

**MINISTRY OF INDUSTRY, FOREIGN TRADE AND SERVICE
NATIONAL COUNCIL OF EXPORT PROCESSING ZONES - CZPE
EXECUTIVE SECRETARIAT- SE**

BRAZILIAN EXPORT PROCESSING ZONES (EPZ)

INVESTMENT OPPORTUNITIES

**THAISE DUTRA
Executive Secretary of CZPE**

Curitiba/PR – August 28, 2017

Concept

Industrial areas intended for exports (Export Revenue \geq 80%) under customs control.

Tax Incentives

Purchases of goods and services in the **Domestic Market**– Suspension:

- **IPI** (Tax on Manufactured Products)
- **COFINS** (Social Contribution – on Income)
- **PIS/PASEP** (Social Contribution on Gross Revenue)

Purchases of goods and services in the **External Market** – Suspension:

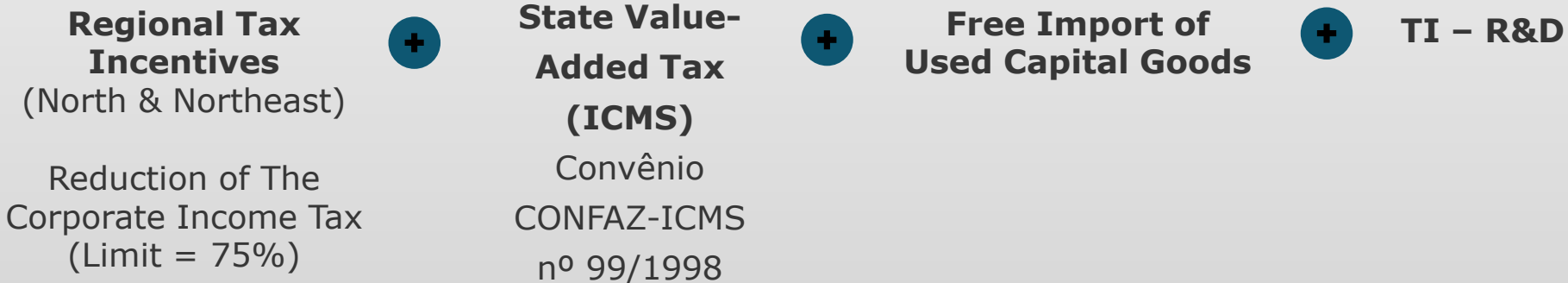
- **II** (Import Tax)
- **AFRMM** (Additional Freight Charge for the Renovation of the Merchant Navy)
- **IPI**
- **COFINS** - Import
- **PIS/PASEP** – Import

Administrative Benefits

Exemption of licenses or authorizations for import (raw materials and capital goods) and export operations

Except: sanitary, national security and environmental measures

Others Incentives



Long-term Legal Certainty

Period Granted: 20 years
→ extendable for 20 years.



To continue in an EPZ, the company depends on the minimum export of 80% of its total gross sales revenue.

Note: Products sold to the domestic market will be subject to the payment of all taxes and contributions normally granted by the EPZ regime.

Tax Suspension:



- Acquisition of capital goods, raw materials, intermediate products and packaging materials.

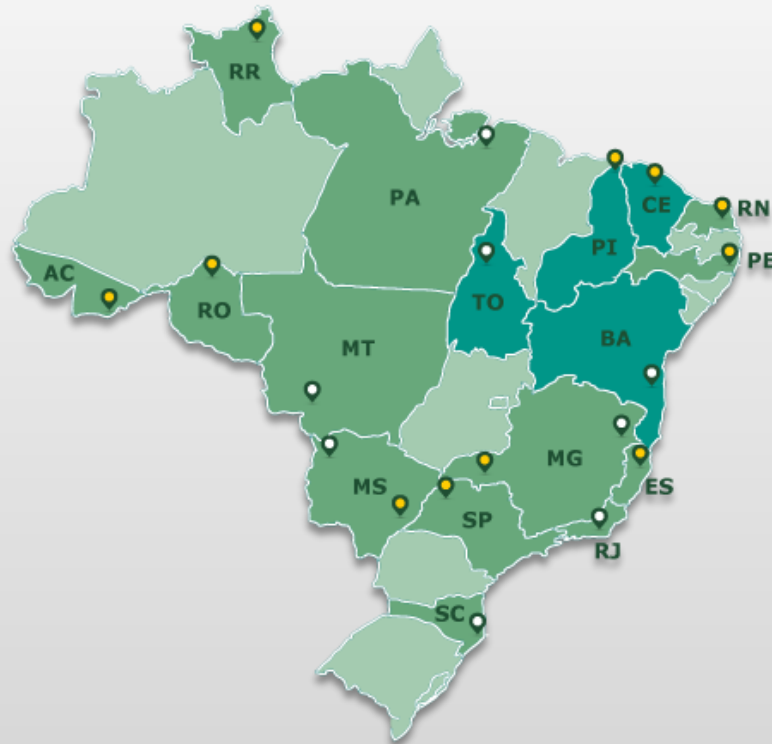
Examples:



Companies authorized to operate in EPZs:

- subjected to the same legal and regulatory provisions applicable to all national companies.

