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Council for Trade in Services

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**NOTIFICATION OF BRAZIL'S PREFERENTIAL TREATMENT TO SERVICES
AND SERVICE SUPPLIERS OF LEAST DEVELOPED COUNTRIES¹**

The following notification from the delegation of Brazil, dated 4 November 2015, is being circulated to the Members of the Council for Trade in Services.

1. In fulfilment of its commitment to implement the ministerial Decisions on Preferential Treatment to Services and Service Suppliers of Least-Developed Countries (WT/L/847), adopted at the WTO's Eighth Ministerial Conference, and on the Operationalization of the Waiver Concerning Preferential Treatment to Services and Services Suppliers of Least-Developed Countries (WT/L/918), adopted at the WTO's Ninth Ministerial Conference, the Permanent Mission of Brazil to the World Trade Organization has the honor to notify to the WTO Council for Trade in Services the preferential treatment accorded by Brazil to services and services suppliers of least-developed countries, with effect from 4 November 2015.

2. In this notification, Brazil has tried, to the extent possible, to grant preferences in sectors and modes of supply that are of particular export interest to least-developed countries, as identified in The Collective Request Pursuant to the Bali Decision on the Operationalization of the LDC Services Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least Developed Countries (S/C/W/356).

3. Pursuant to Paragraph 2 of the Waiver Decision, Brazil reserves the right to modify its preferences before the expiration of the Waiver, in case of legislative or regulatory changes. Brazil further reserves the right to make technical amendments to this notification and make corrections to rectify any errors, omissions, or inaccuracies in this notification as well as to clarify and interpret the terms and conditions of this notification.

4. Brazilian preferences, as detailed in the Annex, are made available with respect to the application of measures described in Article XVI of the General Agreement on Trade in Services, subject to the terms, limitations and conditions specified in the Horizontal Commitments section of Brazil's Schedule of Specific Commitments (GATS/SC/13).

5. The individual sectors and sub-sectors are identified in accordance with the classification list in Document MTN.GNS/W/120 and the corresponding United Nations Provisional Central Product Classification (CPC Prov.) numbers wherever possible.

6. This notification follows the Guidelines for the Scheduling of Specific Commitments under the General Agreement on Trade in Services adopted by the Council for Trade in Services on 23 March 2001 (S/L/92).

7. For the purposes of interpretation of Brazilian preferences, the cross-border supply of services through electronic means, including the Internet, is limited to mode 1.

¹ For greater certainty, this notification is not subject to Annex 2 to the WTO Agreement: *Understanding on Rules and Procedures Governing the Settlement of Disputes*.

ANNEX

Sector or subsector	Preferences for LDCs regarding market access	MFN Commitments (GATS/SC/13)
1. BUSINESS SERVICES		
A. <u>Professional Services</u>		
e) Engineering design services (CPC 86726)	1) Unbound 2) Unbound 3) Foreign service suppliers must join Brazilian service suppliers in the form of a "consórcio", in which the Brazilian partner maintains the leadership. 4) Unbound	No commitments
e) Other engineering services during the construction and installation phase (CPC 86727)	1) Unbound 2) Unbound 3) Foreign service suppliers must join Brazilian service suppliers in the form of a "consórcio", in which the Brazilian partner maintains the leadership. 4) Unbound	No commitments
j) Veterinary services (CPC 932)	1) None 2) None 3) None 4) Unbound	No commitments
B. <u>Computer and Related Services</u> (CPC 84, except for 843 and 849)	1) Unbound 2) Unbound 3) None 4) Unbound	No commitments
F. <u>Other Business Services</u>		
e) Technical testing and analysis services (CPC 8676)	1) Unbound 2) Unbound 3) None 4) Unbound	No commitments
g) Services incidental to fishing (not including the property of fishing boats) (CPC 882)	1) Unbound* 2) Unbound 3) None 4) Unbound	No commitments
k) Placement and supply services of personnel (CPC 872)	1) Unbound* 2) Unbound 3) None 4) Unbound	No commitments
n) Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment) (CPC 633 + 8861 + 8862 + 8863 + 8864 + 8865 + 8866, except 63309)	1) Unbound* 2) Unbound 3) None 4) Unbound	No commitments

