At the U.S. Chamber of Commerce, the Brazil-U.S. Business Council is the premier business advocacy organization for U.S. and Brazilian companies with interests in the economic relationship and in conducting business in both markets. The Council represents a variety of industries, including consumer goods, defense, energy, health care, infrastructure, logistics, security, technology, and travel and tourism. We aim to advance and promote investment through free trade, free market, and free enterprise.

What We Do

PROMOTE
Enhance the government-to-government dialogue and advance the U.S.-Brazil agenda.

REPRESENT
Serve the interests of major U.S. and Brazilian companies on both Capitol Hill and in the Brazilian Congress.

ADVOCATE
Urge the implementation of political and economic measures that benefit U.S. and Brazilian companies engaged in trade and investment relations.

ANALYZE
Assess the implications of existing and new regulatory frameworks and policy agendas.

What We Provide

- Business Intelligence on a weekly basis on current topics affecting trade and investment.
- Intelligence from a staff of hundreds of the nation’s top policy experts, lobbyists, lawyers, and communicators located at the U.S. Chamber of Commerce headquarters.
- Access to members-only events in the U.S. and Brazil with high-level government authorities.
- Networking through the world’s largest business federation representing 3 million businesses of all sizes, sectors, and regions, as well as U.S. state and local chambers and industry associations.
**Policy Priorities 2020**

A strong U.S.-Brazil economic alliance is one of the most consequential geopolitical partnerships in Latin America. Opportunities for greater bilateral cooperation exist in trade, defense, energy, infrastructure development, agriculture, health, and innovation, to name a few, that would enhance competitiveness for both markets. In light of the constructive U.S.-Brazil relations, the Brazil-U.S. Business Council (BUSBC) calls on both governments to take concrete steps toward institutionalizing a strategic partnership:

- Initiate a scoping exercise and dialogue toward a comprehensive, rules-based trade agreement with significantly lower tariffs and a reduction of nontariff barriers. The Council presented the *Impact of a U.S.-Brazil Trade Agreement on the U.S. Economy* and the *Joint Roadmap to a Trade Agreement* to both governments and a proposed phased strategy for the dialogue (see Page 6).

- Start formal negotiations on a **U.S.-Brazil bilateral tax treaty (BTT)** that eliminates double taxation and offers mutual gains. Laying the groundwork, the Council put forth the Roadmap to a BTT that reflects the new U.S. tax legislation and outlines key provisions, country positions, and potential solutions.

- Establish a **bilateral investment treaty (BIT)** that promotes economic cooperation and stimulates the flow of capital. Toward this goal, the Council published a Brazil-U.S. Bilateral Investment map, jointly with Apex and AmCham Brazil, outlining the growth and benefits of two-way investments in the past decade.

In all three cases cited above, the Council supports the creation of consultation mechanisms in both countries to ensure full and transparent private sector participation in negotiation processes.

**The Council continues to advocate for near-term attainable accomplishments contributing to the deepening of the bilateral relations:**

- Call for the **bilateral dialogues** to continue with robust, strategic agendas with input from the business community, including the Strategic Partnership and Energy Forum; Health and Commercial dialogues, as well as the Agreement on Trade and Economic Cooperation.

- Continue efforts for **Brazil’s accession into the Organization for Economic Cooperation and Development (OECD)**. Work toward OECD standards on trade facilitation, tax simplification, sound regulatory practices, technical barriers to trade, anti-corruption, and IP rights.

- Facilitate the visa process including Brazil in a comprehensive **U.S. Global Entry program**. Implement mutual recognition agreements on **authorized economic operator** programs (customs).

- Accept testing results and certification procedures of ANATEL and FCC, for example, for telecommunications equipment.

- **Eliminate U.S. tariffs** and quotas on imported steel and aluminum.
INNOVATION

• Monitor and influence legislation in the U.S. and Brazilian Congresses and executive branches on data protection and digital economy.

• Foster data protection agencies that are transparent and judicious and promote cooperation, education, and awareness.

• Seek nondiscriminatory protection of IP rights in Brazil, including complying with commitments established in the TRIPS Agreement.

• Call for bilateral cooperation on cybersecurity and artificial intelligence.

• Pass legislation in Brazil that establishes firm penalties for counterfeiting and piracy.

TRADE

• Support Brazil’s implementation of the WTO Trade Facilitation Agreement.

• Advocate for Brazil’s membership into the WTO Government Procurement Agreement.

• Work to establish a Mutual Recognition Agreement on the U.S.’ and Brazil’s authorized economic operator programs.

• Oppose U.S. tariffs and quotas on imported steel and aluminum.

• Promote an open, transparent, and more competitive maritime transportation market in Brazil.

• Support expansion of and revisions to Brazil’s express delivery legislation.

• Advocate for improvements to Brazil’s draft chemical regulations bill.

• Call for adoption of flexible automotive standards and certification systems in Brazil.

• Oppose import restrictions on remanufactured goods.

TAX AND INVESTMENT

• Pass tax simplification measures and reform in Brazil.

• Effectively implement the bilateral Memorandum of Cooperation Infrastructure Development.

