

Minutes of the Fourth Meeting of the Brazil - India Trade Monitoring Mechanism (TMM) held on 30th September, 2016 in Brasilia

1. The Fourth Meeting of the Brazil - India Trade Monitoring Mechanism (TMM) was held on 30th September, 2016 in Brasilia. The Brazilian Delegation was led by Mr. Fernando de Magalhães Furlan, Vice Minister of Industry, Foreign Trade and Services (MDIC). The Indian Delegation was led by Ms. Anita Praveen, Joint Secretary, Ministry of Commerce and Industry (MCI). The list of participants is at Annex I.

2. Vice Minister Mr. Fernando Furlan welcomed the Indian Delegation to the Fourth Meeting of the Brazil- India TMM. In his opening remarks, relevant trade figures were mentioned concerning bilateral exchange of goods, services and investment.

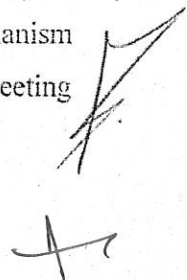
3. Joint Commerce Secretary, Ms. Anita Praveen thanked the Brazilian Delegation for organizing the Fourth Meeting of the TMM. In her opening remarks, explained the reasons for the absence of the Commerce Secretary, Ms Rita Teaatia. The Indian delegation observed that trade figures showed potential for bilateral trade growth.

4. The following issues were discussed during the meeting :

Visa/ Immigration Issues

5. The Indian side reported the difficulties that entrepreneurs and businessmen of that country were facing for obtaining business visas to come to Brazil. They argued that the required documentation was exaggerated and that the period of stay allowed in Brazil, 90 days, was too short. They pointed out also that there were delays in the renewal and processing processes of business and working visas in Brazil. Finally, they consulted if there was a possibility of facilitating the procedures for the coming of Indian workers responsible in particular for equipment installation and maintenance.

6. The Ministry of Foreign Affairs considers that the Consular Dialogue Mechanism between Brazil and India is the right mechanism to discuss consular issues. Its last meeting



took place in July 2015. Another meeting should take place this year or by the beginning of 2017.

Ata Carnet

7. There was an introduction, by the Receita Federal do Brasil (RFB, the Brazilian Federal Revenue Office) representative, about the use of the Ata Carnet mechanism in the world and its internalization envisaging international trade promotion. The Ata Carnet is functioning for the import operations, just for cargo as the Bill of Lading (maritime) or AWD (air waybill). It began to work also for export from October 1st for any modal cargo or luggage. The Brazilian guarantor is CNI.

Indian side informed that ATA Carnets are already being issued by India and FICCI is the guarantor.

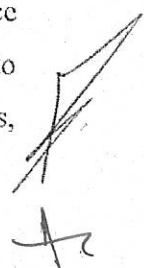
Exchange of views on the expansion of MERCOSUR-India PTA

8. Both sides gave a brief overview of the discussions held during the meeting of the Mercosur-India Joint Committee. In that event, there was consensus on the schedule and modalities of the negotiations for the enlargement of the Preferential Trade Agreement.

Exchange of information regarding business missions and trade fairs expected to be held in Brazil and in India in 2016-17 and investment opportunities in Brazil

9. CNI representative made a presentation about the program to attract investment called "Brazil for Business", and how they help foreign companies to investing in Brazil. It was mentioned that even though India is already an important Brazilian partner, trade between the two countries could grow more and involve other industrial sectors. It was also informed that they are committed to giving guidance to Brazilian companies that are starting to invest abroad and that CNI will organize 30 main events next year, including events connected to the BRICS Fair:

10. Apex-Brasil representative informed about the business mission that will take place from 09 to 18 October 2016 to New Delhi and Mumbai. It will take Brazilian businessmen to the BRICS fair, in New Deli, and this will be followed by technical visits and business rounds,



in Mumbai. Apex underlined that they offer a customized support and information to help Indian investors who would like to come to Brazil.

11. RENAI / SDCI / MDIC (Rede Nacional de Informações sobre o Investimento / Brazilian Investment Information Network) representative presented their work and opportunities to invest in Brazil. They informed about opportunities shown at the 5th Catalog Online, published on August 9th. They also mentioned the difference of the new Secretariat on Investment Partnership Program (IPP), linked to the Presidency of the Republic, that was created by the government to strengthen the coordination of infrastructure investment policies through partnerships with the private sector.

