





Brazil's Foreign Trade and CNI's Agenda

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International Area

Foreign Trade Unit

- Trade-related services
- Trade policy and trade facilitation
- Business diplomacy
- International relations
- International cooperation

International Negotiations

- Trade agreements agenda
- Services agenda for manufacturing competitiveness
- Brazilian investments abroad
- Trade remedies



International Business Centers



Confederação Nacional de Indústria

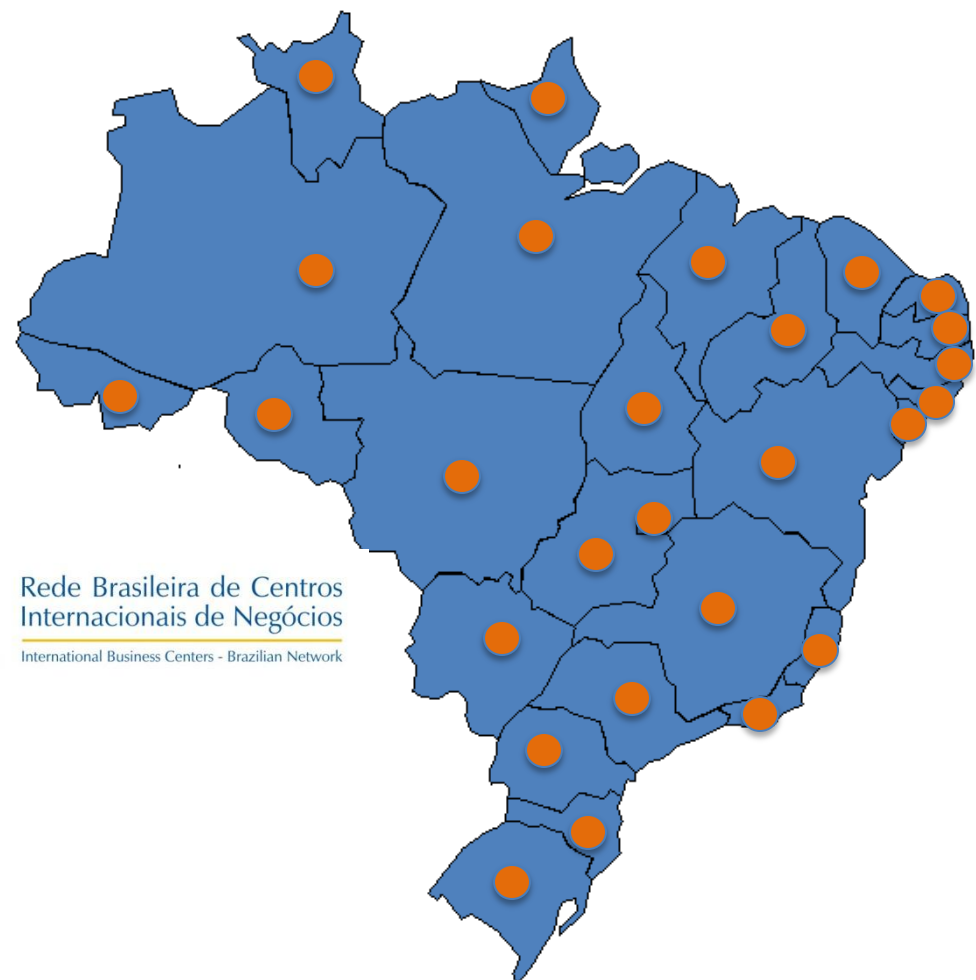
CNI. A FORÇA DO BRASIL INDÚSTRIA

- **International Business Centers Network:**
Promotes Brazilian companies internationalization by offering trade-related services.
- **Presence in all 27 Brazilian states.**
- **Since 1998.**
- **Network composed by 305 analysts and experts.**
- **More than 15,000 products and services were delivered in 2013.**