Sector or subsector	Preferences for LDCs regarding market access	MFN Commitments (GATS/SC/13)
p) Photographic services (CPC 87501, 87502, 87503, 87505, 87506, 87507)	1) Unbound 2) Unbound 3) None 4) Unbound	No commitments
q) Packaging services (CPC 876)	1) Unbound* 2) Unbound 3) None 4) Unbound	No commitments
s) Convention services (CPC 87909)	1) Unbound 2) Unbound 3) None 4) Unbound	No commitments
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES		
d) Building completion and finishing work (CPC 517, except 5179)	1) Unbound* 2) Unbound 3) None 4) Unbound	No commitments
4. DISTRIBUTION SERVICES		
A) <u>Commission agents' services</u> (CPC 621, except 62118)	1) Unbound 2) Unbound 3) None 4) Unbound	No commitments
7. FINANCIAL SERVICES (i) Financial services suppliers shall be organized as a "sociedade anônima" (corporation), unless otherwise specified. (ii) Financial services suppliers of banking services shall be authorized by Presidential decree in order to be incorporated under Brazilian law. (iii) Business services sellers, contractual services suppliers and independent professionals are not allowed to supply financial services in Brazil. (iv) There are legal limits to the acquisition of foreign financial services by Brazilian financial institutions. (v) Mandatory insurance can only be placed in Brazil. (vi) Technical representatives of insurance and insurance-related services shall have permanent residency in Brazil.		
7.A. <u>Insurance Services and insurance-related services</u>		
c1) Agencies and Brokerage Services (CPC 81401) c1.1) Agencies and Brokerage Services for Insurance and Open Private Pension Funds c1.2) Agencies and Brokerage Services for Reinsurance and Retrocession	1) Unbound 2) Unbound 3) None 4) Unbound	Commitments with limitations for mode 3. No commitments for modes 1, 2 and 4.
c.2) Consultancy, Actuarial and Survey Services (CPC 81402, 81404)	1) None 2) None 3) None 4) None	Full commitments for modes 1, 2 and 3. No commitments for mode 4.

Sector or subsector	Preferences for LDCs regarding market access	MFN Commitments (GATS/SC/13)
9. TOURISM AND TRAVEL RELATED SERVICES		
B) <u>Travel agencies and tour operators services</u> (CPC 7471)	1) Unbound 2) Unbound 3) None 4) Unbound	No commitments
C) <u>Tour Guide Services</u> (CPC 7472)	1) Unbound* 2) Unbound 3) None 4) Unbound	No commitments
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES (other than audiovisual services)		
D) <u>Sporting services</u> (CPC 9641, except CPC 96419)	1) Unbound 2) Unbound 3) None 4) Unbound	No commitments
11. TRANSPORT SERVICES		
B) <u>Auxiliary Services to Maritime Transport</u>		
Maritime Cargo Handling Services (as in item 1 – Definitions)	1) Unbound* 2) Unbound 3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender. 4) Unbound	No commitments
Storage and Warehousing Services (CPC 742)	1) Unbound* 2) Unbound 3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender. 4) Unbound	No commitments
Customs Clearance Services (as in item 2 – Definitions)	1) Unbound* 2) Unbound 3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender. 4) Unbound	No commitments
Container station and depot services (as in item 3 – Definitions)	1) Unbound* 2) Unbound 3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender. 4) Unbound	No commitments

Sector or subsector	Preferences for LDCs regarding market access	MFN Commitments (GATS/SC/13)
Maritime Agency Services (as in item 4 – Definitions)	1) None 2) Unbound 3) None, except: Occupancy of areas of public domain in ports is subject to availability and concession procedures or public call for tender. 4) Unbound	No commitments
DEFINITIONS 1. "Maritime cargo handling services" means activities exercised by stevedore companies, including terminal operators, but not including the direct activities of dockers, when this workforce is organized independently of the stevedoring or terminal operator companies. The activities covered include the organization and supervision of: <ul style="list-style-type: none"> - the loading/discharging of cargo to/from a ship; - the lashing/unlashing of cargo; - the reception/delivery and safekeeping of cargoes before shipment or after discharge. 2. "Customs clearance services" (alternatively "customs house brokers' services") means activities consisting in carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity. 3. "Container station and depot services" means activities consisting in storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipments. 4. "Maritime agency services" means activities consisting in representing, within a given geographic area, as an agent the business interests of one or more shipping lines or shipping companies, for the following purposes: <ul style="list-style-type: none"> - marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies, acquisition and resale of the necessary related services, preparation of documentation, and provision of business information; - acting on behalf of the companies organizing the call of the ship or taking over cargoes when required. 		
F) <u>Road Transport Services</u>		
b. Freight transportation (CPC 71231, CPC 71233, CPC 71234)	1) Unbound 2) Unbound 3) None 4) Unbound	Commitments with limitations for mode 3. No commitments for the other modes of supply