

WORLD TRADE ORGANIZATION

RESTRICTED

TN/S/O/BRA/Rev.1

22 June 2005

(05-2684)

**Council for Trade in Services
Special Session**

Original: English

BRAZIL

Revised Offer

The following revised offer has been received from the delegation of Brazil on 10 June 2005 with the request that it be circulated to Members of the Council for Trade in Services.

Pursuant to paragraph 1 (e) and Annex C of document WT/L/579, and taking into account paragraphs 15, 47 and 49 of the Doha Ministerial Declaration, Brazil submits herewith its revised offer in the framework of the ongoing services negotiations.

This offer is conditional on:

- a) other WTO Members making substantive and satisfactory offers in areas of interest to Brazil in the Doha Work Programme, particularly in agriculture, as well as in sectors and modes of supply in the GATS negotiations where Brazil has indicated its interests; and
- b) the outcome of the negotiations on rule-making under GATS Article VI:4 (Domestic Regulation); Article X (Emergency Safeguard Measures); and Article XV (Subsidies).

This offer cannot be construed as offering in any way the privatization of public undertakings or as preventing Brazil from regulating public and private services in order to meet national policy objectives.

Brazil reserves its right to modify, extend, reduce or withdraw, in whole or in part, this offer at any time prior to the conclusion of the current services negotiations, as well as to make adjustments to its horizontal commitments, in view of the enlargement of its sector-specific commitments. Brazil further reserves the right to make technical amendments to this offer and make corrections to rectify any errors, omissions, or inaccuracies in this offer as well as to clarify and interpret the terms and conditions of this offer.

This offer is based on the consolidated scheduled (S/DCS/W/BRA) and the initial offer of Brazil (TN/S/O/BRA). The individual sectors and sub-sectors are identified in accordance with the classification list in Document MTN.GNS/W/120 and corresponding CPC numbers wherever possible.

The editorial conventions used in this revised offer follow the guidelines established by the WTO Secretariat in JOB(02)/88 and JOB (05)/6 i.e.:

BOLD – New text

~~STRIKE OUT~~ – Deleted text

ITALICS – Where any new or deleted text constitutes merely a technical refinement that does not alter the scope or substance of an existing commitment.

Shading is used to identify changes made to the initial offer of Brazil, presented as TN/S/O/BRA.

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
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I. HORIZONTAL COMMITMENTS

ALL SECTORS INCLUDED IN THIS SCHEDULE	<p><u>Investment</u></p> <p>3) In accordance with laws and regulations <i>that rule governing</i> foreign investments in Brazil, all foreign capital invested in Brazil must be registered with the Central Bank of Brazil to be eligible for remittances. The Central Bank establishes procedures related to the remittances and transfers of funds abroad.</p> <p>Foreign service suppliers wishing to supply a service as a juridical person must be organized as a legal entity foreseen by the Brazilian law. The Brazilian law establishes for juridical persons a separate existence from the person of its holders, thus granting the juridical person with individual existence. Consequently, a juridical person has full title and responsibility for its patrimonial rights and obligations.</p> <p><u>Commercial presence</u></p> <p>An entity earns the condition of private law juridical person when the correspondent incorporation act (By-Laws and/or Articles of Association) is duly filed with the appropriate Entities' Public Registry (EPR). It is mandatory that the EPR records contain the following data on the juridical person:</p> <p>(i) its denomination, purpose and location of head offices;</p>	3) None	
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Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
	<p>(ii) the description of its management, including active and passive, judicial and extra-judicial representation;</p> <p>(iii) the process of amendment of the management provisions;</p> <p>(iv) the provisions regarding the liability of the officers for its acts; and</p> <p>(v) the provisions concerning its termination, including the destination of its assets. The juridical persons referred as "sole proprietorship" and "partnership" (in article XXVIII, item (I) of the General Agreement on Trade in Services) are not considered as such under Brazilian law.</p> <p>A joint venture may be accomplished by a capital association through the formation of any type of business organisation as set forth in the Brazilian law (usually a Private Limited Liability Company — “Limitada” — or a Corporation — “Sociedade Anônima”). A joint venture may also be carried out through a “consórcio”, which is neither a juridical person nor a form of capital association. A “consórcio” is used mainly with major contracts for rendering of services. It is a contract of two or more enterprises for a joint accomplishment of one specific undertaking. Each associate in a “consórcio” maintains its respective organisational structure.</p> <p><u>Movement of Natural Persons</u></p>		

