracy is and will remain an important obstacle for entrepreneurs and investors who are willing to doing business in Brazil.

It happens that an exploratory market research results in a negative advice to do business in Brazil.

This was the case of one of our first clients within HollandBrazil. A Dutch manufacturer active in the truck industry asked us to conduct a local survey on their market opportunities in Brazil. Based on real facts, the result turned out to be negative, and we had to give our client a “No-Go advice” to enter the market based on these concrete elements. We had hoped to be able to make the company a promising proposal with concrete market opportunities. However, the survey showed the opposite. Although you could initially consider this as a negative outcome, it was in any case a clear and above all an honest advice



for our client not to invest, which ultimately saved the organization a possible “wrong” investment.

Negative advice based on honest and sincere arguments can therefore be just as valuable for a company in making the right decisions about whether to invest or not in a country or region.

A no-nonsense approach with a clear understanding of the local culture, language, and the way of doing business is essential to succeed in Brazil. Fortunately, after that we have successfully brought dozens of companies to Brazil.

Over the years we have developed a strong network of reliable partners – including the Dutch Consulates and Embassy in Brazil and Dutcham. This network allows us to support our customers in the right way, allowing them to focus on what really counts: growing their business and developing their opportunities overseas. For more information, visit: www.hollandbrazil.com

Quirinus Deij (São Paulo) and Dirk Blom (Rotterdam)

*Founders
HollandBrazil*

Joyce Dias

Advocacia



JOYCE
DIAS



Being an entrepreneur in Brazil and having also set up a business in The Netherlands, I understand the challenges and the impact that cultural differences can have when establishing a new business in a new country. As both a Brazilian and Dutch lawyer, I can also understand the expectations and frustrations of Dutch entrepreneurs when dealing with a different legal system in Brazil.

A Dutch company, for example, might expect that we can get a pre-judgment attachment (conservatoir beslag) against a debtor in Brazil only to get frustrated that local execution measures might not be granted as quickly as in The Netherlands. One might also become frustrated when discovering that

the rules of the Chamber of Commerce in Brazil are more complicated and demanding than the Kamer van Koophandel for registering or deregistering a company, for example.

Differences are inevitable, and there is no doubt that Brazil is a very bureaucratic country: the Netherlands is ranked 42 and Brazil 124 in the Ease of Doing Business 2020 ranking from the World Bank. This means very good planning (and patience) is required to have a successful business here. You have probably heard before that one of the first steps is to get good local legal advice. As biased as this may sound, it is certainly true. A good local team of lawyers, together with tax advisors and accountants, can avoid a lot of hassle and minimize risks.

The timing of getting legal advice is also crucial: some companies, especially SMEs, often think that they can, for example, become a shareholder in a local company or sign a contract with a Brazilian partner, without getting local advice to reduce costs. However, the costs will be much higher when a conflict arises, and they are faced with a lengthy legal dispute that could have been avoided.

The more personalized the advice is, the better we can deal with the specific legal issues that a foreign client may encounter in Brazil. There are, however, 5 common pitfalls that can be highlighted:

Becoming a shareholder in a Brazilian company: it is crucial to check your rights as a shareholder, especially if you are the majority shareholder. Minority shareholders have significant protection in Brazil, and you need good exit and removal strategies in place. One common situation is the foreign majority shareholder realizing that it is only possible to remove the minority shareholder by going to court and obtaining a legal order because there was no appropriate clause drafted in the articles of association of the company.

Engaging a legal representative and administrator of the local company: foreign shareholders are required by law to appoint a legal representative in Brazil. It is very common that the same individual will also act as the administrator of the local company which means that they will have significant control (and liability) over the activities of the company. It is crucial therefore to take precautionary measures, including a well-drafted contract, that can minimize risks and liabilities.

Signing a contract with a Brazilian partner: it is very common for foreign companies to want to use their local contract template when doing business in Brazil. However, many clauses that would be valid in The Netherlands might not be in Brazil, i.e., clauses related to consumer protection or penalties for default payment, and often need to be redrafted to comply with local requirements.