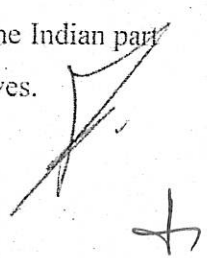
12. Indian side will send the list of events being organized in Brazil by the Indian Industry Bodies and EPCs and also details about their participation in events proposed by Brazil.

13. The Indian delegation made a presentation of the Make in India Program, that provides support and investment facilitation. They highlighted the advantages of investing in India and the ease of doing business in the country. It was outlined about some sectors where India is now more open to investment as defense, aviation, broadcasting, banking, railways, automotive sector, auto components construction, pharmaceuticals, plantation, food processing, telecom, insurance and pension, medical devices, e-commerce and retail. As an indicator of the good results, the presentation showed that the FDI inflows are increasing. They informed 100% of FDI is allowed to infrastructure projects. It was also emphasized that India has a robust intellectual property regime.

Collaboration in the areas of Leather, Civil Aviation Automotive, Food processing, Agribusiness.

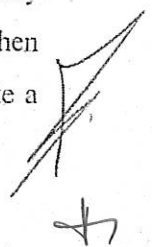
14. The representative of the Indian government explained that the topics about automotive, food processing and agribusiness were included in the "Make in India" presentation. They also presented opportunities for Brazilian companies to invest in producing leather products in India. The representative of MAPA took note.

The Brazilian vice-minister mentioned the Embraer contribution, submitted last July 22nd, attending the public consultation on the Regional Connectivity Plan and asked the Indian part to evaluate the contributions. A copy was handed over to the Indian representatives.

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Market Access Issues – Tariff & Non-Tariff Barriers:

15. Seeds of Pearl millet, Sorghum, Corn seeds, rape seeds and cotton – the Indian representative presented issues concerning the market access for seeds of Cotton, pearl millet, sorghum, corn seeds and rape seeds by India to Brazil to which the representative of the Ministry of Agriculture, Livestock and Food Supply (MAPA) of Brazil proposed to establish a focal point in order to permit progress in the discussions. He also suggested that both sides could check what is pending.
16. Textile sector - the representative of SDCI/MDIC took note of the observations made by the Indian delegation regarding the Brazilian import taxes on textiles. The Brazilian side informed that tariff issues will be treated under the Mercosur India PTA negotiations.
17. INMETRO Certification - the Indian side informed that they would like to propose an agreement for mutual recognition of certifying authorities of both sides. This issue will be addressed by the Indian certifiers organization in coordination with INMETRO.
18. Import of services to Brazil - the Indian side mentioned the multiple taxes imposed on import of Services to Brazil raising offshoring prices from India. The representative of RFB offered his contacts as a focal point to reply to formal and specific demands.
19. Bill of Lading – the India representatives pointed out that the changes made to the Brazilian Bill of Lading procedures (by the Brazilian Regulation IN 1.356) posed huge risks to their exporters as the consignment are released without the requirement. The RFB representative explained that although the changes were made in order to reduce bureaucracy, the measure was not well accepted by exporters of different nationality and they are studying to resume the previous wording of the IN 680.
20. Hospital equipment - the Brazilian representative explained that ABIMO (Association of Medical and Dental Products Manufacturers) identified great opportunities for cooperation at the medical-hospital-dental sectors and for supplying it. They would like to work closely with India counterpart on the Indian and Brazilian regulatory systems in order to strengthen both countries ties and better understand differences and similitudes and, possibly, create a



"fast track" mechanism, as India has with the U.S. and the E.U. They are asking for a focal point to give ABIMO to have explanation about the Indian legislation, on procedures and demands, to export to India

Pharmaceutical Products and Life Science

21. It was informed that the MoU about cooperation between the Health Regulatory Authorities from Brazil (ANVISA) and India (CDSCO) will be signed during the President Michel Temer visit to India during the BRICS summit next October.

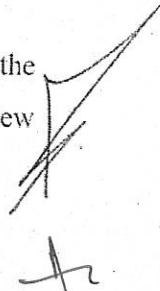
22. Regarding Regulatory issues concerning Pharma exports, the Indian delegation informed about some issues concerning pharmaceutical exports to Brazil:

- a) Delay in grant of marketing authorizations for the dossiers filed by generic companies.
- b) Time consuming process for scheduling an inspection of the manufacturing facility (to verify if the manufacturing facility complies with the guidelines of Good Manufacturing Practices (GMP).
- c) Engagement of constructive interactions between companies and ANVISA.
- d) Development of a generic product to be launched in Brazil.
- e) Post approval changes in the dossier.