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
	<p>4) Unbound, except for measures related to specialized technicians, highly qualified professionals, managers and directors. Foreign specialised technicians and highly qualified professionals may work under a temporary contract with legal entities, whether of national or foreign capital, established in Brazil. The pertinent contract must be approved by the Ministry of Labour. Approval of contracts of specialised technicians and highly qualified professionals takes into account the compatibility of their qualifications with the area of business in which the company is engaged. The company must justify the need to contract such professionals and technicians in relation to similar professionals and technicians available in Brazil. Juridical persons must obey the proportionality of at least two Brazilians for three employees, when engaged in the following activities listed in this offer: communications; land transportation; commercial stores in general; commercial offices; insurance; advertising; hotel and restaurants. Managers and Directors appointed to affiliates of foreign companies established in Brazil will be granted access under the following conditions: designation to a position with full decision making power; vacancy of such position; existence of associate link between the service <i>supplier</i> provider in the Brazilian territory and its headquarters abroad; proof by the service <i>supplier</i> provider in Brazil that the manager or director is performing his duties after receiving the visa.</p>	<p>4) Unbound, except as indicated in the market access column</p>	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
ALL SECTORS INCLUDED IN THIS SCHEDULE	<p>— Appointment of such Managers or Directors must be related to the provision of new technology, increase in productivity or the foreign company must have invested a minimum amount of US\$ 200,000.00 (amount may be adjusted in the future to a corresponding US\$ value of 1993) in Brazil. All other requirements, laws and regulations regarding the entry, stay and work shall continue to apply.</p> <p>4) Unbound, except for measures related to the following categories:</p> <p>1. Intra-Corporate Transferees (ICT)</p> <p>Definition: Employees of a company/partnership/firm established in the territory of a WTO Member who are transferred temporarily for the supply of a service through commercial presence (either through a representative office, branch, subsidiary or affiliate) in the territory of Brazil.</p> <p>There must exist an associate link between the service supplier in the Brazilian territory and its headquarters abroad. There must exist vacancy of the position.</p> <p>Juridical persons must obey the proportionality of at least two Brazilians for three employees.</p> <p>The employees refer to:</p> <p>(i) Executives</p> <p>Definition: Executives are those who primarily direct the management of the organization and exercise wide latitude in decision making.</p>	<p>4) Unbound, except as indicated in the market access column</p>	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
	<p>Appointment of each Executive or Director must be related to:</p> <p>(a) investment amounting to, at least, US\$ 50,000.00, provided that the company creates 10 new jobs during the first two years after its establishment or entry of the Executive or Director; or</p> <p>(b) the company must have invested a minimum amount of US\$200,000.00 in Brazil.</p> <p>Duration of stay: up to 3 years.</p> <p>(ii) Managers</p> <p>Definition: Managers are those who primarily direct the organization/ department/subdivision and exercise supervisory and control function over other supervisory, managerial or professional staff.</p> <p>Appointment of a Manager or Administrator must be related to:</p> <p>(a) investment amounting to, at least, US\$ 50,000.00, provided that the company creates 10 new jobs during the first two years after its establishment or entry of the Manager or Administrator; or</p> <p>(b) the company must have invested a minimum amount of US\$200,000.00 in Brazil.</p> <p>Duration of stay: up to 3 years.</p>		

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
	<p>(iii) Specialists</p> <p>Definition: Specialists are those who possess knowledge at an advanced level of expertise essential to the establishment/provision of the service and/or possess proprietary knowledge of the organization.</p> <p>The pertinent contract must be approved by the Ministry of Labour. Approval of contracts of specialised technicians and highly qualified professionals takes into account the compatibility of their qualifications with the area of business in which the company is engaged, and their professional experience of at least 3 years. The company must justify the need to contract such professionals and technicians in relation to similar professionals and technicians available in Brazil.</p> <p>Duration of stay: up to 2 years.</p> <p>2. Business Visitors</p> <p>(i) Service sellers</p> <p>Definition: Representatives of a service supplier who enter the territory of Brazil temporarily for the sale of services or entering into agreements for such sale for that services supplier.</p> <p>Representatives of such service suppliers will not be engaged in making direct sales to the general public or in supplying services themselves. Such representatives will not receive any remuneration from a source located within Brazil.</p>		

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
	<p>Duration of stay: up to 90 (ninety) days.</p> <p>(ii) Persons responsible for setting up a commercial presence</p> <p>Definition: Employees of a juridical person for the purpose of setting up a commercial presence of that juridical person in the territory of Brazil.</p> <p>Employees of such juridical persons will not be engaged in making direct sales to the general public or in supplying services themselves.</p> <p>Refers only to employees of a juridical person not already having commercial presence in the territory of Brazil. Such employee will not receive any remuneration from a source located within the territory of Brazil.</p> <p>In order to set up a commercial presence, Business Visitors must appoint as representative a person resident in Brazil.</p> <p>Duration of stay: up to 90 (ninety) days.</p> <p>3. Contractual service suppliers Employees of juridical person</p> <p>Definition: Employees of a foreign based company/partnership/firm who enter the territory of Brazil temporarily in order to perform a service pursuant to a contract between their employer and a service consumer in the territory of Brazil.</p>		

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
	<p>Restricted to employees of foreign based enterprises with no commercial presence in the territory of Brazil. Employees of such foreign based enterprise receive their remuneration from their employer. Employees have appropriate educational and professional qualifications relevant to the service to be provided.</p> <p>The juridical person of the other WTO Member has to obtain a service contract for the provision of the service in the territory of Brazil.</p> <p>The service consumer must be a juridical person established in Brazil.</p> <p>There must be a contract for technical assistance or transfer of technology between the foreign company and the service consumer in Brazil.</p> <p>For each foreign professional covered by the contract there must be: a) justification of the need for the services of that professional in view of professionals available in Brazil; and b) proof of previous experience of at least 3 years.</p> <p>In the case the foreign company has no Brazilian professionals, it must present a training program contemplating Brazilian professionals.</p>		

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
	<p>Duration of stay: up to 1 year.</p> <p>For all categories: All other requirements, laws and regulations regarding the entry, stay and work shall continue to apply. The work permit shall be conditioned to the performance of the function to which the work permit is attached, authorized by the Ministry of Labour and Employment.</p> <p><u>Subsidies</u></p> <p>1), 2), 3) and 4) Unbound</p>	<p><u>Subsidies</u></p> <p>1), 2), 3) and 4) Unbound for subsidies for Research and Development</p>	