Choosing a dispute resolution clause: the dispute resolution clause is one of the most important

clauses in an international contract. Unfortunately, it is very common to find governing law and dispute resolution clauses that are completely unenforceable or that would be highly prejudicial to foreign investors, i.e., choice of an arbitration institution with high costs or a procedure that does not allow later enforcement of the decision in Brazil.

Hiring employees or consultants: labor and employment issues are a frequent complaint when doing business in Brazil. The costs for hiring are high, and the bureaucracy can be overwhelming. A foreign company might engage a consultant to avoid hiring an employee, for example, only to find out later that the consultant is filing a labor suit claiming employment rights. Whether the consultant will win the claim or not will depend on the specific circumstances of the case, but the hassle might have been avoided by receiving proper legal advice before the engagement of local people as employees or consultants.

It might all sound overwhelming, but bureaucracy can be simplified if advice is sought at the right time and before legal conflicts arise. The good news is that there are experienced professionals with both the international and local knowledge to help guide you in this country full of great opportunities. For more information, please contact Joyce Dias under joyce@joycedias.adv.br

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World Bank.*

Joyce Dias
Partner
Joyce Dias Advocacia

Marel Poultry



Brazil plays an important role in feeding the world's population. It is the largest exporter of poultry products and of basic inputs, such as corn, soybeans, and other agricultural products.

For Marel, a leading global supplier of advanced equipment, systems and services for the poultry, meat and fish processing industries, it is essential to maintain a local presence in such a representative market.

The poultry industry is extremely successful in Brazil, where its strengths are the availability of usable land, an almost always favorable climate, and above all, technology.

The adoption of medium and long-term development strategies has allowed companies to grow in a very dynamic environment. To be successful in the market, it is necessary to understand that, in this sector, investments take place in "peaks and valleys" and there are no immediate gains.

In the case of Brazil, companies intending to engage in new business in the country need to be prepared to deal with significant market volatility and political variability, which may cause some planned investments to be postponed.

Despite some instability, Brazil has developed an important business structure in recent decades, with major companies in the sector becoming multinational.

Overall, the country has a highly professional and technological poultry industry. The companies are always looking for innovations and new developments to ensure sustainable progress.

In the coming years, the Brazilian poultry industry should sustain its positions in emerging markets and, in addition, expand its participation in developed markets, with higher quality products.

In order to fulfill this task, Brazil invests incessantly in technology in the agricultural sector and has a culture of innovation as one of its strengths.

In general, Brazil works incessantly to maintain its position as one of the main global suppliers of safe and quality food. According to projections made by FAO (Food and Agriculture Organization of the United Nations), food production should grow by 70% by 2050 and Brazil will certainly have a large share in this growth.

Rudd Bakers

*Regional Sales Director Latin America
Marel Poultry – Winner of the Entrepreneur of the
Year Award – 2021.*

SKIM Group



If you are reading this, you may have expanded or are planning to expand your business to Brazil. Parabéns I believe you're making an excellent and exciting choice.

With SKIM, we made the step around 6 years ago. SKIM is a global insights agency specialized in analyzing decision behavior, whether that is for consumers, business or healthcare professionals. Our philosophy has always been to be close to the client and this isn't only based on commercial objectives; if we want to analyze decision behavior of consumers in Brazil we need to truly understand Brazilians. What moves them? How do they make decisions? Bringing together decision science with a deep understanding of local culture is essential.

But so much about what SKIM does – if you're ever looking for expertise in this area, you know whom to contact. Check! Back to you, and your new and exciting adventure.

A phrase heard often is that setting up a business in Brazil comes with many challenges. I see this as both a truth but also somewhat of a cliché. I believe expanding a business to a new country always comes with challenges, no matter what country it is you are expanding to. And of course, Brazil has its own set of challenges, but the opportunities are plenty and exciting.

Coming from the Netherlands, Brazil's size may seem intimidating at first. It is a huge country with regional differences but also with a strong Brazilian identity. In the end big countries and big cities don't exist; it is just the larger sum of smaller parts. So, instead

of getting overwhelmed; just start with one of those smaller parts.

Brazil's economy and infrastructure are in many ways comparable to western countries. Professional services, high skilled workers, great facilities: you will find it all. Another great point to mention is its innovative culture, resulting in Brazil being a successful breeding ground for new startups. Brazil certainly is also a place of contradictions though; opportunities aren't spread always evenly and contrast between poor and rich are extreme.