Rede Brasileira de Centros
Internacionais de Negócios

International Business Centers - Brazilian Network





International Business Centers

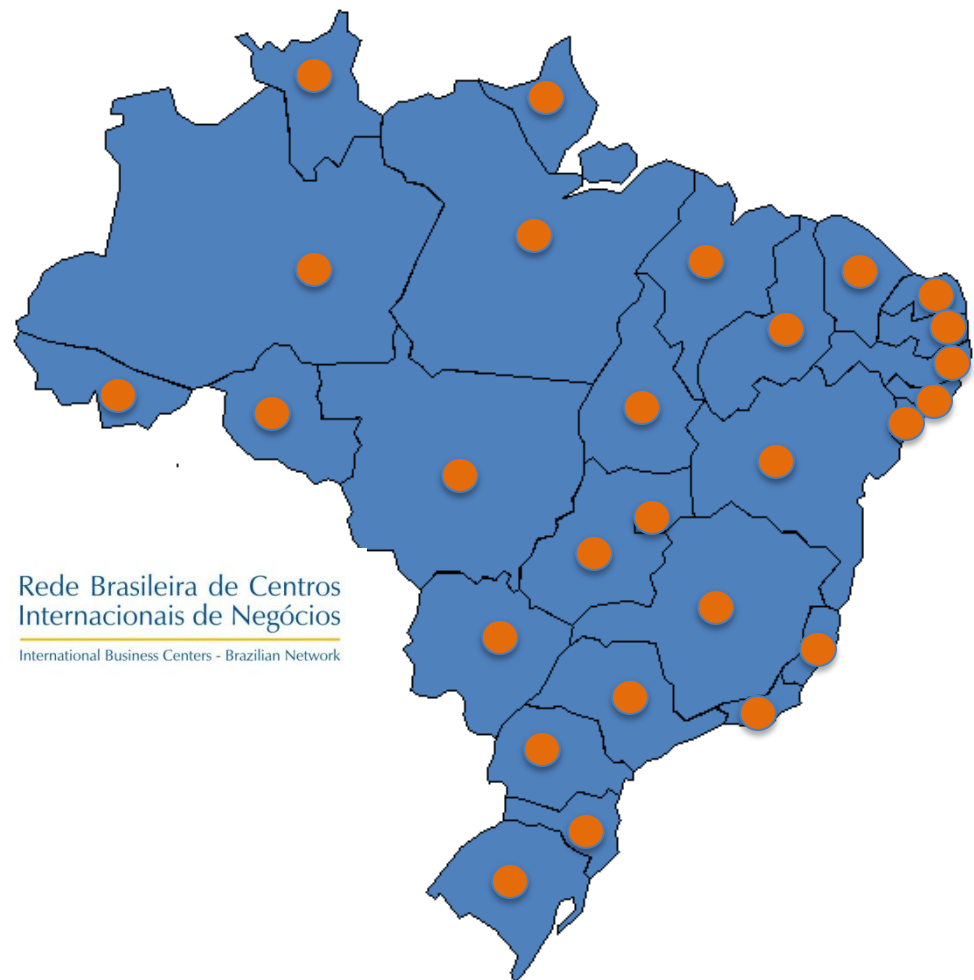


Services to Foster Foreign Trade

- **Business Training**
- **Commercial Intelligence**
- **Business Promotion**
- **Internationalization Programs**
- **Certificate of Origin**
- **Consultancy and Advisory Services**
- **ATA Carnet Emission**
- **Support to Foreign Investors**



Rede Brasileira de Centros
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International Business Centers - Brazilian Network