I. SECTOR SPECIFIC COMMITMENTS

<p>1. BUSINESS SERVICES</p> <p>A. <u>Professional Services</u></p> <p>(b) Accounting, auditing and book-keeping (CPC 862)</p>	<p>1) Unbound, except that a foreign service <i>supplier</i> provider may cede its name to Brazilian professionals</p> <p>2) Unbound</p> <p>3) Participation of non-residents in juridical persons controlled by Brazilian nationals is not allowed. A foreign service supplier shall not use its foreign name, but may cede it to Brazilian professionals who will constitute and exercise full participation in a new juridical person within Brazil.</p> <p>4) Unbound, except as indicated in the horizontal section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Special registration requirements for accountants who wish to audit such companies as financial institutions and savings and loans associations. Brazilian accounting and auditing standards must be followed.</p> <p>4) Unbound except as indicated in the horizontal Section</p>	
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Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
(d) Architectural services (CPC 8671)	<ol style="list-style-type: none"> 1) Unbound 2) Unbound 3) Foreign service suppliers must join Brazilian service suppliers <i>in the form of a “consórcio” in which the Brazilian partner maintains the leadership.</i> in a specific type of legal entity (consórcio) the Brazilian partner shall maintain the leadership. The contract establishing the consórcio must clearly define its objective. 4) Unbound, except as indicated in the horizontal section 	<ol style="list-style-type: none"> 1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section 	
(e) Engineering services (CPC 86721, 86722, 86723, 86724, 86725, 86729)	<ol style="list-style-type: none"> 1) <i>Unbound</i> 2) <i>Unbound</i> 3) <i>Foreign service suppliers must join Brazilian service suppliers in the form of a “consórcio”, in which the Brazilian partner maintains the leadership.</i> 4) <i>Unbound, except as indicated in the horizontal section</i> 	<ol style="list-style-type: none"> 1) <i>Unbound</i> 2) <i>Unbound</i> 3) <i>None</i> 4) <i>Unbound, except as indicated in the horizontal section</i> 	
Engineering design services (CPC 86726)			
Other engineering services during the construction and installation phase (CPC 86727)			
Advisory and consultative engineering services (CPC 86721)			
Engineering design (CPC 86722, CPC 86723, CPC 86724)	<ol style="list-style-type: none"> 1) Unbound 2) Unbound 3) Same conditions as in Architectural services 4) Unbound except as indicated in the horizontal section 	<ol style="list-style-type: none"> 1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section 	
Industrial engineering			

Modes of supply:		1) Cross-Border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or sub-sector		Limitations on market access		Limitations on national treatment	Additional commitments
(CPC 86725) Other engineering services (CPC 86729)		1) Unbound 2) Unbound 3) Same conditions as in Architectural services 4) Unbound except as indicated in the horizontal section		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	
		1) Unbound 2) Unbound 3) Same conditions as in Architectural services 4) Unbound except as indicated in the horizontal section		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	
		1) Unbound 2) Unbound 3) Same conditions as in Architectural services 4) Unbound except as indicated in the horizontal section		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	
(g) Urban planning and landscape architectural services (CPC 8674)		1) Unbound 2) Unbound 3) <i>Foreign service suppliers must join Brazilian service suppliers in the form of a “consórcio”, in which the Brazilian partner maintains the leadership. Same conditions as in Architectural services</i> 4) Unbound, except as indicated in the horizontal section		1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(i) Veterinary services (CPC 932)		1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.		1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
B. Computer and Related Services (CPC 84, except for 843 and 849)		1) Unbound 2) Unbound 3) None 4) Unbound		1) Unbound 2) Unbound 3) None 4) Unbound	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
A- F. Other Business Services			
(a) Advertising services (CPC 871)	1) Foreign participation in the production is limited to 1/3 of the footage of advertising films. Larger participation is conditional on use of Brazilian talent and production house. Advertising films must be spoken in Portuguese, unless the use of a foreign language is required by the subject of the film. 2) Unbound 3) In addition to the conditions above (1), foreign participation is limited to 49 per cent of the capital of companies established in Brazil. Leadership must remain with Brazilian partners. Professionals are subject to the Brazilian Code of Ethics of Advertising Professionals. 4) Unbound except as indicated in the horizontal section	1) Unbound 2) Unbound 3) Foreign producers must live at least 3 years in Brazil before being authorised to produce films. 4) Unbound except as indicated in the horizontal section	
(b) Market research and public opinion polling <i>services</i> (CPC 864)	1) Unbound 2) None Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) None Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(c) Management consulting <i>services</i> (CPC 865)	1) Unbound 2) None Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) None Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(d) Services related to management consulting Project Management (CPC 86601)	1) Unbound 2) None Unbound 3) None Companies must be registered with the Regional Council of Administrators 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) None Unbound 3) None 4) Unbound, except as indicated in the horizontal section	

Modes of supply:			
	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence
			4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
(e) Technical testing and analysis services (CPC 8676)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(g) Services incidental to fishing (CPC 882) Does not include the property of fishing boats	1) Unbound* 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound* 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(k) Placement and supply services of personnel (CPC 872)	1) Unbound* 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound* 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(I) Investigation and security (CPC 873, except 87309)	1) Unbound 2) Unbound 3) The property and administration of specialised suppliers of investigation and security services is forbidden to foreigners. 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	

Modes of supply:			
	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence
			4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
(n) Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment) (CPC 633 + 8861 + 8862 + 8863 + 8864 + 8865+ 8866, except 63309)	1) Unbound * 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound * 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(o) Building-cleaning services (CPC 874)	1) Unbound * 2) None Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound * 2) None Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(p) Photographic services (CPC 87501, 87502, 87503, 87505, 87506, 87507)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(q) Packaging services (CPC 876)	1) Unbound * 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound * 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(s) Convention services (CPC 87909)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(t) Other translation and interpretation services (except excluding official translators) (CPC 87905)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
2. COMMUNICATION SERVICES			
B. <u>Courier Services</u> (CPC 75121)			
Pick-up, transport and delivery of letters, postcards and grouped correspondence, as well as issuance of stamps and other postage payments are not included	1) None 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) None 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	

C. TELECOMMUNICATION SERVICES

(i) The Federal Constitution of Brazil guarantees all acquired rights of service providers already established in Brazil. The Executive Branch has the legal prerogative to consider limits to foreign participation in the capital composition of telecommunication service providers.