Most important advise –take it from a naïve someone that hugely underestimated the importance of this in the beginning- learn the language! Most Brazilians don't need to ever speak anything else than their mother tongue simply because of Brazil's size and the amount of people in the country; so you can't blame them for not being able, or, not feeling comfortable to speak English with you. Learning to speak the language will help Brazilians feel at ease with you.

Although be advised; while you may develop a basic knowledge of the language rather quickly; be prepared for learning the numerous of "gíria" (slang/expressions) that Brazilians use... which is tricky but actually a lot of fun at the same time. You'll have a lot of fun anyway; you'll notice that Brazilians are a lot of fun to work with and to be around!

Good luck with the new challenge, but most of all: enjoy it!

Gerben van den Blink
Managing Director LATAM

SKIM - Top finalist for the Entrepreneur of the Year Award – 2021.

Vieira Rezende Advogados



VIEIRAREZENDE
ADVOGADOS

Although I was born in Brazil, I moved to the Netherlands as a young teenager and I completed my high school and University in The Hague and Leiden, respectively. I also worked for ten years for a big Dutch law firm. When I returned to Brazil, I started to realize that I had still a lot to learn about the culture and the way of doing business here. I also learned to appreciate the entrepreneurial aspects of the Dutch culture and particularly of Dutch law.

Brazil is a very young republic: the country became a republic in 1889 and the current Constitution was approved in 1988. It is also a very large, complex and dynamic country. These characteristics (young, large, complex and dynamic) also apply to the legal system. In order to navigate in the Brazilian legal environment, entrepreneurs have to accept that many areas of the law are unclear and that they will have to live with some amount of legal uncertainty.

However, with the correct understanding of the risks involved and sufficient transparency about them, it is possible to conduct a successful business strategy, focusing on the business and taking advantage of the positive aspects of the Brazilian business culture such as the entrepreneurial spirit, curiosity and quite a great amount of flexibility!

After almost 15 years advising Dutch companies with legal issues in Brazil, looking back at successful and unsuccessful ventures, I can say that there is no magic formula to be a successful entrepreneur in Brazil. However, investors that learn to appreciate the good aspects of the local business culture and that have a true understanding of what can bring added value to the local market, have a good chance of creating a valuable business in Brazil.

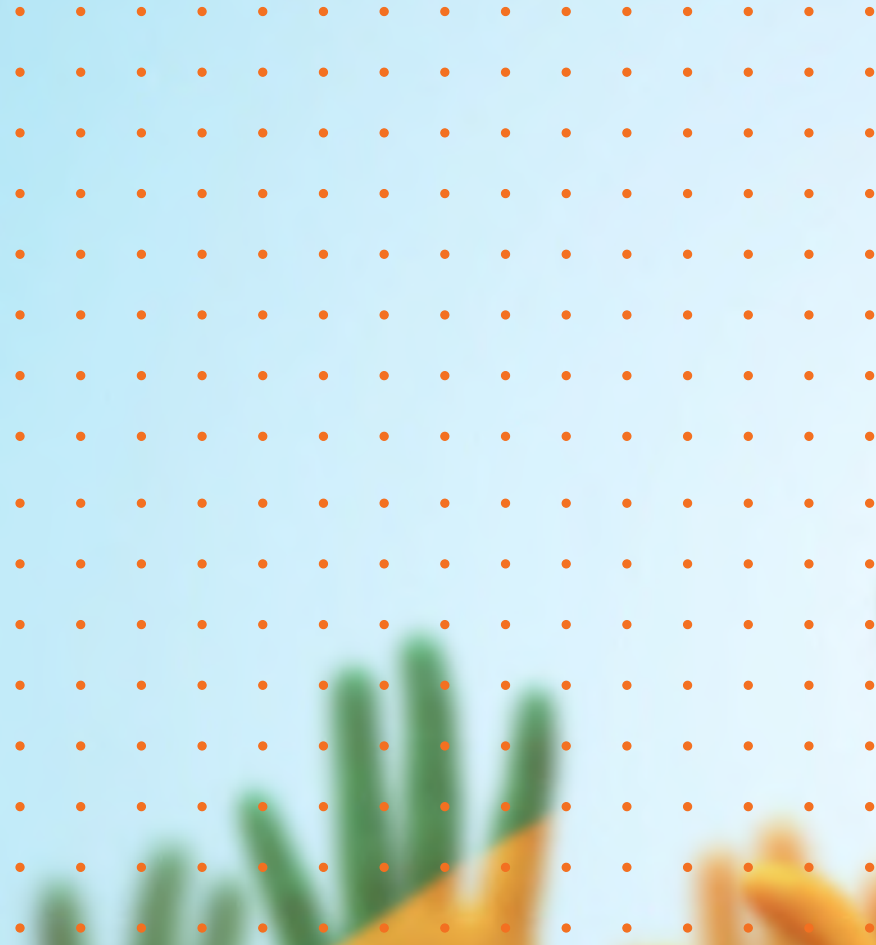
For more information, please contact Camila Borba Lefèvre clefevre@vieirarezende.com.br.

