

U.S. - Brazil 2020 Protocol on Transparency and Trade Rules

Key Facts

The Protocol updates the existing Agreement on Trade and Economic Cooperation, in place from 2011, with three new annexes that can deliver practical benefits to traders in all sectors. As Brazil and the United States engage under the ATEC to implement this Protocol, we will reduce red tape and improve opportunities for bilateral trade and investment.

Annex I: Customs Administration and Trade Facilitation

This Annex expands on the multilateral WTO Trade Facilitation Agreement, and includes:

- Online publication of customs and other border information, including practical steps for import, export and transit; current duties, taxes and fees imposed at the border; requirements related to customs brokers, and procedures to correct errors
- Single window for import, export and transit
- Electronic systems for traders, including submission of customs declaration and related documentation
- Acceptance of electronic documents under specific international standards, including e-Phyto electronic phytosanitary certificate
- Joint work plan to advance AEO mutual recognition agreement
- New article to promote appropriate border treatment for agricultural and other goods vulnerable to deterioration, including review of entry process requirements
- Broad scope for advance rulings, including classification, valuation, origin, and application of quotas
- Mechanisms to help ensure consistent customs treatment from port to port, including through advance rulings and administrative guidance
- Prohibition on consular transactions in connection with importation
- Disciplines on penalties, including no penalties on minor errors (unless part of a consistent pattern) and procedures to allow correction of errors without penalties.
- Expanded customs cooperation, including on trade enforcement

Annex II: Good Regulatory Practices

The Good Regulatory Practices Annex, only the second U.S. trade agreement of its kind after USMCA, will provide greater transparency about Brazilian regulatory procedures, including:

- Online publication of draft regulations, opportunity to comment on draft regulations, and appropriate consideration of comments
- A web site with information about plans for regulating, regulations being developed, and regulators' specific responsibilities
- Encouragement of the use of a Regulatory Impact Assessment to evaluate draft regulations, including examination of the positive and negative impact of a regulation and feasible and appropriate alternatives to the regulation
- Review of regulations, to assess effectiveness of regulations and identify opportunities to reduce regulatory burden
- Encouragement for regulatory authorities to use reliable high quality information, and to be transparent about the source of information used
- Recognition of the role of advisory groups, public notice of the membership and activities of advisory groups, and the opportunity to provide input on topics under their mandate

Annex III: Anticorruption

The Anticorruption commitments include:

- Obligations to adopt and maintain measures to prevent and combat bribery and corruption
- Provisions to preclude the tax deductibility of bribes and establishes measures regarding the recovery of proceeds of corruption and the denial of a safe haven for foreign public officials that engage in corruption
- Effective, persuasive sanctions for corrupt acts
- Rules for integrity in maintaining financial records, including financial statement disclosure and auditing requirements
- Procedures to report corrupt acts, and protection for persons who report corruption (whistleblowers)
- Policies and procedures to promote accountability of public officials
- Obligations regarding the participation of the public sector and civil society in the effort to prevent and combat bribery and corruption