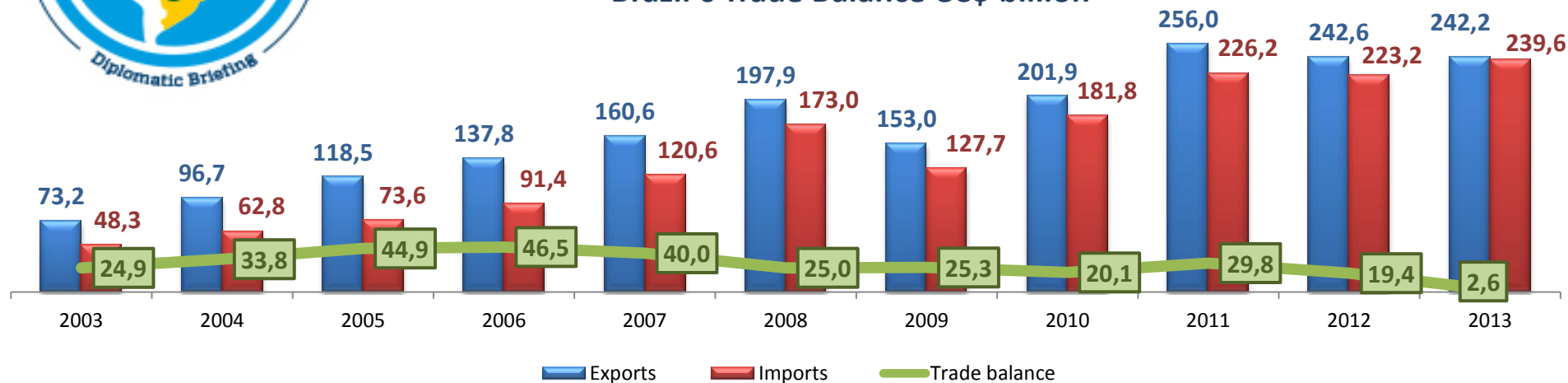


Trade Balance

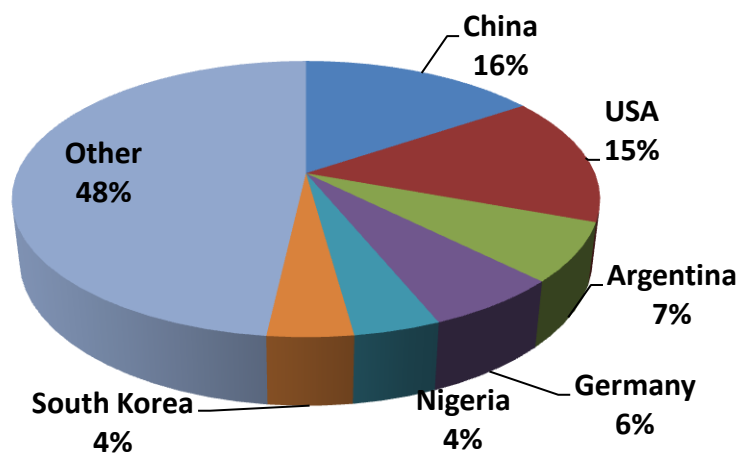


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CNI. A FORÇA DO BRASIL INDÚSTRIA

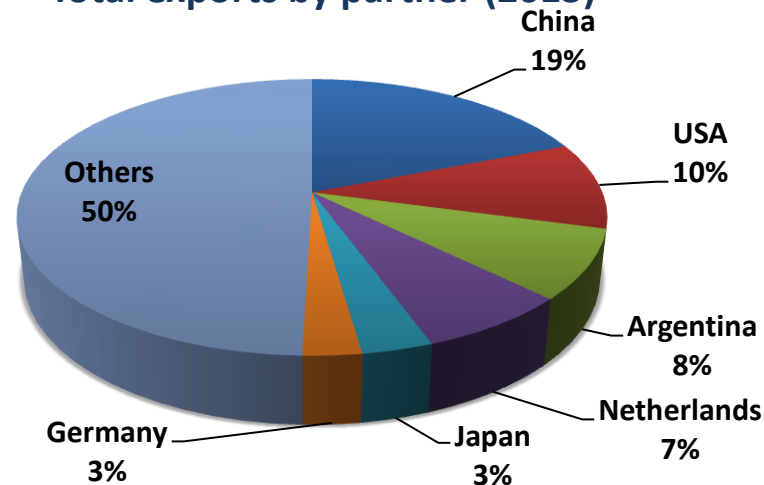
Brazil's Trade Balance US\$ billion



Total imports by partner (2013)



Total exports by partner (2013)