Camilla Borba Lefèvre
Partner
Vieira Rezende Advogados



Dutcham

DUTCH BRAZILIAN CHAMBER OF COMMERCE



How we can help you in Brazil

5. DUTCHAM'S SOFT LANDING PLATAFORM.



5.1. Dutcham's overview

Our Mission



Dutcham is the official Dutch Chamber of Commerce in Brazil. Its mission is to exchange information, share experiences and best practices across different industries, represent the Dutch business community towards local stakeholders, support, and guide Dutch entrepreneurs in their business journey, and ultimately contribute in an active way to the successes of the Dutch companies in Brazil, and have a positive impact on society.

Our Objectives

Dutcham is a non-profit association, founded in 1952, with the objective to promote and assist trade businesses and investments between the Netherlands and Brazil.

Since 2018, Dutcham has been building on a new strategy to partner up with all important Dutch companies, strengthen the relation with the Dutch Embassy and Consulates and thus become the single platform for connecting business professionals who are doing/willing to do business in Brazil. Dutcham has been focused on bringing added value to their members through professional business events such as roundtables, expert panels, workshops, networking events and special committees.

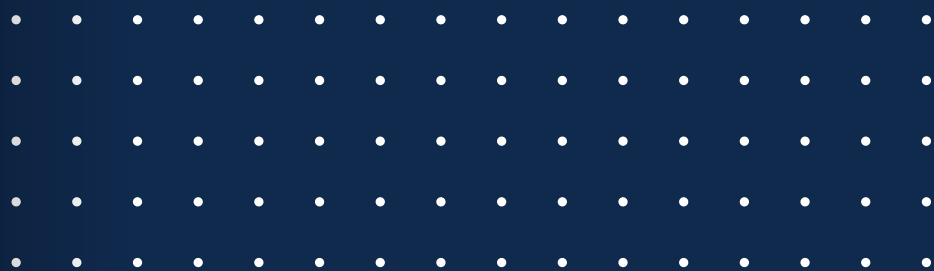


Our Purpose

“Creating together a more sustainable, inclusive & inventive future in Brazil for all.”

- Dutcham is gathering Dutch companies, entrepreneurs, and business professionals in Brazil through high level networking events and strategic committees and roundtables.
- Our strategy is to drive socially responsible entrepreneurship among our Dutch companies and business partners - in line with the UN Sustainable Development Goals - and to create together a better future for Brazil and the world.

- We foster the importance of an inclusive working environment, openness and freedom of speech and the highest level of respect for human rights. We empower female entrepreneurship and keep young people at the heart of our development policy through education.
- We believe that innovation and technology is key to boost our resilience to future shocks and global challenges. More than ever, we need to drive AI and digitalisation on all levels.
- We want to embrace the cultural difference between the Dutch and Brazilian and make everyone benefit from the good from both worlds.



5.2. Business development department

Besides continuing to support the Dutch companies who are currently present in the Brazilian market, Dutcham has the clear ambition to develop a range of additional professional services to Dutch entrepreneurs who are willing to come and do business in Brazil.