(ii) All service suppliers in order to supply a telecommunication service in Brazil need to obtain a licence from Anatel. Licences shall be granted only to suppliers duly constituted according to the Brazilian legislation, which requires head office and management located in the Brazilian territory, and ownership of the majority of the voting shares by natural persons resident in Brazil or companies duly constituted according to the Brazilian legislation, which requires head office and management located in the Brazilian territory.

(iii) The present schedule does not include any commitment related to the activities which have their content transported by a telecommunication service. The content and treatment of those activities are regulated by their respective sectors.

(iv) Foreign satellites are permitted to have market access in Brazil, and regulatory decisions on this regard are based on a transparent, objective process and on a reciprocity basis. Telecommunication service providers must use Brazilian satellites, whenever they offer technical, operational or commercial conditions equivalent to foreign satellites.

(v) The number of wireless service providers might be limited due to spectrum availability.

(vi) Value Added Services are not defined as telecommunication services in the Brazilian legislation.

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
<p>2.C. TELECOMMUNICATION SERVICES:</p> <p>Local, long distance and international services, for public and non-public use, provided with the use of any network technology (cable, satellite, etc)</p> <p>(a) Voice telephone services</p> <p>(b) Packet-switched data transmission services</p> <p>(c) Circuit-switched data transmission services</p> <p>(d) Telex services</p> <p>(e) Telegraph Services</p> <p>(f) Facsimile services</p> <p>(g) Private leased circuit services</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None, except as listed in the horizontal section to this sub-sector and in the horizontal section</p> <p>4) Unbound, except as indicated in the horizontal section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None, except as listed in the horizontal section to this sub-sector and in the horizontal section</p> <p>4) Unbound, except as indicated in the horizontal section</p>	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
(o) other	1) Unbound	1) Unbound	
Basic	2) Unbound	2) Unbound	
Telecommunication	3) None, except as listed in the horizontal section to this subsector and in the horizontal section	3) None, except as listed in the horizontal section to this subsector and in the horizontal section	
Services	4) Unbound, except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	
Mobile services			
Analog/ Digital cellular services			
(800 MHz, 900 MHz, 1800 MHz, 1900 / 2100 MHz)			
Global mobile satellite services			
Paging services			
Trunking services			
(460 MHz, 800 MHz, 900 MHz)			
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES			
A. General construction work for buildings (CPC 512)	1) Unbound* 2) Unbound 3) None. Access will be granted 5 years after entering into force of Agreement establishing the World Trade Organization. No limitations after that date.	1) Unbound* 2) Unbound 3) None	
B. General construction work for civil engineering (CPC 513)	4) Unbound, except as indicated in the horizontal section	4) Unbound, except as indicated in the horizontal section	

Modes of supply:			
	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence
			4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
C. <u>Installation and assembly work and maintenance and repair of fixed structures</u> (CPC 514 + 516)	1) Unbound 2) Unbound 3) Access will be granted 5 years after entering into force of Agreement establishing the World Trade Organization. No limitations after that 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	
D. <u>Building completion and finishing work</u> (CPC 517, except 5179)			
E. <u>Other</u> (CPC 511)	1) Unbound 2) Unbound 3) Access will be granted 5 years after entering into force of Agreement establishing the World Trade Organization. No limitations after that 4) Unbound except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	
4. DISTRIBUTION SERVICES			
A. <u>Commission agents' services</u> (CPC 621, except 62118)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
B. <u>Wholesale trade services</u> (CPC 622, <i>except CPC 62271</i>)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
Excluding CPC 62271—Wholesale trade services of solid, liquid and gaseous fuels and related products			

Modes of supply:	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or sub-sector	Limitations on market access		Limitations on national treatment	Additional commitments
C. <u>Retailing services</u> (CPC 631 + 632)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section		1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
D. <u>Franchising</u> (CPC 8929)	1) Franchise contracts must be in conformity with the Industrial Property Code to be eligible for payment of royalties. 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section		1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
7. <u>FINANCIAL SERVICES</u>				
A. <u>All insurance and insurance related services</u>				
Insurance on freight (CPC 81293)	1) Imports can only be insured with established companies 2) Unbound 3) Specific type of legal entity (Sociedade Anônima - S.A.) required. Foreign participation is limited to 50 per cent of the capital of a company and to 1/3 of its voting stock. 4) Unbound except as indicated in the horizontal section.		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	
Life insurance (CPC 81211)	1) Unbound 2) Unbound 3) Same conditions as in Insurance on Freight. 4) Unbound except as indicated in the horizontal section.		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	
Medical care (CPC 81291)	1) Unbound 2) Unbound 3) Same conditions as in Insurance on Freight 4) Unbound except as indicated in the horizontal section.		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
Property Insurance (CPC 81292, CPC 81294, CPC 81295, CPC 81296)	<ul style="list-style-type: none"> 1) Unbound 2) Unbound 3) Same conditions as in Insurance on Freight 4) Unbound except as indicated in the horizontal section 	<ul style="list-style-type: none"> 1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section. 	
Liability Insurance (CPC 81297)	<ul style="list-style-type: none"> 1) Unbound 2) Unbound 3) Same conditions as in Insurance on Freight 4) Unbound except as indicated in the horizontal section. 	<ul style="list-style-type: none"> 1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section. 	
Auxiliary services— agencies and brokers (CPC 81401)	<ul style="list-style-type: none"> 1) Unbound 2) Unbound 3) Natural persons only 4) Unbound, except as indicated in the horizontal section. 	<ul style="list-style-type: none"> 1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section. 	
Auxiliary services— consultancy, actuarial and surveys (CPC 81402, 81404)	<ul style="list-style-type: none"> 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section 	<ul style="list-style-type: none"> 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section 	
A. Banking and other financial services Financial institutions subject to this commitment are classified as commercial bank, investment bank, consumer finance company, housing finance company, financial leasing company, brokers and dealers, and each may perform only those activities permitted by the Banco Central do Brasil or by the Conselho Monetário Nacional. Multiple banks may be formed with a minimum of any two of the following portfolios, each corresponding to a commercial bank, investment bank, consumer finance company or a housing finance company.			