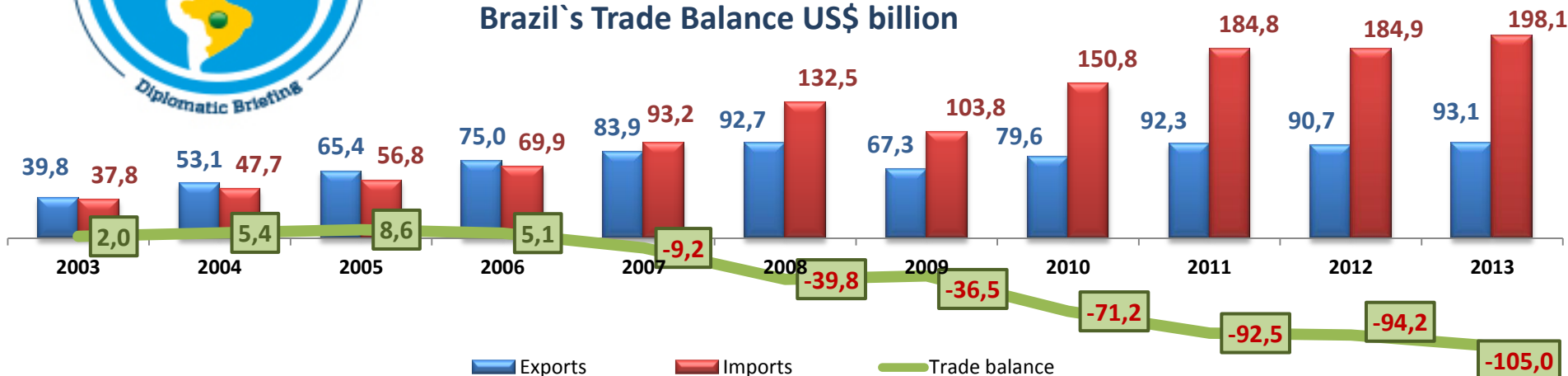
Manufactured Goods Trade Balance



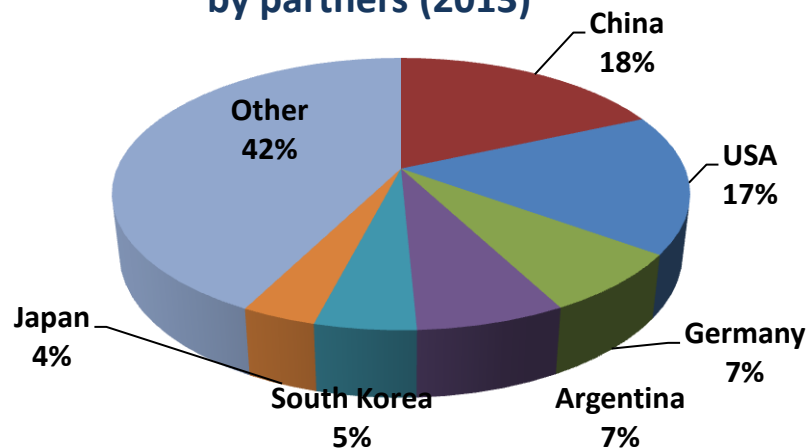
Confederação Nacional de Indústria

CNI. A FORÇA DO BRASIL INDÚSTRIA

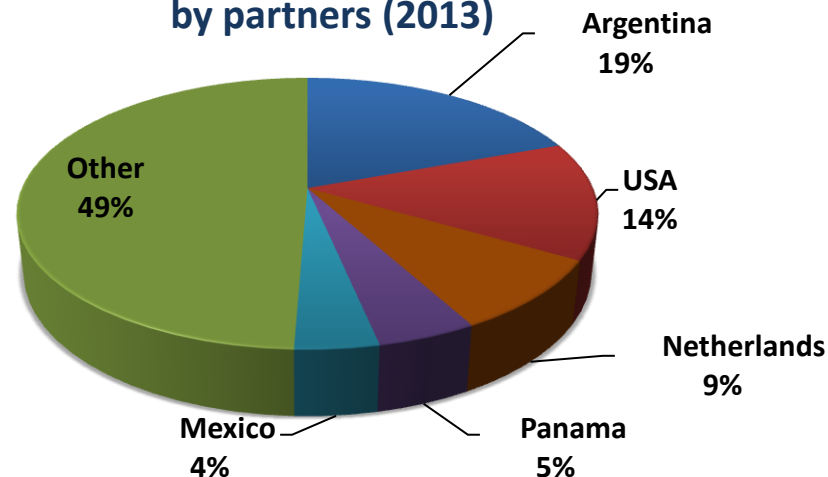
Brazil's Trade Balance US\$ billion



Manufactured Imports by partners (2013)