Since July 2021, Dutcham has started a project to develop a so called “soft landing” towards Dutch companies entering the Brazilian market. The current network of local business professionals and their expertise in the market enable them to share great added value to newcomers into the market.

Dutcham's new Business Development Department has the following focus points:

Promote Dutcham & Brazil towards Dutch entrepreneurs

Actively promote the many opportunities for entrepreneurship in Brazil is the first priority. This includes mapping the various industries and domains where Dutch companies could invest or where concrete business opportunities lie.

We also believe in the importance of developing more business-relevant communication from Brazil to the Netherlands (website, social media, seminars) to organize trade missions to Brazil.

Provide a reliable business ecosystem

Dutcham has built up a strong network of Dutch and Brazilian companies in recent years. The member companies have enormous expertise and know-how in house.

Our priorities are to analyze the specific needs and demands of Dutch companies when entering the local market. Subsequently, examine which synergies can be built up with the existing ecosystem of business contacts and which services can be deployed out of it.



Professional follow-up on the newcomers

Starting up a new business in a new market does not happen overnight. Because of that, Dutcham is concerned to follow up on the services provided for newcomers, thus creating and strengthening a long-term relationship with the Dutch small and medium enterprises.

5.3. *Services portfolio*

Dutcham can operate as a facilitator for Dutch enterprises that are already present in Brazil or willing to find initial suitable business partners by providing access to Dutcham's network, guidance on the steps the foreign company needs to take, sharing relevant market information on which products or services have high potential in the local market, publishing the experiences other Dutch entrepreneurs and answering questions through consultancy services.



Membership

With more than 60 affiliated companies from relevant sectors of the economy, Dutcham offers 04 types of memberships that fit the needs and objectives of each company. The benefits of each membership ranges from access to all companies inside Dutcham's network, exclusive events (Webinars & Live events, strategic meetings and committees) to displaying the company logo on banners & communication exposed during all events and website/ social media.

Sectorial Market Studies

Dutcham can also offer market studies for companies interested in entering the Brazilian market with the most relevant sectorial information. This service is tailor made according to the specific needs of each company. All information is carefully researched, and it is based on publicly available outlets and official databases from the Brazilian Governmental agencies and associations. The execution time and the extension vary according to the number of topics involved.

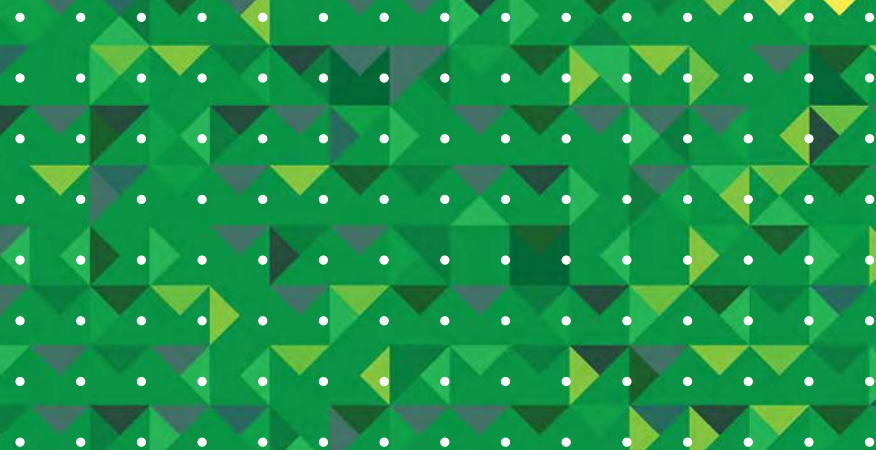
B2B Match Making - Search for Partners and Clients

Dutcham can support Dutch enterprises with their issues by connecting them to potential clients and trusted service providers, in both the public and private sector. After the established contacts and meetings, a support in the follow-up of these contacts is also offered to ensure communication between both parties.

Support for Exhibition & Trade Fairs

Dutcham can support exporting companies by providing one-on-one assistance during local exhibitions and assisting with international business trips. With a solid experience in participating in national fairs, it is possible to support Dutch companies interested in having their stands to promote their products and / or services in different trade shows.