Modes of supply:				
	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or sub-sector	Limitations on market access		Limitations on national treatment	Additional commitments
Acceptance of the following funds from the public: (i) demand deposits (ii) time deposits (iii) financing of commercial transactions Lending of all types, including: (i) consumer credit (ii) mortgage credit (iii) financing of commercial transactions Financial leasing Payment and money transmission services carried out by financial institutions Guarantees and commitments Trading for own account or for account of customers, whether on an exchange or in an over-the-counter market, including: (i) money market instruments (ii) foreign exchange (iii) futures and options (iv) exchange rate and interest rate instruments (v) transferable securities (vi) other negotiable instruments and financial assets, including bullion.	1) Unbound 2) Unbound 3) The establishment of new branches and subsidiaries of foreign financial institutions as well as increases in the percentage of the participation of foreign persons and firms in the capital stock of Brazilian financial institutions is not permitted. The number of branches in Brazil of each foreign bank is limited to the number existing on October 5th 1988. 4) Unbound except as indicated in the horizontal section		1) Unbound 2) Unbound 3) An individual network for Automatic Teller Machines (ATMs) may only be set up by Brazilian banks for use of clients of that bank. Banks controlled by foreign capital and branches of foreign banks may share facilities with other banks on a minority basis. Minimum requirements for paid in capital and net worth applicable to branches of foreign banks as well as to commercial banks and commercial banks portfolios of multiple banks controlled by foreign capital are twice those established for Brazilian banks. 4) Unbound except as indicated in the horizontal section	

Modes of supply:			
	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence
			4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
Participation in public issues of all kinds of securities, including underwriting and placement as agent, and provision of services related to such issues	1) Unbound 2) Unbound 3) The establishment of new branches and subsidiaries of foreign financial institutions as	1) Unbound 2) Unbound 3) An individual network for Automatic Teller Machines (ATMs) may only be set up by Brazilian banks for use of clients of that bank. Banks controlled by foreign capital and branches of foreign banks may share facilities with other banks on a minority basis. Minimum requirements for paid in capital and net worth applicable to branches of foreign banks as well as to commercial banks and commercial banks portfolios of multiple banks controlled by foreign capital are twice those established for Brazilian banks. Permission for a service supplier of another Member to expand existing operations or conduct new activities may be denied by the Banco Central do Brasil or authorized on terms and conditions less favourable than those applied to Brazilian service suppliers.	
Brokerage of foreign exchange			
Portfolio management and custodial and depository services			
Investment and portfolio research and advice			
	4) Unbound except as indicated in the horizontal section	4) Unbound except as indicated in the horizontal section	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
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7. FINANCIAL SERVICES

Horizontal Sector Provisions:

- For commitments made under mode 2): Commitments are applicable to individuals and non-financial corporations. The contract or acquisition of foreign financial services by Brazilian financial institutions and institutional investors are limited to the situations where domestic legislation allows it. Such commitments exclude electronic commerce and marketing activities, unless otherwise specified.

- For commitments under mode 3): Service suppliers choosing to supply a service through a juridical person constituted under Brazilian Laws are subject to non-discriminatory limitations (applicable regardless to the origin of the capital) on juridical form, i. e. financial institutions or commercial institutions rendering financial services, and insurance providers unless otherwise specified, shall take the form of a “Sociedade Anônima” (see horizontal section for details). All members of senior level management of financial services suppliers must be permanent residents in Brazil. The horizontal section is also applicable.

- For commitments under mode 4): Unless otherwise specified, commitments are unbound and not taken due to technical unfeasibility, as insurance services (subsection 7.A) and most financial services (subsection 7.B) can only be provided by legal persons, in accordance to international practices. In all sectors where commitments are placed, general horizontal requirements for this mode are also applicable.

- *Note for transparency purposes regarding domestic regulation for commitments made under modes 1) and 2) : Cross-border transfer of funds and assets are subject to procedures established in national legislation, which obliges registration at the Central Bank for foreign exchange operations. Such legislation is updated and disclosed at www.bcb.gov.br. Brazil does not commit to a standstill situation for such rules, but any changes will not be used as a means of avoiding commitments or obligations under the agreement, in accordance to GATS Annex on Financial Services provision 2(a), and shall be published in accordance to GATS Article III (1). Residents acquiring assets abroad are subject to periodic declarations at the Central Bank (“Banco Central do Brasil”) and the Federal Revenue and Customs Secretariat (“Secretaria da Receita Federal”). Such declarations are related to capital census and tax purposes, respectively.*

- *Note for transparency purposes regarding domestic regulation for commitments under mode 4): depending on the sub-sector, registrations at the competent authority, passing specific examinations and the need of having a federal revenue number (CPF) are regulatory requirements applied on a national treatment basis.*

(the regulatory transparency notes contained in this section fall under domestic regulation, and are not included as commitments, but with the single purpose to facilitate the comprehension of the Brazilian regulatory environment).

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
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7.A. Insurance Services

Horizontal Sub-sector Provisions:

Note for transparency purposes regarding domestic regulation: under mode 3), authorization of the competent governmental agency is required and shall be granted in a non-discriminatory basis. Competent licensing agencies, according to each Sub-sector are:

- a.1, a.2, b.2, b.3: SUSEP (Superintendence of Private Insurance – “Superintendência de Seguros Privados”).
- b.1: ANS (National Health Agency – “Agência Nacional de Saúde Suplementar”);

Reference to CPC in this sub-sector is subject to technical revision.

