



Doing Business in Brazil (45h)

Subject: Doing Business in Brazil

School of Economics and International Relations

Professor in charge: Mr. Marcus Vinícius Freitas

Objective: To offer an overview of the economics and legal aspects of doing business in Brazil.

Syllabus: Doing Business In Brazil (45 Hours):

Legal aspects of doing business in Brazil, tax law, intellectual property law, corporate laws, legal entities, tax planning, labor regulations, Central Bank regulations on foreign investment.

Topics:

1. INTRODUCTION

- 1.1 Overview of Brazilian economy and evolution over the last 20 years.
- 1.2 General aspects of starting up an operation in Brazil.
- 1.3 Positive and negative aspects of investing in Brazil.
- 1.4 Legal treatment of foreign capital.

2. CORPORATE STRUCTURE

- 2.1 Types of legal entities available.
- 2.2 Branch vs. Subsidiary.
- 2.3 Limited Company and S.A.
- 2.4 Other types of legal entities.
- 2.5 Capital Market Structure.

3. TAXATION

- 3.1 General principles of taxation in Brazil.
- 3.2 Corporate Taxation: Federal, State and Municipal Level.
 - 3.2.1 Federal Taxes: Income Tax, Import Tax, IPI, PIS, COFINS.
 - 3.2.2 State Taxes: ICMS, IPVA.
 - 3.2.3 Municipal Taxes: ISS and IPTU.
- 3.3 Transfer Pricing Rules.
- 3.4 Taxation Regimes: Actual Profits or Presumed Profits.



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4. LABOR

- 4.1 General aspects of Brazilian labor law.
 - 4.1.1 Mandatory employee benefits.
 - 4.1.2 Fringe benefits.
 - 4.1.3 Restrictions for foreigners.
 - 4.1.3.1 Permanent employment visa requirements.
 - 4.1.3.2 Employment of spouses/children.

5. LAND OWNERSHIP

- 5.1 Restrictions for foreigners.
- 5.2 Licensing of effectively or potentially polluting activities.
- 5.3 Liabilities for environmental damages.

6. INTELLECTUAL PROPERTY

- 6.1 General Aspects of Intellectual Property Regulation.
- 6.2 Patents.
- 6.3 Trademarks.
- 6.4 Technology transfer agreements.
- 6.5 Franchise agreements.

7. INTERNATIONAL TAX PLANNING

- 7.1 Overview of Brazilian tax treaties.
- 7.2 Use of tax treaty network for operational planning.

8. INTERNATIONAL ECONOMIC AGREEMENTS

- 8.1 ALALC and ALADI agreements.
- 8.2 MERCOSUR: General overview of the agreement.
 - 8.2.1 MERCOSUR functions.
 - 8.2.2 MERCOSUR structure.
 - 8.2.3 MERCOSUR external agreements.

9. COMPETITIVENESS LAW

- 9.1 Antidumping Regulation.
 - 9.1.2 Export price lower than that ordinarily found in the exporter's domestic market.
 - 9.1.3 Injury to the national industry.
 - 9.1.4 Causal connection between injury and the dumping.
 - 9.1.5 Dumping Investigation.



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10. CONSUMER LAW

- 10.1 Overview of Brazilian consumer law.
- 10.2 Inversion of the burden of proof.
- 10.3 Disregard of the legal entity.

11. ARBITRATION AND FOREIGN JUDGMENTS

- 11.1 Overview of Brazilian arbitration law.
- 11.2 Arbitration procedure and awards.
- 11.3 Foreign judgments.
- 11.4 Supreme Court recognition.

Bibliography:

DOLINGER, Jacob. *Direito Internacional Privado, Parte Geral*. Editora Renovar, 2003

Becker, Thomas H. *Doing Business in the New Latin America: A Guide to Cultures, Practices and Opportunities*, Greenwich Publishing Group, Inc. 2004

The World Bank, *Doing Business 2008*, The World Bank 2007

Travis, Tom. *Doing Business Anywhere: The Essential Guide to Going Global*, John Wiley & Sons, Inc., 2007

French, John D. *Drowning in Laws: Labor Law and Brazilian Political Culture*, The University of North Carolina Press, 2004

Brazilian Civil Code

Evaluation: Participation in class, seminars and final paper.

Lowest grade for approval: 0 (zero)

Higher grade for approval: 10 (ten)

Minimum grade for approval: 5 (five)

Minimum attendance for approval: 75%