• Advocate for the Brazilian Central Bank’s independence.

• Endorse the modernization of Brazil’s Public Procurement law.

• Promote changes to regulation on foreign rural land acquisition.

• Revise the freight law and ANTT-related resolutions.

• Call for less restrictions on cross-ownership in the Brazilian telecom industry.

SUSTAINABILITY

• Work with stakeholders to define Brazil’s long-term sustainability goals, as well as standardization, compliance, and measurement across areas and sectors.

• Define a roadmap for national awareness and implementation of sustainable management protocols (e.g. environmental, social, and governance).

• Establish a knowledge-sharing process on the conditions necessary to stimulate the circular economy.

Please visit www.brazilcouncil.org for more information on the Council’s policy agendas.
### ENERGY
- Advocate for bilateral collaboration on energy efficiency.
- Promote international cooperation to respond to offshore emergencies, decommissioning of platforms, and environmental licensing.
- Institutionalize the voice of the private sector in the U.S.-Brazil Energy Forum.

### HEALTH
- Expand the campaign on chronic disease study in Brazil.
- Support the role of health IT in patient care in Brazil.
- Support Brazil’s Industrial Property National Institute’s independent review of health-related patent applications.

### TOURISM
- Support travel facilitation measures, e.g., Brazil in the Global Entry program.
- Advocate for Brazilian Congress’ approval of integrated resorts legislation.

### DEFENSE
- Conclude the Research, Development, Test and Evaluation (RDT&E) Agreement and the Defense Procurement Agreement.
- Advance toward a bilateral defense program.

### Ease of Doing Business in Brazil

The Brazil-U.S. Business Council urges the Government of Brazil to adopt and implement the following policy reforms to improve the business climate and drive investments:

- Pass tax reform simplifying the system to advance a path to growth.
- Continue labor reform and regulations that stimulate a generation of jobs.
- Implement trade facilitation measures.
- Attract private investment for infrastructure and logistical improvements to reduce transportation costs.
- Ensure a predictable legal environment to attract investments.
- Advocate for a whole-of-government implementation of good regulatory practices across all ministries and regulatory agencies.
- Promote rule of law principles and measures.
- Continue efforts advocating for Brazil’s accession into the OECD.
U.S.-Brazil Proposed Trade Strategy

ULTIMATE GOAL: A comprehensive, rules-based trade agreement with significantly lower tariffs and the reduction of nontariff barriers.

PHASE 1: Focus on rules

Trade Facilitation: Modernizes customs procedures (e.g., advanced rulings, express delivery, simplified entry, risk management, authorized economic operators, single window, single tax collection system, e-signatures, ATA Carnet, deadlines for goods release, and self-certification of origin).

Sound Regulatory Practices: Recognizes the need for sound regulatory practices, including transparency, particularly in public consultations; the elimination of unnecessary or burdensome regulations; and the establishment of an enforcement authority within government.

Technical Barriers to Trade: Promotes regulatory compatibility and best regulatory practices for ICT products, pharmaceuticals, medical devices, cosmetics, chemicals, auto, remanufactured and other products, while improving rules prohibiting discriminatory technical barriers to trade and promoting private sector participation in rulemaking.

Digital Trade: Develop rules to foster growth in the digital economy guaranteeing the freedom to move data across borders and prohibiting forced data localization.

Intellectual Property: Guarantees nondiscriminatory protection of IP; promotes the efficiency and transparency in the administration of IP systems with assurances that IP rights are fully enforceable under domestic law; recognizes relevant geographic indications; and expands and makes permanent existing IP bilateral agreements.

Sanitary and Phytosanitary Standards: Introduces disciplines for science-based SPS measures, while ensuring parties maintain their sovereign right to protect human, animal, and plant life or health; promotes regionalization; and secures time-bound processes for control, inspection and approval procedures.

Anti-Corruption: Requires the U.S. and Brazil adopt measures to promote transparency and combat corruption, effectively enforce anti-corruption measures, encourage integrity among public officials, and advance the active participation of the private sector in the fight against corruption in international trade.

PHASE 2: Focus on more complex issues

Market access, rules of origin, investment, dispute resolution, unfair trade practices, subsidies, state-owned enterprises, and government procurement, among others.

Sectors to address: Agriculture, services, textiles, manufacturing, and financial services.

U.S.-Brazil Proposed Bilateral Tax Treaty Strategy

ULTIMATE GOAL: A comprehensive bilateral tax treaty to minimize double taxation on cross-border investment between two countries.

PHASE 1: Focus on obtaining consensus on two key issues

- Transfer Pricing: In parallel with work that is already being done by Brazil and the OECD on transfer pricing issues, the U.S. and Brazil should work on examining the similarities and gaps between the two countries’ approaches to valuing cross-border transactions between associated firms for tax purposes.

- Permanent Establishment: U.S. and Brazil should work toward compromising on more flexible rules on permanent establishment and their standard for taxable nexus, especially as they relate to services.

PHASE 2: Focus on other issues

- Tax sparing/matching credit; taxation of interest, dividends, and royalties; limitations on benefits; mutual agreement procedures; and arbitration.