Contact and members



6. DUTCH DIPLOMACY AND TRUSTED PARTNERS.

6.1. The Dutch diplomacy in Brazil

Promoting Dutch International Business

Doing business abroad has many benefits. It contributes to your success, to economic growth and job creation in the Netherlands and to local development, especially in developing countries and emerging markets. That is why the Dutch government supports your international ambitions.

Economic diplomacy

Many Dutch entrepreneurs and researchers work abroad and invest abroad, and many foreign companies also invest in the Dutch economy. Economic relationships in the world are constantly shifting due to various factors. The Dutch government strives to increase opportunities for Dutch entrepreneurs on foreign markets and wants to promote the interests of Dutch businesses abroad through economic diplomacy. The Netherlands has an extensive international network to promote the interests of Dutch businesses; these include Embassies, Consulates and the Netherlands Business Support Offices (NBSO).

How can we help?

Network & Contacts - Find new contacts, partners and buyers

Whatever your plans for doing business abroad, you need the right contacts to implement them. The Dutch government has an extensive network of international offices that offer local insight, and know the local players, networks and markets, and how to overcome the language and cultural barriers. We can advise you, establish contacts and open doors.

Knowledge & Information - Take advantage of our knowledge of the local situation and market, trends and opportunities

There is much to consider when entering a new market and it is important to have the right information. The Dutch government is happy to answer any questions you may have about doing business and collaborating abroad. Our network helps you take advantage of opportunities and achieve international ambitions and can give you advice on responsible business conduct in Brazil.



Financing- Find the financing that matches your ambitions

The Dutch government supports your international ambitions, which includes financing if you can't get your plans past the bank.

Are you looking for subsidies or financial programmes? Use the subsidy tool to find out which are open for applications. For the full overview: <http://www.rvo.nl/subsidies-regelingen> (in Dutch)

Promoting Dutch Interests

Working together on local opportunities and solutions. The Dutch government actively promotes the interests of companies and organizations abroad by positioning companies, knowledge institutions and sectors and by reducing trade barriers. You can contact us for assistance with business issues and local procedures. While we cannot always guarantee a solution, we can serve your interests and engage in dialogue with the right parties.

If you are (looking towards) doing business in Brazil, our economic network comprising the Embassy in Brasilia, Consulates-General in Rio de Janeiro and São Paulo, and the NBSO's in Belo Horizonte and Porto Alegre might be able to help. Present in the network are also the Innovation Attaché and Agricultural Counsellor, who are available for questions regarding these specific domains. For more information about our support, please refer to the following websites, or get in touch!

<https://www.netherlandsworldwide.nl/doing-business>

<https://www.rvo.nl/onderwerpen/internationaal-ondernemen>



Contacts

Embassy in Brasília

Telephone: +55 61 3961-3200

E-mails: bra-ez@minbuza.nl (economic department)

bra-lnv@minbuza.nl (agricultural department)

Consulate General in São Paulo

Telephone: +55 11 3811-3300

E-mails: sao-ea@minbuza.nl (economic department)

sao-lnv@minbuza.nl (agricultural department)

sao-ia@minbuza.nl (innovation department)

Consulate General in Rio de Janeiro

Telephone: +55 21 2157-5400

E-mail: rio@minbuza.nl

Netherlands Business Support Office Brazil (NBSO)

Telephone: + 55 31 3504 3381 (Belo Horizonte)

Telephone: + 55 51 3378-1144 (Porto Alegre)