Manufactured exports by partners (2013)



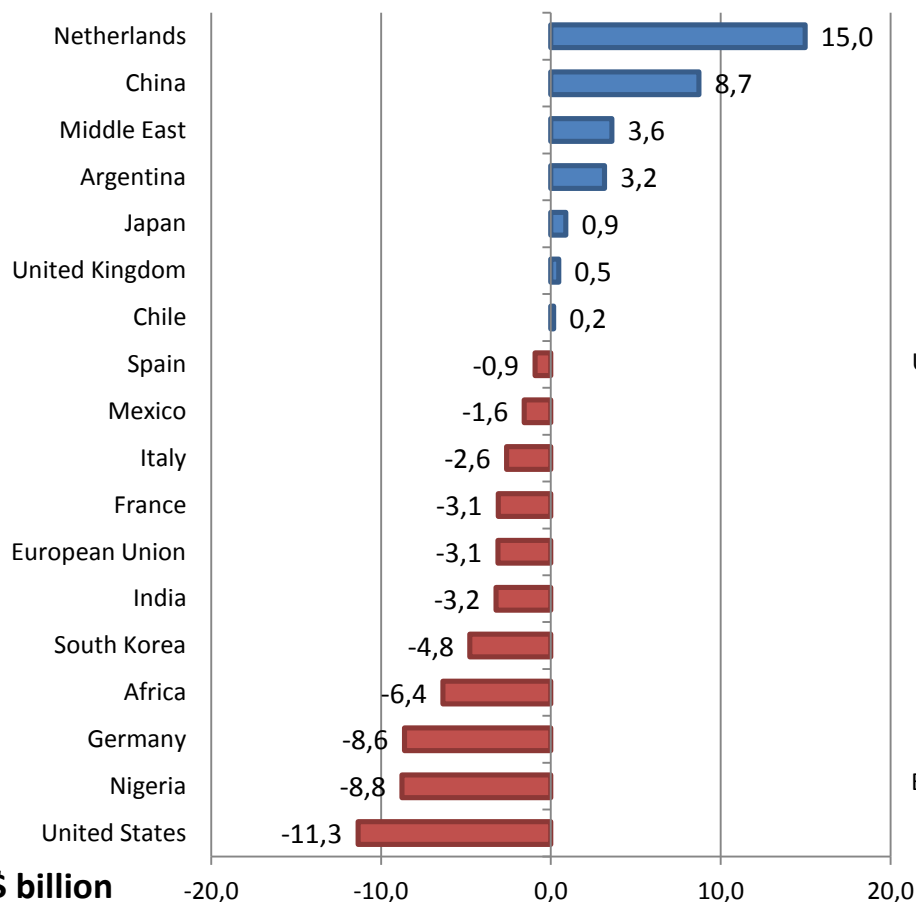


Trade balance – partners (2013)

