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WEEKLY REPORT
EU Market Access
2017, ISSUE 54
Oct 23-27



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TAXES

1. STJ Rules that Cofins-Import Apply to Airplanes

The Supreme Court (STJ) ruled ([Resp. 1660652](#)) that Cofins-Import apply to the acquisition of airplanes at a rate of 1%. The company involved argued that zero-rate Cofins-Import apply, given that the general rule provided in Law [12.844](#), which imposes the 1% rate, does not prevail over specific rules provided in Law [10.865/2004](#). Moreover, it was argued that the application of a 1% rate violates the basic non-discriminatory principle of the WTO. The STJ, however, did not accept the arguments of the company, and ruled in favour of the tax authorities, using previous precedents as basis for its decision.

2. Proposal to Exempt Bicycles from IPI

The Chamber of Deputies is working on Bill of Law [3.965/2012](#), which exempts bicycles from the Industrialised Products Tax (IPI). This Bill has been recently joined with Bill of Law [8.869/2017](#), which also exempts bicycles from IPI. Said proposals have been undergoing legislative process since 2012.

3. Provisional Measure Reducing Taxes for the Oil Industry

A Special Joint Committee has adopted a favourable report on the Bill of Conversion [36/2017](#), linked to Provisional Measure (MP) [795/2017](#), which suspends taxes on goods intended for the use in oil and gas exploration, development and production activities, provided that the oil and gas remains in Brazil. The measure also applies to imports and acquisitions of raw materials and intermediary products destined for the above-mentioned activities. The law covers Industrialised Products Tax (IPI), contributions to Social Integration Program and Public Service Employee Savings Program (PIS/Pasep-Import) and contributions to Social Security Financing Program (Cofins-Import). This note relates to #1 of WR53.

CUSTOMS

4. Secex Adopts the Latest Version of Drawback Exemption Handbook***

The Secretariat of Foreign Commerce ([Secex](#)) adopted Ordinance [41](#), incorporating the 7th edition of the [Handbook for Drawback Exemption Regime](#). The Ordinance 41 revokes Secex Ordinance [54](#), which contained the previous edition of the handbook.

5. New Rules on the Use of Container Transit Declaration

The Customs Department within Brazil's Federal Revenue Office ([RF](#)) at the [Port of Suape](#), located in Pernambuco State, adopted Ordinance [78](#), which stipulates rules for using the Container Transit Declaration ([DTC](#)). The Ordinance is complementary to the Normative Instruction [SRF 248](#), which regulates the customs transit procedure.

6. Deadline Extension for Public Consultation on Import Processes Revision

Through [Notice on Joint Public Consultation RFB/SECEX 2/2017](#), the Secretariat of Foreign Trade ([Secex](#)) and the Federal Revenue Office ([RF](#)) extended the deadline for submissions of suggestions in relation to the Joint Public Consultation RFB/SECEX [No. 1/2017](#) regarding the [Proposal for Revision of General Importation Process](#) until Nov 7, 2017. This note relates to #6 of WR49.

CUSTOMS

7. Bill to Exempt Windsurfing and Kitesurfing Equipment from Import Duty

The Chamber of Deputies is working on Bill of Law [7.743/17](#), which proposes to exempt acquisitions of windsurfing and kitesurfing equipment to be used by windsurfing and kitesurfing schools from Import Tax (II) and Industrialised Products Tax (IPI). To obtain the exemption, the beneficiary will have to provide a certificate of good standing from the Federal Revenue Service ([RF](#)). In addition, the Ministry of Sports ([ME](#)) will have to declare compliance with the necessary requirements. The Bill proposes to extend the benefit until 2023.

STATE AID

8. Inmetro Adheres to Debt Regularization Program

The National Metrology, Quality and Technology Institute ([Inmetro](#)) adopted Ordinance [266](#), which regulates its adherence to the Debt Regularization Program (PRD - Law [13.494](#)). The PRD, which deals with non-tax debts held by legal entities and natural persons towards federal entities until March 31, 2017, offers four options for an easy settlement of debts in instalments.

STANDARDS AND TECHNICAL REGULATIONS

9. Bill to Set Recycling Goals for Household Electronic Goods***

The Environment and Sustainable Development Committee ([CMADS](#)) approved the latest version of the Bill of Law [3.472/12](#); the Bill establishes collection, reuse and recycling goals to be achieved by 2029 for household electronic goods. The Bill also stipulates that electronic goods should be designed to incorporate easy repairs, reuse and recycling. Also, the use of dangerous materials should be reduced as much as possible, and the "planned obsolescence", situation in which the product is planned to stop functioning in a short period of time, should be restricted. If adopted, the Bill will amend the Solid Waste Law ([12.305/10](#)). The Bill would impact locally produced products, as well as imported ones.