E-mail: info@nbso-brazil.com.br

Site: www.nbso-brazil.com.br

6.2. Dutcham's members divided by level & sector

Members

COMPANY	SECTOR	LEVEL	CONTACT INFO
ABN AMRO	Banking	Strategic Partner	www.abnamro.com.br + 55 11 3073-7400 canal.comunicacao@br.abnamor.com
Agrifirm do Brasil	Farming (Animal Nutrition)	Strategic Partner	www.agrifirm.com.br + 55 47 99952-0200 a-br-internalcommunication@agrifirm.com
AkzoNobel	Paints and Coatings	Strategic Partner	www.akzonobel.com +55 11 3078-0984"
Booking.com	E-Commerce, Travel & Experiences	Strategic Partner	www.booking.com +55 11 3956-4000
Boskalis	Dredging, Offshore Contracting and Marine Services	Strategic Partner	www.boskalis.com +55 21 3590-3000 royal@boskalis.com
Corbion	Biotechnology	Strategic Partner	www.corbion.com +55 22 2737-7200
De Heus	Farming	Strategic Partner	www.deheus.com.br +55 19 3522-5609 contato@deheus.com
DSM	Biotechnology (Nutrition, Materials, Health & Sustainable Living)	Strategic Partner	www.dsm.com +55 11 3760-6300
Friesland Campina	Dairy-based Beverages, Infant Nutrition, Cheese and Desserts	Strategic Partner	www.frieslandcampina.com +55 11 2395-1700
Heineken	Consumer Goods (Beverages)	Strategic Partner	www.heinekenbrasil.com.br +55 11 2802-0000
KLM	Airlines/Aviation	Strategic Partner	www.klm.com.br +55 11 3878-8360
KPMG	Accounting (Advisory, Tax and Audit)	Strategic Partner	www.home.kpmg/br/pt/home +55 11 3940-1500
LeasePlan	Automobile	Strategic Partner	www.leaseplan.com +55 11 3296-8700
Makro	Wholesaler (Cash-and-Carry)	Strategic Partner	www.makro.com.br +55 11 3779-1500
MetrixLab	Digital Research Agency	Strategic Partner	www.metrixlab.com +55 11 99238-7824
Philips	Consumer Goods (Healthcare and Medical Devices)	Strategic Partner	www.philips.com.br +55 11 2529-0600

COMPANY	SECTOR	LEVEL	CONTACT INFO
Pinheiro Neto	Law Practice	Strategic Partner	www.pinheironeto.com.br +55 11 3247-8400 pna@pn.com.br
Rabobank	Banking (Food and Agribusiness Sectors)	Strategic Partner	www.rabobank.com.br +55 11 5503-7000
SBM Offshore	Oil & Energy	Strategic Partner	www.sbmoffshore.com + 55 21 3506-6500
Shell	Oil & Energy	Strategic Partner	www.shell.com +55 0800 727 52 70
Slimstock	Logistics & Supply Chain (Software for Stock Optimisation)	Strategic Partner	www.slimstock.com +55 11 2391-1080 brasil@slimstock.com
Supergasbras	Oil & Energy	Strategic Partner	www.supergasbras.com.br + 55 11 4003-3433 super_individual@supergasbras.com.br
Unknown Group	Venture Capital & Private Equity	Strategic Partner	www.unknowngroup.com hello@unknowngroup.com
Van Oord	Dredging, Oil & Gas, Infrastructure and Offshore Wind	Strategic Partner	www.vanoord.com +55 21 2172-0100 marketing.bra@vanoord.com
Vieira Rezende	Law Practice	Strategic Partner	www.vieirarezende.com.br +55 11 3704-3999
CLM Controller	Accounting Office	Business Partner	www.clmcontroller.com.br +55 11 3643-5600 +55 11 9474-1543
Deloitte	Management Consulting	Business Partner	www.deloitte.com/global +55 11 5186-1000
Easyfresh Logistics	Logistics	Business Partner	www.easyfresh-logistics.com + 55 34 963 218 021 sales@easyfresh-nederland.com
EY	Accounting (Advisory, Tax and Audit)	Business Partner	www.ey.com +55 11 2573-3000
FCR Law	Law Practice	Business Partner	www.fcrlaw.com.br +55 11 3294-1600 info@fcrlaw.com.br
Holland Brazil	International Business Development	Business Partner	www.hollandbrazil.com +55 11 2321-2363 info@hollandbrazil.com
Randstad	Human Resources Solutions	Business Partner	www.randstad.com.br +55 11 5181-4599 marketing@randstad.com.br
Royal IHC	Maritime Technology	Business Partner	www.royalihc.com +55 21 3500-3550 saleslatam@royalihc.com
Solange Neves Advogados	Law Practice	Business Partner	www.solangenevesadvogados.com.br +55 51 3035-4165 contato@solangenevesadvogados.com.br
Unilever	Consumer Goods (Food and Beverages)	Business Partner	www.unilever.com.br +55 0800 707 99 77
Vopak	Logistics & Supply Chain (Tank Storage)	Business Partner	www.vopak.com +55 13 3295-1000
Aliança Traduções	Translation Services	Networking Partner	www.aliancatraducoes.com +55 11 3384-8550 atendimento@aliancatraducoes.com.br
Ampelmann	Oil & Energy	Networking Partner	www.ampelmann.nl +55 21 2184-6709