Brazilian EPZs



- ZPE Criadas até 1994
- ZPE Criadas no âmbito da LEI Nº 11508/2007

- **19 EPZs in effective deployment (17 STATES)**
- **EPZs are in different stages**
- **EPZs of Acre (AC) and Ceará (CE) → Bonded by Customs Authority**
- **EPZ of Parnaíba (PI): finishing its infrastructure works and customs procedures.**
- **EPZs with industrial projects approved:**
 - **Acre (4)**
 - **Piauí (4)**
 - **Ceará (4)**



PECEM EPZ **(São Gonçalo do Amarante City / Ceará State)**

- **Size (ha):** 4.271,41
- **Potentialities:**
 - Steel mill
 - Leather & footwear
 - Textiles
 - Ceramics
 - Granite
 - Food processing (fish and fruit)
- **Industrial Projects Approved:**
 - **Companhia Siderúrgica do Pecém (CSP):** steel plates
 - **Vale Pecém:** ores
 - **White Martins:** industrial gases
 - **Phoenix do Pecém:** steelmaking waste

The Most Advanced EPZs in Development



PECÉM EPZ

(São Gonçalo do Amarante City/Ceará State)

Pecem Port Infrastructure



Multinational Companies



Global Production Chains



The Most Advanced EPZs in Development



PECÉM EPZ (São Gonçalo do Amarante City/Ceará State)



The Most Advanced EPZs in Development



PECÉM EPZ (São Gonçalo do Amarante City/Ceará State)

PECÉM STEEL COMPANY (CSP)

- **Investment:** US\$ 5,4 billion
- **Annual Production (1st phase):**
3 million tons of steel plate
- **Direct employees (1st phase of plant operations):** 2.800
- **Joint venture:** Vale (50%), Dongkuk (30%) e Posco (20%)
- **Impacts on regional development (potential increase)**
 - **GDP of the state of Ceará:** 12%
 - **Ceará's Industrial GDP:** 48%
 - **Ceará Exports:** 50% (1st half 2017)



The Most Advanced EPZs in Development



PECÉM EPZ

(São Gonçalo do Amarante City/Ceará State)

**Awarded by fDi Magazine
(Financial Times)**

**GLOBAL FREE ZONES OF THE
YEAR 2016**

- **Categories:**
 - Winner
 - Large tenants – Latin America and Caribbean
- **Bespoke awards:**
 - Supporting education and training
 - Infrastructure upgrades
 - Expansions



The Most Advanced EPZs in Development



PECEM EPZ (São Gonçalo do Amarante City/Ceará State)

**JETRO and CCIJB
officials visit
Pecém EPZ to
identify business
opportunities**

- July 2017





PARNAIBA EPZ (Parnaíba City/Piauí State)

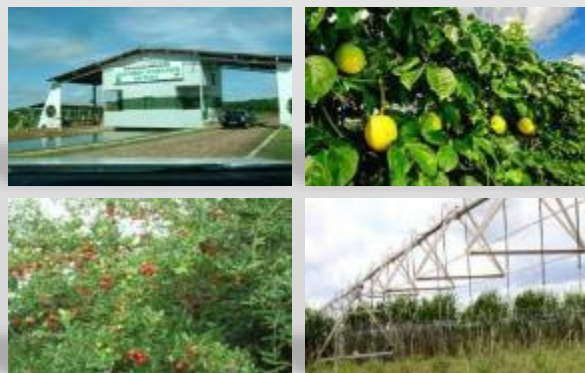
- **Size (ha):** 348,80
- **Potentialities:**
 - Grains (soyabean)
 - Food processing (fruits, honey)
 - Pharmaceuticals
 - Waxers and fibers
 - Fish
- **Industrial Projects Approved:**
 - Agrocera: wax (carnaúba)
 - Ecopellets: pellets (carnaúba)
 - DK Frutas: foods processing
 - KTA Farma: salts of pilocarpine

The Most Advanced EPZs in Development



PARNAIBA EPZ (Parnaíba City/Piauí State)

**Grains & Food
Processing
(Fruits)**



**New Agricultural
Frontier
(MATOPIBA)**



**Regional companies
with regular export
operations**



The Most Advanced EPZs in Development



PARNAIBA EPZ (Parnaíba City/Piauí State)



SE/CZPE – CONTACT

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