Note for sub sector 7.A: (1) Should the contract be in accordance to the Brazilian Law, commercial presence is required.

(a) Life Insurance Services, open and close pension funds, except Social Security Services			
(a)1.Life Insurance Services (risk benefits: death and disability) (CPC 81211)	1) Unbound 2) Unbound 3) None other than horizontally indicated in this section 4) Horizontal sector note is applicable	1) Unbound 2) Unbound 3) None 4) Horizontal sector note is applicable	
(a)2.Life Insurance (Annuities) and Open Private Pensions Services (CPC 81212)	1) Unbound 2) Unbound 3) None other than horizontally indicated in this section 4) Horizontal sector note is applicable	1) Unbound 2) Unbound 3) None 4) Horizontal sector note is applicable	
(b) Non Life Insurance Services			
(b)1.Health Insurance Services (except pre-paid systems) (CPC 81291)	1) Unbound 2) Unbound 3) None other than horizontally indicated in this section 4) Horizontal sector note is applicable	1) Unbound 2) Unbound 3) None 4) Horizontal sector note is applicable	

Modes of supply:			
	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence
			4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
(b)2.Freight Insurance Services (Maritime, Aeronautical and Terrestrial and Others) (CPC 81294)	1) None for exported goods ⁽¹⁾ Unbound for imported goods 2) None for exported goods ⁽¹⁾ Unbound for imported goods 3) None other than horizontally indicated in this section 4) Horizontal sector note is applicable	1) None for exported goods ⁽¹⁾ Unbound for imported goods 2) None for exported goods ⁽¹⁾ Unbound for imported goods 3) None 4) Horizontal sector note is applicable	
(b)3.Body, Machinery and Civil Liability Insurance Services for Vessels (CPC 81293)	1) None for vessels registered in the Brazilian Special Register ("Registro Especial Brasileiro" –REB) if the insurance is not offered in Brazil or if domestic prices differ from international ones. Unbound for vessels not registered in the REB. 2) None for vessels registered in the Brazilian Special Register ("Registro Especial Brasileiro" –REB) if the insurance is not offered in Brazil or if domestic prices differ from international ones. Unbound for vessels not registered in the REB. 3) None other than horizontally indicated in this section 4) Horizontal sector note is applicable	1) None for vessels registered in the Brazilian Special Register ("Registro Especial Brasileiro" –REB) if the insurance is not offered in Brazil or if domestic prices differ from international ones. Unbound for vessels not registered in the REB. 2) None for vessels registered in the Brazilian Special Register ("Registro Especial Brasileiro" –REB) if the insurance is not offered in Brazil or if domestic prices differ from international ones. Unbound for vessels not registered in the REB. 3) None 4) Horizontal sector note is applicable	
(b)4.Other Non Life Insurance Services (CPC 81292, 81295, 81296, 81297)	1) Unbound 2) Unbound 3) None other than horizontally indicated in this section 4) Horizontal sector note is applicable	1) Unbound 2) Unbound 3) None 4) Horizontal sector note is applicable	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
(c) Auxiliary Services to Insurance and open private pension funds	1) Unbound 2) Unbound 3) None other than horizontally indicated in this section for item (c)1.1 Unbound for item (c)1.2 4) None other than horizontally indicated in the general section	1) Unbound 2) Unbound 3) None for item (c)1.1 Unbound for item (c)1.2 4) None	
(c)1.Agencies and Brokerage Services (CPC 81401)			
(c).1.1 Agencies and Brokerage Services for Insurance and Open Private Pension Funds			
(c).1.2 Agencies and Brokerage Services for Reinsurance and Retrocession			
(c).2.Consultancy, Actuarial and Survey Services (CPC 81402, 81404)	1) None 2) None 3) None other than horizontally indicated in the general section 4) None other than horizontally indicated in the general section	1) None 2) None 3) None 4) None	

Modes of supply:	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments	

7.B Banking and Other Financial Services (Excluding Insurance)

Horizontal Sub-sector Provisions:

- For commitments under mode 3): The establishment of financial institutions, such as, any type of banks, consumer or real estate/mortgage finance companies, credit cooperatives or companies, leasing companies, brokers and dealers, as well as increases in the participation of foreign persons (individual or firms) in the capital of financial institutions incorporated under Brazilian law, needs a specific authorization granted on a case-by-case basis by the Executive Branch, by means of a Presidential decree. Specific conditions may be required. Institutions authorized to perform financial activities may perform only authorized activities, according to domestic Laws and regulations. Representative offices may not engage in commercial business.
- *Note for transparency purposes regarding domestic regulation:* Services included in sub-sector 7.B.1 are those currently under primary responsibility of the Central Bank of Brazil (BACEN – “Banco Central do Brasil”), and those included in sub-sector 7.B.2 are those under primary responsibility of the Brazilian Securities Commission (CVM – “Comissão de Valores Mobiliários”). Only institutions accredited by those agencies may render activities listed in this subsector.
- Securities, for commitments under subsector 7.B.2, are: corporate shares, debentures, secured bonds, founder’s shares (extinguished in 2001, existing ones grandfathered), coupons of these securities; subscription warrants, and rights or receipts; securities certificates of deposit; any type of derivatives, including options, forwards swaps and futures contracts; commercial paper issued by public companies, except financial institutions; open or closed-ended mutual funds, including real estate-funds; any type of collective investment instrument offered to the public that creates the right of participation in profits or other type of capital remuneration.

Note for sub-sector 7.B:

(1) Note for transparency purposes regarding domestic regulation: the activities listed in this sector are regulated by specific rules enacted by the Brazilian Securities Commission – CVM. Current regulations are available at CVM’s website (www.cvm.gov.br). Domicile in Brazil is needed, but this concept is non-discriminatory, as it is currently extendable to non-resident foreigners. In practice, only an address in Brazil is needed to register, working address admitted. The commitments are specific for the listed activities.