23. The ANVISA representative said that the concerns raised by Indian delegation are known issues by Brazilian Regulatory Agency. After the signature of the MoU between ANVISA and CDSCO, it will be possible to establish a confidence building relationship to address regulatory issues. It was mentioned that ANVISA will organize a high level mission to New Delhi to set up a basis to develop a bilateral work plan for cooperation, considering that India is a strategic partner in pharmaceutical and medical devices regulatory fora. ANVISA is aware that administrative issues are time consuming during the process of marketing authoring and Agency is trying to address the problem with a new work flow to better organize the whole process.

Agricultural subjects

24. Concerning the demands of the Brazilian private sector for sanitary agreement in the beef and chicken meat sectors, presented by the representative of the MAPA of Brazil in view

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of their need for better conditions to settle a referential structure to the bilateral trade, the Indian side asked for a focal point to a formal proposal. The Indian representative informed that Cow meat (beef) is not allowed to be imported in India as per DGFT notification.

25. The Indian representative also informed that they would indicate a focal point to clarify doubts and advance on the matters expressed by the Brazilian Association of Animal Protein (ABPA) to MAPA on the import license

26. Sanitary agreement on Wood - The MAPA representative informed that the private sector is facing difficulties in customs clearance of timber exports from Brazil to India. They would like to start a technical discussion to establish electronic health certification named E-phyto from FAO (Food and Agriculture Organization of the United Nations). The Indian representative will indicate a focal point to start the discussion.

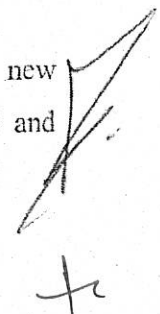
27. Sanitary Barrier to Wet Blue Leather – the Brazilian representative informed about the Centre of Industries of Tanneries in Brazil (CICB) issue about an extra phytosanitary certificate demanded. CICB informed that, besides complying with the Customs Clearance demand about the certificate of origin, lately a new “Animal Health Certificate” became required (with extra procedures that makes the export process more time consuming and expensive). They argue that Wet Blue leather do not need sanitary certificate because it has already been treated and it does not present any risk. In addition, this new certificate does not apply because it is designed to raw, salted, pickled, limed and dried skins and hides. The Indian representative will check the information.

Discussion on Brazil-India Business Leaders Forum (BIBLF)

28. Ms Praveen expressed the intention to move to next steps on organizing the BIBLF. Both sides agreed that the Embassy of India will further the discussions with the CNI representatives, the Brazilian focal point for this issue.

India-Brazil Bilateral Investment Treaty

29. The representative from MDIC explained that both Brazil and India have a new investment agreement model. Negotiations between the two countries began in 2015 and



meetings and video conferences were held throughout the year. The representative from MRE/Brazil informed that the negotiations were very productive and he is very optimistic to conclude them next week in order to firm the agreement during the BRICs meeting in October.

Social Security Agreement between Brazil and India

30. The representative of the Brazilian Social Security Secretariat at the Ministry of Finance informed that they received the information on the inclusion of this point on the agenda of this meeting and indicated that Brazil is ready to begin negotiations. The Indian representative informed that India has this type of agreement with other 15 countries. The Indian government has already shared a draft agreement and will again share a copy to be analysed by Brazil.

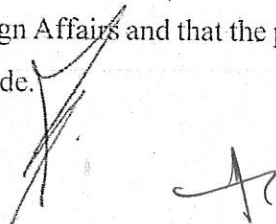
Cooperation between INPI and DIPP

31. This issue will be discussed in Rio de Janeiro meetings.

Services

32. The Indian side expressed interest in further discussions in the service sector. The Brazilian side informed that MDIC is open to discuss any initiative for cooperation in the services area.”

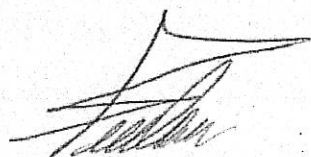
33. Concerning the Indian request to discuss an agreement, the Brazilian side reinforced that Services negotiation is coordinated by the Ministry of Foreign Affairs and that the proposal should be discussed by CAMEX – the Chamber of Foreign Trade.

