

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

RESTRICTED
L/5640/Add.54
14 February 1994
Limited Distribution

(94-0274)

Original: English

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

BRAZIL

Addendum

The following notification has been received from the Permanent Mission of Brazil in response to the Questionnaire on Import Licensing Procedures annexed to document L/5640/Rev.9. It updates and replaces information previously notified in COM.IND/W/55-COM.AG/W/72/Add.35.

OUTLINE OF SYSTEM

1. Under the present Brazilian import licensing system, licences are issued automatically by authorized banks, unless products are subject to a special control authorization.

In most cases, licences must be issued before the goods are shipped from abroad. However, licences may be issued after shipment for certain products such as parts and components, raw materials and inputs, as well as for imports which depend on prior approval of specialized governmental agencies. Licences for imports under drawback or destined to authorized industrial storehouses may also be issued post-shipment.

The time period for processing an import licence can be less than one day.

Import licences are not required for certain goods listed in Annex A of the Administrative Rules for Imports (Portaria DECEX 8/91). The list includes mainly educational material, certain medical products and goods for handicapped people, various collectors' items, samples, returned goods and articles for personal or sporting use.

Goods subject to prior import authorization by specialized public agencies include products dangerous to human or animal health, arms and ammunition and products of interest for the protection of environment.

Other products such as crude oil and derivatives still depend on prior authorization due to state trade monopolies defined by the Brazilian Constitution. Aeroplanes and parts, postal equipment, sugar and alcohol are also submitted to such control.

PURPOSES AND COVERAGE OF LICENSING

2. Brazil applies only one licensing system (described above) which covers all products. There are some goods subject to special authorization as mentioned in reply 5.

3. The Brazilian system applies to goods originating in and coming from any country, except for those subject to embargoes imposed by the UN.
4. The import licensing system is not intended to restrict the quantity or value of imports. It has the purpose of statistical control. It is also a way to assure predictability in terms of currency reserves. No other alternative method has proved to be adequate.
5. The issuance of import licences is regulated by Article 165 of Decree 99244 of 10 May 1990. Specific prior import authorization from certain governmental agencies is required for a number of products. Besides, Brazil applies some restrictions related to health, phytosanitary, environment, nuclear and security considerations. These cases are regulated by specific laws.

PROCEDURES

6. Brazil does not maintain restrictions on the quantity or value of imports.
7.
 - (a) In most cases, the import licence must be issued before goods are shipped from abroad. Goods arriving at the port without an import licence are subject to a penalty in order to be cleared at customs.
 - (b) A licence can be obtained within one to three days from the submission of the application.
 - (c) There are no limitations as to the period of the year during which application for licence and/or importation may be made.
 - (d) In general, licences are examined and issued by one single organ, except for those products subject to special control, as mentioned in replies 1 and 5.
8. There are no circumstances other than failure to meet ordinary criteria under which a licence may be refused.

ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE

9. Only registered firms or persons can import goods into Brazil. Importers must be registered with the Foreign Trade Secretary. Currently, there are no special conditions or procedures for registration. There is no registration fee. The list of registered importers is not published.

DOCUMENTATIONAL AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE

10. Information related to identification of the importer and exporter, the good traded, currency used in the transaction, form of payment, country of origin, country of embarkation and port of entry. (A sample application form is available for reference in the Secretariat.)
11. Besides the import Licence which is required for the majority of imports, to clear a merchandise from customs an importer must submit:
 - (a) an import declaration (Declaração de Importação), containing such information as the importer's name, description of the good and its volume and value, for fiscal purposes;

(b) the commercial invoice (at least two copies); and

(c) a copy of the bill of lading.

12. There is no licensing fee or administrative charge.

13. There is no deposit or advance payment requirement associated with the issuance of licences.

CONDITIONS OF LICENSING

14. Licences are valid for 90 days. The validity of the licence can be extended by issuing a supplement to the import licence.

15. There is no penalty for the non-utilization of a licence or a portion of a licence.

16. At the request of the former importer, a licence may be transferred by issuing a supplement to the import licence. Such request must be made before the authorities begin the process of seizure of the goods due to the lack of an appropriate import document. It is also possible to transfer a licence when there are changes in the ownership of the enterprise.

17. Brazil does not apply quantitative restrictions. The only condition attached to the issuance of a licence is that the importer (firm or person) must be registered with the Foreign Trade Secretary.

OTHER PROCEDURAL REQUIREMENTS

18. The importer must only be registered with the Foreign Trade Secretary.

19. Foreign exchange is automatically provided. There are no exchange restrictions related to import operations. Importers may buy currency in the exchange market through authorized financial institutions so as to support their regular commercial transactions.