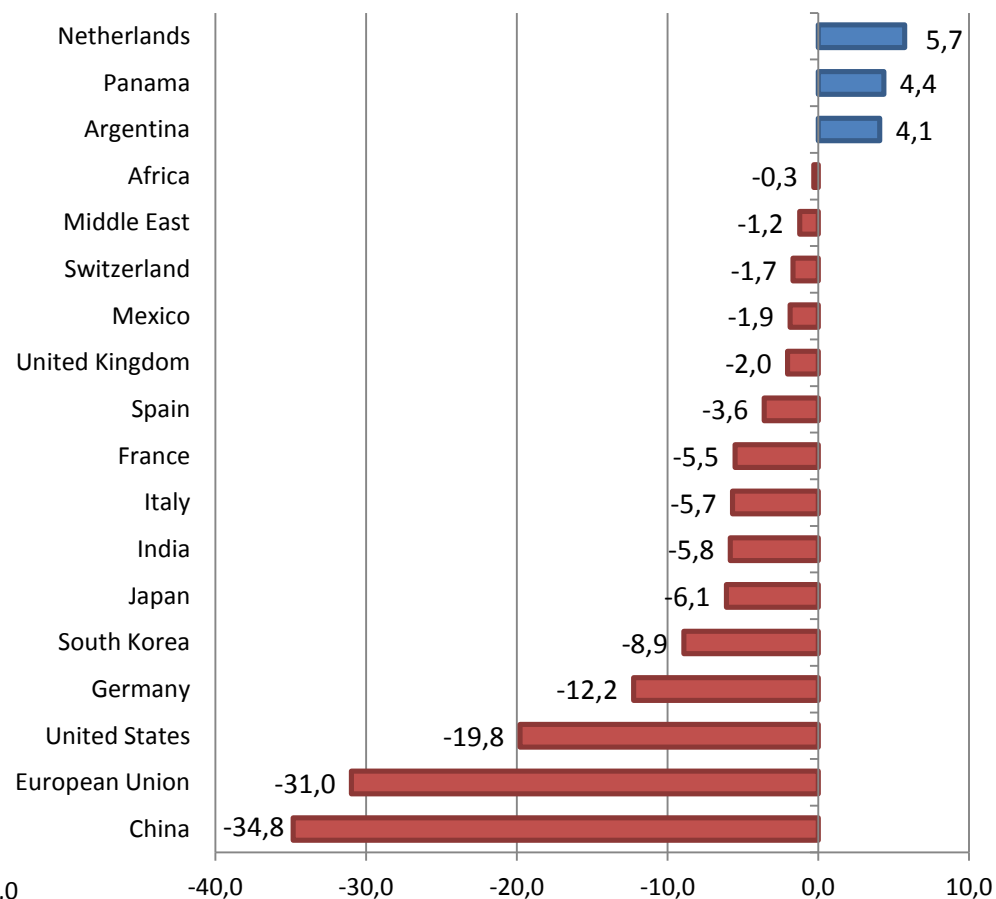


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Trade Balance - Total



Trade Balance – Manufactured Goods





Brazilian trade by products

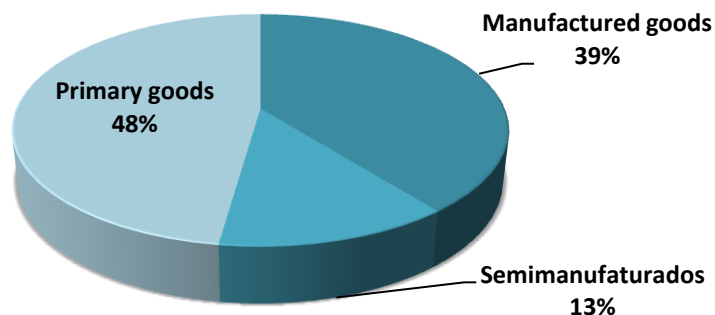


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Brazilian exports by main products and groups - 2013

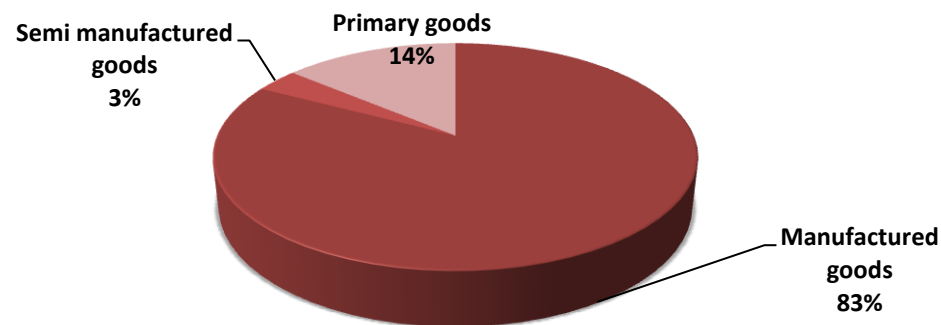
Description	US\$ Billions	Part.(%)
Primary goods	113.0	100.0
Iron ore	32.5	28.7
Soybean	22.8	20.2
Crude Oil	13.0	11.5
Semi manufactured goods	30.5	100.0
Sugar Cane	10.0	32.9
Pulp	4.7	15.4
Semimanufactured goods of iron or steel	3.8	12.6
Manufactured goods	93.1	100.0
Automobiles	5.5	5.9
Airplanes	3.8	4.1
Auto parts	3.3	3.6