10. MME Opens Three Public Consultations on Energy Efficiency

The Ministry of Mines and Energy ([MME](#)) has opened the following public consultations: Public Consultation [39](#), on a proposed Ordinance stipulating Specific Regulations and Target Program for maximum levels of energy consumption for refrigerators and freezers; Public Consultation [40](#) covers a proposal on new Specific Regulations and energy efficiency Target Program for air conditioners; and lastly, Public Consultation [41](#), which covers a proposal on a new Target Program for maximum levels of energy loss for distribution transformers. Suggestions regarding all three public consultations can be submitted by Nov 27, 2017.

STANDARDS AND TECHNICAL REGULATIONS

11. Anvisa's Public Consultation on Medical Device Barcode Inclusion

The National Health Surveillance Agency ([Anvisa](#)) opened Public Consultation [408](#), regarding the proposed resolution on mandatory inclusion of UDI/IMDRF (*Unique Device Identification for Medical devices/International Medical Device Regulators Forum*) barcodes in the traceability labels of cardiologic stents, hips and knee implants. The proposed Resolution stipulates that the barcodes must comply with [ISO](#) and [IMDRF](#) norms listed in the Annex of the proposed Resolution. Suggestions can be submitted by Dec 11, 2017.

INTELLECTUAL PROPERTY

12. INPI Prepares for Brazil Adherence to the Madrid Protocol

During a meeting with the regional branch of the World Intellectual Property Organisation ([WIPO](#)) in Brazil, the National Intellectual Property Office ([INPI](#)) presented a project for the adjustment of INPI's structure, leading on the possibility for Brazil to adhere to the [Madrid Protocol](#). The project foresees that, by the end of 2018, INPI administrative goals should be met and the period for trademark registration should be improved from 25 months to the requested 18 months. Furthermore, by 2019, INPI should be able to start receiving international applications via the [Madrid system](#).

OTHER

13. Bill of Law on the Trading of Carbon Credits***

The Finance and Taxation Committee ([CFT](#)) approved Bill of Law [2.027/07](#), which stipulates that carbon credits can only be traded by businesses participating in governmental programs that promote the use of alternative sources of energy. The Bill also authorises entities providing finance and credit to these businesses to receive carbon credits as collateral.

14. Special Committees Approve Provisional Measures on Mining Sector***

The Special Joint Committee approved the Provisional Measure [791/2017](#), which creates the National Mining Agency (ANM) and extinguishes the National Mineral Production Agency (DNPM). Along with this provisional measure, another Special Joint Committee approved MP [790/2017](#), which stipulates a new exploration regime. It also approved Provisional Measure [789/2017](#), which deals with mining royalties. This note relates to #20 of WR51 and #14 of WR41.

15. Proposed Public Meetings Transmission Over the Internet Mandatory

The Committee on Work, Administration and Public Services ([CTASP](#)) approved Bill of Law [1.869/15](#), which stipulates that public meetings are to be transmitted through the internet in real time. This measure should improve society's participation in public administration, facilitate access to information and transparency, in line with the National Policy on Social Participation and the National System of Social Participation (PNPS and SNPS - Decree [8.243](#)).

OTHER

16. Public Consultation on National Investment and High-Impact Businesses

The Government has opened a public consultation regarding the proposed National Investment and High Impact Business Strategy ([ENIMPACTO](#)). ENIMPACTO contains guidelines for governmental institutions with strategic actions for promoting the development of businesses capable of creating market solutions for domestic, social and environmental issues. The program's strategy is to increase the number of socially conscious for-profit businesses. Suggestions can be submitted by Nov 5, 2017 [here](#).

17. Brazil-Italy Agreement on Driver's Licence Conversion

Congress has adopted Legislative Decree [151/17](#), regarding the Brazil-Italy agreement, that allows Brazilian citizens to go through a process of translating their national driver's license into an Italian license and vice-versa without having to take the driving exam.

AGENDA AND UPCOMING EVENTS

Date	Location	Ministry/ Body Entity	Description
31 Oct	Brasília	Anvisa	International Medical Device Seminar – More info here .
07 Nov	São Paulo	ISA - Sabesp	IV Automation and Water Treatment Symposium – More info here .
07-09 Nov	Brasília	MDIC	The 8 th Brazilian Conference on Local Production Arrangements. More info about this event here .
08-09 Nov	Campinas	Agropolo	9 th Bioeconomy Workshop – “Low Carbon Livestock Production”. More info here .
08-10 Nov	Brasília	BRICS	The 5 th BRICS International Competition Conference – <i>Towards a Successful Second Decade of Cooperation</i> . More info here .
29-30 Nov	São Paulo	EUROMONEY Seminars	The 9 th Annual Brazilian Energy & Infrastructure Finance Forum. More info here .
04-08 Dec	Belém, Pará	MAPA	ENDESA 2017 – The 5 th National Meeting on Health Surveillance for Livestock. More info here .