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
7.B.1 Banking and other financial services, excluding securities related services (a) Acceptance of the following funds from the public: (i) demand deposits; (ii) time deposits; (iii) Savings deposits destined for housing finance. (b) Lending of all types, including: (i) Consumer credit; (ii) Mortgage credit; (iii) Financing of commercial transactions (c) Financial leasing. (d) Payment and money transmission services (excluding credit, charge, and debit cards). (e) Guarantees and commitments.	1) Unbound 2) None for advisory services (item “j”). Unbound for other items 3) None other than horizontally indicated in this subsection and section 4) None other than horizontally indicated in the general section for advisory services (item “j”). For other services, horizontal sector note is applicable.	1) Unbound 2) None for advisory services (item “j”). Unbound for other items 3) None 4) None for advisory services (item “j”). For other services, horizontal note is applicable.	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
<p>(f) Trading for own account or for the account of customers, whether on exchange or OTC market, of the following:</p> <p>(i) money market instruments;</p> <p>(ii) foreign exchange;</p> <p>(iii) exchange rate and interest rate instruments;</p> <p>(iv) other negotiable instruments and financial assets, including bullion.</p> <p>(g) Money brokerage</p> <p>(h) Factoring</p> <p>(i) Credit Card Services</p> <p>Advisory services related to items above, including research, advice, consultancy, and credit analysis.</p>			

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
7.B.2 Securities related services: (a) Trading for own account or for the account of customers, whether on an exchange or in a regulated OTC market, of securities. (b) Clearing services for securities. (c) Issue and Public offerings of securities, including underwriting and placement as agent. (d) Advisory services, investment and portfolio research and advice. (e) Asset or portfolio management, including investment funds.	1) Unbound 2) None for acquisition of depository receipts of Brazilian Securities traded abroad (under items “a” and “b”). Unbound for other items 3) None other than horizontally indicated in this subsection and section 4) None other than horizontally indicated in the general section for autonomous agents (item “a”) ⁽¹⁾. For items “b”, “c” and “e”, horizontal note is applicable. Unbound for item “d”	1) Unbound 2) None for acquisition of depository receipts of Brazilian Securities traded abroad (under items “a” and “b”). Unbound for other items 3) None 4) None for autonomous agents (item “a”) ⁽¹⁾. For items “b”, “c” and “e”, horizontal note is applicable. Unbound for item “d”	
9. TOURISM AND TRAVEL RELATED SERVICES A. Hotels and restaurants (incl. catering) (CPC 641 + 642) Hotels (CPC 641)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) Brazilian <i>services suppliers</i> firms operating in the Amazon and North-Eastern regions benefit from certain tax credit incentives. Other incentives are limited to firms with majority of capital held by Brazilian citizens or legal entities. 4) Unbound, except as indicated in the horizontal section	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
Restaurants (CPC 642)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) Brazilian firms operating in the Amazon and North Eastern regions benefit from certain tax credit incentives. Other incentives are limited to firms with majority of capital held by Brazilian citizens or legal entities 4) Unbound, except as indicated in the horizontal section	
B. <u>Travel agencies and tour operators</u> (CPC 7471)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
C. <u>Tour Guide Services</u> (CPC 7472)	1) Unbound* 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound* 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES (other than audiovisual services)			
D. <u>Sporting services</u> (CPC 9641, except CPC 96419)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
11. TRANSPORT SERVICES			
A. Maritime Transport Services (passenger, CPC 7211, and freight, CPC 7212, less cabotage transport services (see attached Note).	<p>1) (a) Passenger: unbound; (b) Freight: none, except cargoes whose transport is reserved to the national flag, according to domestic law and regulations (see attached Note).</p> <p>2) None</p> <p>3) None, except: (a) Supply of transport services: commercial presence requires the constitution of a Brazilian shipping company (EBN) in conformity with domestic law and regulations, implying <i>inter alia</i> the ownership of at least one vessel, and capital resources adequate to the trade to be exploited. To fly the Brazilian flag, vessels must be registered in accordance to domestic law and regulations, holding a National Registry or a Especial National Registry (REB); (b) Other forms of commercial presence (as described in item 1 of Definitions): none, except (i) as indicated in Horizontal Commitments; (ii) Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender.</p>	<p>1) None, except: foreign vessels are subject to paying the Tariff for the Use of Lighthouses (TUF).</p> <p>2) None</p> <p>3) None</p>	<p>The following port services are made available to international maritime transport suppliers under reasonable and non discriminatory terms and conditions, in accordance to domestic law and regulations:</p> <ol style="list-style-type: none"> 1. Pilotage; 2. Towing and tug assistance; 3. Provisioning, fueling, and watering; 4. Garbage collecting and ballast waste disposal; 5. Port captain services; 6. Navigation aids; 7. Shore-based operational services, including communications, water , and electrical supplies; 8. Emergency repair; 9. Anchorage, berth, and berthing services.