Source: Secex/MDIC.



Brazilian Imports by main products and groups - 2013

Description	US\$ Billions	Part.(%)
Primary goods	33.3	100.0
Crude oil	16.3	49.0
Natural gas	3.9	11.6
Wheat	2.4	7.2
Semi manufactured goods	8.2	100.0
Potassium chloride	3.3	40.6
Copper cathode	1.8	22.2
Syntetic rubber	0.7	8.7
Manufactured goods	198.1	100.0
Automobiles	9.1	4.6
Auto parts	8.3	4.2
Medicines for humans and animals	6.7	3.4





Investments in Brazil



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The largest part of the FDI Stock in 2010 was directed to services (44%) and manufacturing (40%)

FDI Stock by Final investor partner - 2010

Country	US\$ billion	Part%
USA	109.7	20.3%
Spain	85.4	15.8%
Belgium	50.3	9.3%
United Kingdom	41.6	7.7%
France	30.7	5.7%
Germany	30.4	5.6%
Japan	29.0	5.4%
Italy	18.2	3.4%
Mexico	15.7	2.9%
Netherlands	14.9	2.8%
Canada	14.4	2.7%
Total	541.0	100.0%

Source: BACEN

Figure 2. Top 20 host economies, 2012
(Billions of dollars)



According to the last UNCTAD data, in 2012, Brazil was the 4th country with the largest influx of FDI in the World



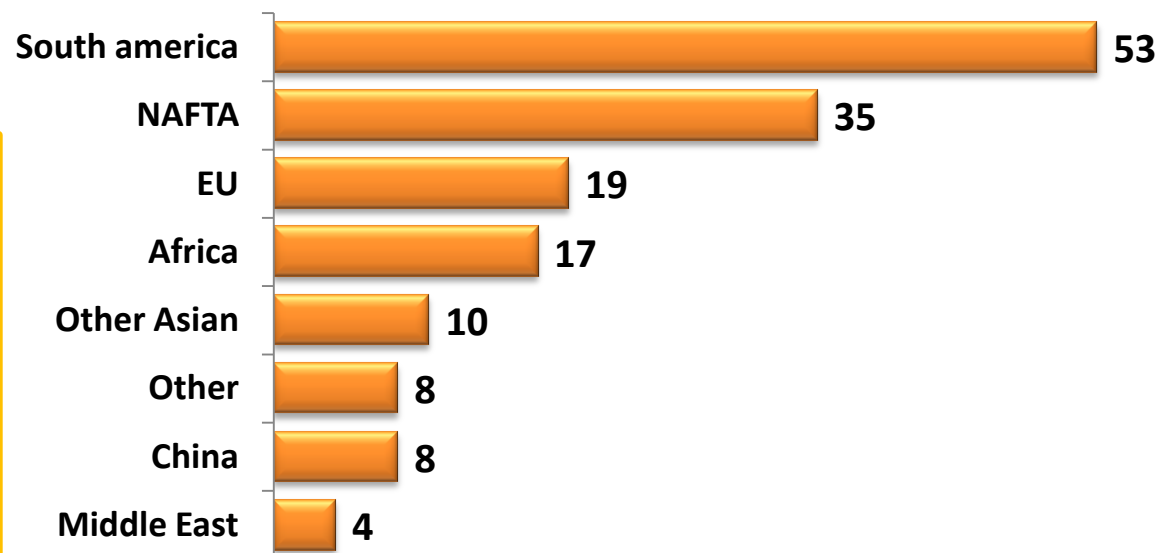
Brazilian investments abroad



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Brazilian multinational investments abroad by location