COMPANY	SECTOR	LEVEL	CONTACT INFO
Arcadis	Civil Engineering	Networking Partner	www.arcadis.com +55 11 3117-3171 contato@arcadis.com
Associação PEDE-Brasil	Non Profit Organization	Networking Partner	www.pede-brasil.com.br +55 11 3678-6892
Atlas Professionals	Human Resources Solutions	Networking Partner	www.atlasprofessionals.com +55 21 3590-5101 brazil@atlasprofessionals.com
BNP Paribas	Banking	Networking Partner	www.bnpparibas.com.br +55 11 3841-3100
Brava Partners	Consultancy	Networking Partner	www.bravapar.com.br +55 11 3566-3322 contato@bravapar.com.br
Damen Shipyards	Defense, Shipbuilding, Engineering	Networking Partner	www.damen.com +31 018 36 39 911 info@damen.com
DEQ Law	Law Practice	Networking Partner	www.deqlaw.com.br +55 11 5505-2485 info@deqlaw.com.br
Figwal	Logistics (Import & Export)	Networking Partner	www.figwal.com.br +55 11 5098-1500 figwal@figwal.com.br
Frames do Brasil	Oil & Energy	Networking Partner	www.frames-group.com +55 21 3500-1650
Itaú Unibanco S.A.	Banking	Networking Partner	www.italu.com.br +55 0800 728 07 28
Joyce Dias Advocacia	Law Practice	Networking Partner	www.joycedias.adv.br +55 61 4042-0066 joyce@joycedias.adv.br
Nevele Consulting	Consultancy	Networking Partner	
ORTEC	IT Services	Networking Partner	www.ortec.com +55 21 3563-5849 Info.br@ortec.com
Radio Holland	Maritime Transport	Networking Partner	www.radioholland.com +55 13 3036-7474 Servisse.brazil@radioholland.com
SKIM	Market Research Agency	Networking Partner	www.skimgroup.com +55 11 5555-3314
STC Group	Maritime Transport	Networking Partner	www.stc-group.nl + 31 010 44 86 000 info@stc-group.nl
Terciotti Andrade Gomes Donato Advogados	Law Practice	Networking Partner	www.terciotti.com.br +55 21 2499-3982 terciotti@terciotti.com.br
Tito SML	Logistics & Supply Chain	Networking Partner	www.titoonline.com.br +55 11 99402-5867 felipe.bermudez@titoonline.com
TMF Group	Critical Financial Services	Networking Partner	www.tmf-group.com + 55 11 3509-8388
Zaroni Advogados	Law Practice	Networking Partner	www.zaroniadvogados.com.br +55 21 3570-8800 contato@zaroniadvogados.com.br
BrazilBizz	International Business Development	Individual Partner	sander@brazilbizz.com
FF Tecnologia Inteligente	Consultancy	Individual Partner	www.tecnologiainteligente.com.br +55 21 2184-6414

Service providers

Accounting & Financial Services

- ABN AMRO
- BNP Paribas
- CLM Controller
- Deloitte
- EY
- Itaú Unibanco
- KPMG
- Rabobank
- TMF Group

Law Practice

- DEQ Law
- FCR Law
- Joyce Dias Advocacia
- Pinheiro Neto Advogados
- Solange Neves Advogados
- Terciotti Andrade Gomes Donato Advogados
- Vieira Rezende Advogados
- Zaroni Advogados

Consultancy

- BRAVA Partners
- Holland Brazil
- Nevele Consultancy
- Brazil Bizz

Research

- Metrixlab
- SKIM

Human Resources

- Atlas Professionals
- Randstad
- Top Employers





AkzoNobel



Booking.com



PHILIPS

PINHEIRO NETO
ADVOGADOS



VIEIRAREZENDE
ADVOGADOS

UNKNOWN