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
	<p>4) None, except:</p> <p>(a) as indicated in the horizontal section;</p> <p>(b) In vessels flying the Brazilian flag and holding a National Registry the captain, the engineer, and 2/3 of the crew must be Brazilian citizens. In case the vessel holds a Especial National Registry (REB) only its captain and engineer must be Brazilian citizens.</p>	<p>4) None, except as indicated in the horizontal section</p>	
<p>B, Auxiliary Services to Maritime Transport:</p> <p>Cargo Handling Services (as in item 2 – Definitions)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender.</p> <p>4) Unbound, except as indicated in the horizontal section</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section</p>	
<p>Storage and Warehousing Services (CPC 742)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender, as well as to specific customs domestic law and regulations.</p> <p>4) Unbound, except as indicated in the horizontal section</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section</p>	

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
Customs Clearance Services (as in item 3 – Definitions)	1) Unbound.* 2) None 3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender, as well as to specific customs domestic law and regulations. 4) Unbound, except as indicated in the horizontal section	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section	
Container station and depot services (as in item 4 – Definitions)	1) Unbound* 2) None 3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender, as well as to specific customs domestic law and regulations. 4) Unbound, except as indicated in the horizontal section	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section	
Maritime Agency Services (as in item 5 – Definitions)	1) None 2) None 3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender. 4) Unbound, except as indicated in the horizontal section	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section	
Freight Forwarding Services (as in item 6 – Definitions)	1) None 2) None 3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender. 4) Unbound, except as indicated in the horizontal section	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section	

Modes of supply:	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments	

DEFINITIONS

1. Other forms of commercial presence for the supply of "international maritime transport services" means the ability for international maritime transport service suppliers of other Members to undertake locally all activities which are necessary for the supply to their customers of a partially or fully integrated transport service, within which the maritime transport constitutes a substantial element.

These activities include:

- (a) marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, these services being those operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements;
- (b) the acquisition, on their own account or on behalf of their customers (and the resale to their customers) of any transport and related services, including inward transport services by any mode, particularly inland waterways, road and rail, necessary for the supply of the integrated services;
- (c) the preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the goods transported;
- (d) the provision of business information by any means, including computerized information systems and electronic data interchange (subject to the provisions of the annex on telecommunications);
- (e) the setting up of any business arrangements (including participation in the stock of a company) and the appointment of personnel recruited locally (or, in the case of foreign personnel, subject to the horizontal commitment on movement of personnel) with any locally established shipping agency;
- (f) acting on behalf of the companies, organizing the call of the ship or taking over cargoes when required.

2. "Maritime cargo handling services" means activities exercised by stevedore companies, including terminal operators, but not including the direct activities of dockers, when this workforce is organized independently of the stevedoring or terminal operator companies. The activities covered include the organization and supervision of:

- the loading/discharging of cargo to/from a ship;
- the lashing/unlashing of cargo;
- the reception/delivery and safekeeping of cargoes before shipment or after discharge.

3. "Customs clearance services" (alternatively "customs house brokers' services") means activities consisting in carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity.

Modes of supply: 1) Cross-Border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
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4. "Container station and depot services" means activities consisting in storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipments.

5. "Maritime agency services" means activities consisting in representing, within a given geographic area, as an agent the business interests of one or more shipping lines or shipping companies, for the following purposes:

- marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies, acquisition and resale of the necessary related services, preparation of documentation, and provision of business information;
- acting on behalf of the companies organizing the call of the ship or taking over cargoes when required.

6. "Freight forwarding services" means the activity consisting of organizing and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information.

NOTE ON MARITIME TRANSPORT SERVICES

1. Maritime cabotage passenger or freight transport service includes all maritime passenger or freight transportation services rendered between a port or point located in the territory of Brazil and another port or point located in this same territory, including the so called feeder services, and movements of equipment as well;

2. Cargoes whose transportation are reserved to the Brazilian flag are described in Brazilian law and regulations, including the transportation of government acquisition cargoes, and the transportation of crude oil and its by-products;

3. The present conditional offer is also subject to international agreements to which Brazil is a contracting party

Modes of supply:			
	1) Cross-Border supply	2) Consumption abroad	3) Commercial presence
			4) Presence of natural persons
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments
E. <u>Rail Transport Services</u> Rail Freight Freight transportation (CPC 71121, CPC 71123, CPC 71129)	1) Unbound 2) Unbound 3) Governmental authorisation required. The granting of new authorisations is discretionary. The number of service suppliers may be limited. 4) Unbound except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
F. <u>Road Transport Services</u> Road Freight Freight transportation (CPC 71231, CPC 71233, CPC 71234)	1) Unbound 2) Unbound 3) Foreign participation is limited to 1/5 of the voting shares of Brazilian companies engaged in this activity 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
G. <u>Pipeline Transport</u> Transportation of other goods (CPC 7139 excluding hydrocarbon products)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
H. <u>Services auxiliary to all modes of transport</u>	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	
(a) Cargo-handling services (CPC 741)			
(b) Storage and warehousing Storage and warehouse services (CPC 742)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section	

BRAZIL - LIST OF ARTICLE II (MFN) EXEMPTIONS

Sector or Subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Audiovisual/motion picture and video tape production	Measures which define norms for co-production of motion pictures with foreign countries and grant national treatment to motion pictures co-produced with foreign countries which maintain a co- production agreement with Brazil. Motion pictures co- produced outside the scope of such agreements are not entitled to national treatment.	All countries*	Indefinite	These agreements aim at the promotion of cultural exchange and the establishment of mechanisms to facilitate access to financial resources
Land transport (cross-border supply)	Agreement on International Land Transport. Provides for national treatment for authorized suppliers of signatories in respect of international transport of cargo and passengers	Signatories are Argentina, Bolivia, Chile, Paraguay, Peru and Uruguay	Indefinite	To facilitate transport among neighbouring countries within the "Southern Cone" region on the basis of reciprocity treatment for service suppliers
Maritime transport Ocean shipping (cargo)	Measures allowing for bilateral agreements concerning cargo sharing and cargo reservation and measures providing for access to cargo on a reciprocity basis	All countries**	Indefinite	Ensure effective participation of the Brazilian flag in the Brazilian liner cargo trade

* Note: At present Brazil maintains co-production agreements with Germany, Italy, Portugal, Argentina, France, Angola, Colombia and Mozambique.

** For transparency only: at the moment Brazil maintains agreements with certain member countries of ALADI, China, USA and certain member states of the European Union.