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Closing Remarks

34. Vice Minister Mr Fernando de Magalhães Furlan expressed his gratitude to Ms Anita Praveen, Ambassador Sunil Lal and the Indian delegation presence at the meeting.
35. Joint Secretary Ms Anita Praveen expressed her appreciation for the Brazilian government welcome and the constructive meeting for both sides' interests. She stated that this has been a useful interaction with tangible outcomes and emphasized that the TMM must meet regularly for reviewing the pace of cooperation and progress on decisions taken.

For the Government of Federative Republic
of Brazil



Mr. Fernando de Magalhães Furlan
Vice Minister of Industry, Foreign Trade
and Services
Government of Brazil

For the Government of the Republic of
India



Ms. Anita Praveen
Joint Commerce Secretary
Department of Commerce
Ministry of Commerce and Industry
Government of India

List of Participants

Brazilian delegation

Ministry of Industry, Foreign Trade and Services (MDIC):

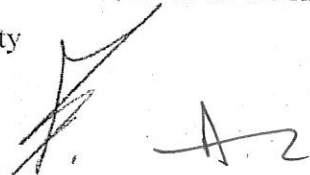
- 1) Mr. Fernando de Magalhães Furlan, Vice Minister of Industry, Foreign Trade and Services
- 2) Janaína Silva, Head of the International Advisory to the Cabinet of the Minister of Industry, Foreign Trade and Services
- 3) Renata Carvalho, General Coordinator of Foreign Market of the Secretariat of Trade and Services
- 4) Gabriela De Marchi Capeletto, International Advisory to the Minister's Cabinet
- 5) Maria Olivia Lamazière, Deputy Minister's Office
- 6) Ricardo França Laquintinie, Deputy Minister's Office
- 7) Daniela Ferreira de Matos, Secretariat of Foreign Trade
- 8) Klenize Chagas Fávero, Secretariat of Foreign Trade
- 9) Helder Paulo Machado Silva, Secretariat of Foreign Trade
- 10) Thayana Freitas de Queiroz, Secretariat of Industrial Development and Competitiveness
- 11) Isadora Vasconcelos, Secretariat of Industrial Development and Competitiveness

Ministry of Foreign Affairs (MRE):

- 12) Ary Norton de Murat Quintella, Director of the Department of Central Asia, South Asia and Oceania
- 13) Norberto Moretti, Director of the Department of Financial Matters and Services
- 14) Eduardo Teixeira Souza, Division of Trade Negotiations with the Middle East, Africa and Asia
- 15) Paulo Antônio Viana Júnior, Division of South Asia
- 16) Luiz Felipe Vilela Pereira, Division of Immigration
- 17) Hugo Freitas Peres, Division of South Asia

Ministry of Finance (MF):

- 18) Eduardo Basso, Head of the International Affairs Division, Secretariat of Policies for Social Security

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19) Bruno Carvalho Nepomuceno, General Coordination for Customs Administration, Custom Clearance Division, Secretariat of the Federal Revenue of Brazil (RFB)

Ministry of Agriculture, Livestock and Food Supply (MAPA):

20) Leandro D. Feijó, General Coordinator of Sanitary and Phytosanitary Themes, Secretariat of Agribusiness International Relations

Ministry of Science, Technology and Innovation (MCTI):

21) Cláudia Wirz, Analyst in Science and Technology

22) Nanahira de Rabelo, Analyst in Science and Technology

ANVISA:

23) Jacqueline Condack Barcelos, Inspection and Certification Manager

24) Mateus Cerqueira, Specialist in Regulation and Health Surveillance, Coordination of International Cooperation

APEX-Brasil:

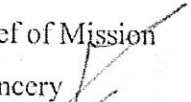
25) Maira Leite Resende, Investment Division

26) Lara Cristina Silva Gurgel, Trade Promotion Division

CNI – Industry National Confederation:

27) Felipe Spaniol, Internationalization

Indian Delegation

1. Ms. Anita Praveen, Joint Commerce Secretary
 2. Mr. Sunil Lal, Ambassador of India
 3. Mr. Ishtiaque Ahmed, Director of the Department of Industrial Policy and Promotion
 4. Mr. K.V. Nagi Reddy, Director of Commerce for Latin America
 5. Ms. Abhilasha Joshi, Consul General of India in Sao Paulo
 6. Mr. Abhay Kumar, Deputy Chief of Mission
 7. Mr. Kshitij Tyagi, Head of Chancery
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