BENEFITS OF THE TFA IMPLEMENTATION

THE BRAZILIAN PRIVATE SECTOR PERSPECTIVE
GENERAL BENEFITS

- Transparency, certainty, coordination, efficiency, technology
- Streamlining formalities (before automating them)
- Process standardization
- Reducing bureaucracy and costs
- Reducing time to clear goods
- Increased trade flows and GDP
- FDI attraction
ROLE OF THE PRIVATE SECTOR

PUSHING REFORMS
- Public-private dialogue
- Impact studies
- Mapping of processes
- Support of the TFA negotiations

MONITORING THE TFA IMPLEMENTATION
- Public-private dialogue (National Trade Facilitation Committee)
- Updated reports
ROLE OF THE PRIVATE SECTOR

FACILITÓMETRO CNI

- Appeal or review procedures
- Food and Beverage Inspection
- Perishable goods
- Use of Customs Brokers
- Documentation Requirements
- Acceptance of Copies
- Use of International Standards
- Pre-shipment Inspection
- Electronic Payment
- Pre-arrival Processing
- Post-Clearance Audit

Source: CNI
**ROLE OF THE PRIVATE SECTOR**

*FACILITÔMETRO CNI*

- Customs Cooperation
- Temporary Admission
- Risk Management
- Single Window
- Authorised Economic Operator
- National Trade Facilitation Committee (CONFAC)

In Progress

*Source: CNI*
ROLE OF THE PRIVATE SECTOR

FACILITÔMETRO CNI

- Advertising and availability of information
- Consultations
- Border Agency Cooperation
- Movement of Goods Intended for Import Under Customs Control
- Publication of Average Release Times
- Movement of Goods Intended for Import Under Customs Control
- Rejected Goods
- Freedom of transit
- Under Adjustment

Source: CNI
Role of the Private Sector

Disciplines on fees and charges with importation, exportation and penalties

Advance ruling

Advance ruling of origin of the good

Pre-shipment processing

Expedited Shipments

Stopped

Source: CNI
SINGLE WINDOW (PORTAL ÚNICO DE COMÉRCIO EXTERIOR)

- Most important initiative for implementing the TFA
- Implementation of at least 30% of the TFA obligations
- Reformulation of processes

Goals: reducing the average time to export by 38% (13 to 8 days) and the average time to import by 41% (17 to 10 days)
SINGLE WINDOW (PORTAL ÚNICO DE COMÉRCIO EXTERIOR)

- Single electronic site for documents
- Fully computerized procedures
- Harmonized data among documents
- Shared historical databases with government bodies
- Shared information among operators and government bodies
- Use of electronic signatures
- Integration with “Nota Fiscal Eletrônica”
**WEG NET INCOME**

**CONTINUOUS AND CONSISTENT GROWTH**

**INTERNATIONALIZATION**
- Net Operating Revenue - 2016

- **Produced and sold in Brazil**
- **Produced in Brazil and Exported**

**Volume of Assets**
- 72.3% Brazil
- 27.7% Overseas

**Total: 29.659 Employees**
- **68% Brazil** (20.067)
- **32% Overseas** (9.592)

* Data from October 31st, 2017

**Total Volume of Assets (R$ Millions)**

BUSINESS UNITS
HOW WEG’S OPERATIONS ARE DIVIDED

Motors  Automation  Energy  Transmission & Distribution  Coatings
WE ARE THE WORLD BUSINESS ORGANIZATION.

PLANTS AND BRANCHES

Argentina
Chile
Colombia
Venezuela
Peru
Ecuador
Mexico
USA
Portugal
Italy
Spain
France
Austria
United Kingdom
Germany
Belgium
Netherlands
Russia
Sweden
United Arab Emirates
China
India
Malaysia
Singapore
Brazil(*)
Argentina
Colombia
Mexico
USA
Germany
Austria
Portugal
Spain
China
India
South Africa

(*) Jaraguá do Sul (SC); Guararim (SC); Blumenau (SC); Itajai (SC); Joaçaba (SC); São José (SC); Gravataí (RS); São Bernardo do Campo (SP); Mauá (SP); Monte Alto (SP); Linhares (ES); Manaus (AM).
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PRACTICAL IMPACTS

EXPORTS

WEG - Export Operations in 2016

| 278,087 | EXPORT REGISTERS |
| 5,300   | Export Processes by Air |
| 4,210   | Export Processes by Sea |
| 1,750   | Export Processes by Road |

Estimated impacts with Single Window
- Reducing around 40% of export procedures
PRACTICAL IMPACTS

- Usage of Drawback: 30% of WEG total imports
- Around 8,000 materials imported through Drawback
- 360 different NCM/HS
- WEG is the Pilot Company for adding Drawback into the Brazilian Single Window System
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