Brazilian Investments Stock:

Description	2012	
	US\$ billion	%
Agriculture, livestock and mineral mining	61.9	25.1
Metalic mineral mining	42.8	17.3
Oil and gas extraction	12.3	5.0
Industry	44.7	18.1
Metallurgy	15.2	6.1
Food	16.9	6.8
Non-metallic mineral products	8.1	3.3
Chemical products	0.7	0.3
Sevices	140.5	56.9
Financial services	97.9	39.6
Infraestructure services	4.3	1.7
Total	247.2	100

Fonte: BACEN



Agenda on Trade and Investment Policies

- 1. Trade Agreements**
 - 2. Trade Facilitation**
 - 3. Brazilian Investments Abroad**
 - 4. Trade in Services**
 - 5. Other Trade Policy Issues**
-



1. Trade Agreements

CNI supports **deeper integration of Brazil** to the world economy through **trade agreements**.

For CNI, Brazil should have a multifaceted strategy, covering **bilateral, regional and multilateral agreements (WTO DDA)**.

Agenda and Suggestions

Multilateral: reduce agricultural and industrial subsidies, non tariff barriers, improve trade remedies agreements, eliminate export restrictions and others;

Regional: deepen agreements, including non tariff measures, services, investments, procurement. Foster energy and infrastructure agenda;

Bilateral: negotiate agreements with countries outside the region. The priority is the European Union – Mercosul Agreement.



2. Trade Facilitation

TF policies are crucial to **reduce export and import clearance and release time.**

CNI priority is to implement the provisions of the recently approved **WTO Trade Facilitation Agreement.**

Agenda and Suggestions

Single Window: harmonize and integrate customs-related agencies procedures to increase efficiency and decrease costs and time. Imports currently take around 17 days and exports 13 days;

Authorized Economic Operators: implement Brazil's mechanism to include more companies and to harmonize with other countries' mechanisms;



3. Brazilian Investments Abroad

Investing abroad contributes to increase Brazilian **exports**, **innovation** and companies' **productivity**.

CNI developed an ambitious agenda in this area that covers four topics: **taxation**, **finance**, **diplomacy** and **innovation**.

Agenda and Suggestions

Taxation: improve Brazil's multinational companies profit tax regime and celebrate more Bilateral Tax Treaties (Brazil has only 29 agreements);

Economic Diplomacy: increase diplomatic support to Brazilian companies abroad to reduce investment barriers and celebrate Bilateral Investment Treaties.



3. Brazilian Investments Abroad

Brazilian Multinational Companies Priorities (CNI's Survey of 2013)

Bilateral Tax Treaties

Country	Companies
United States	13
Australia	4
Colombia	4
Germany	3
Russia	3
Venezuela	3
Paraguay	2
United Kingdom	2
Switzerland	2
Uruguay	2
Angola	1
Saudi Arabia	1
Singapore	1
United Arab Emirates	1
Guinea	1
Mozambique	1

Bilateral Investment Treaties

Country / Region	Companies
South America	25
NAFTA	12
China	5
Africa	5
Germany	2
Russia	2
India	2
Australia	1
Turkey	1
Indonesia	1



4. Trade in Services

Services have a growing importance for **manufacturing competitiveness** in Brazil.

Services represent around 55% of **industrial production value-added** and 40% of Brazil's **exports value-added**.

Agenda and Suggestions

Services agreements: engage in multilateral, regional (South and Latin America), bilateral and plurilateral services agreements aiming specifically at the liberalization of strategic services for the manufacturing sector.

Services imports: reduce tax burden on services imports in Brazil, currently around 50%.



5. Other Trade Issues

CNI has also an internal agenda to reform some of the Brazilian **trade support instruments**.

Some of the main areas are: **institutional reform, trade finance and tax credits**.

Agenda and Suggestions

Trade Court: establishment of specialized trade courts in Brazil.

Tax credits and trade finance: improve guarantees for trade finance to enable more companies to use public credit, and accelerate tax restitution.