

Pensions, privatization,
prison

Economic snapshot
Banking & finance
Business news
Infrastructure issues
Mining & metals

Oil & gas in brief
Petrobras news
Renewable energy
Environmental news
Science & technology

Politics in brief
Defense issues
Legal issues
Social issues

Diplomatic briefs
International trade

Firm news
Client alerts
Publications

VEIRANO ADVOGADOS' REVIEW OF ECONOMIC, LEGAL, AND POLITICAL DEVELOPMENTS

JANUARY/FEBRUARY

VistaBrazil

2019



Justice and Public Security Minister Sergio Moro has proposed an anti-crime bill

Pensions, privatization, prison: Cutting spending and tackling crime

It has not taken the new Brazilian government long to begin making its mark – or at least to talk about it.

The new administration is promising to eliminate the deficit through a series of bold measures such as reforming the pension system, awarding oil concessions, and privatizing state-owned companies. None of these is a new initiative and some, such as social security reform, have proven tough nuts to crack in the past.

Economy Minister Paulo Guedes indicated on 24 January that priority would be given to structural reforms to reduce public spending. The minister also said that about US\$10 billion in subsidies would be eliminated at a

later point, once the social security reform package has been approved.

Pensions currently consume some 50 percent of the budget, and President Jair Bolsonaro sent a message to Congress on 4 February in which he promised a sweeping new system.

Part of the plan is to establish an individual retirement savings account; a move intended to boost the private savings rate and improve growth.

Another measure being proposed to improve the efficiency of the system is to reduce the volume of ...



VistaBrazil is published bi-monthly
Produced by Blakeley Words+Pictures
Writer/editor: Camilla Blakeley

© 2019 · Veirano Advogados and Blakeley Words+Pictures
All text rights reserved

VistaBrazil is sponsored by Veirano Advogados
Founding Partner: Ronaldo C. Veirano
Managing Partner: Ricardo C. Veirano

Rio de Janeiro
Av. Presidente Wilson
231 / 25º andar
20030-021 - Rio de Janeiro RJ - Brasil
(55 21) 3824 4747 Phone
(55 21) 2262 4247 Fax
contact@veirano.com.br
www.veirano.com.br

São Paulo
Av. Brigadeiro Faria Lima
3477 / 16º andar
04538-133 - São Paulo SP - Brasil
(55 11) 2313-5700 Phone

Porto Alegre
Av. Dr. Nilo Peçanha
2900 / 15º andar
91330-001 - Porto Alegre RS - Brasil
(55 51) 2121 7500 Phone

Brasília
SCS Qd. 9 Lt. C - Ed. Parque Cidade Corporate - Torre A
12º andar sl. 1203
70308-200 - Brasília DF - Brasil
(55 61) 2106 6600 Phone

Disclaimer

This newsletter is intended to provide general information regarding recent events, developments, and trends in Brazil. It is not intended, nor should it be relied on, to provide legal analysis or legal advice on any of the information covered in the newsletter. Veirano Advogados and Blakeley Words+Pictures cannot ensure against or be held responsible for inaccuracies. To the full extent permissible by law Veirano Advogados shall have no liability for any damage or loss (including, without limitation, financial loss, loss of profits, loss of business, or any indirect or consequential loss), however it arises, resulting from the use of any material appearing in this publication or from any action or decision taken as a result of using information presented in the publication.

disability pensions by implementing better professional rehabilitation programs to help workers get back to work. Currently less than 5 percent of those receiving disability pay are receiving rehabilitation treatment.

Globally, less than 10 percent of total pensions are granted under disability, but in Brazil the rate is 17–18 percent.

One of the most contentious issues is the minimum retirement age. Just three days into his term, the president had told reporters that his government would set the minimum retirement age at 62 for men and 57 for women: significantly lower than 65 and 62 proposed by the previous administration.

Talks reportedly then got under way with congressional leaders, state governors, and mayors on the idea of establishing a minimum of 65 for everyone, with the requirement to pay into the pension system for at least 20 years. That ambitious plan would certainly be welcomed by the markets as a key part of putting the country's fiscal house in order.

A draft of the reform was presented to the president for review on 14 February, and by the next day Bolsonaro, who favored the lower retirement ages, had reportedly

capitulated to the 65/62 proposal, but with a longer transition period – 12 years.

The indecision and debate over the issue is a reflection of just how difficult it will be to get agreement on new legislation. A proposal is expected to be sent to Congress within the next one to two weeks, when the government must wrangle the reform through Congress. It may take the first half of the year just to pass the Chamber of Deputies, before making its way to the Senate.

Selling assets

At the same time, the government plans to privatize almost all of the 138 state-controlled companies in order to reduce expenditures and bring in revenue. Oil company Petrobras and federal banks Banco do Brasil and Caixa Econômica Federal will remain in government hands, but the goal is to sell off everything else, including all subsidiaries of these last three state companies.

The proposal envisions asset sales of at least US\$20 billion this year alone, according to Reuters.

The government's privatization secretary, Salim Mattar, estimates that up to US\$214 billion could ultimately be raised through the sale of state assets. He has also ...



VEIRANO ADVOGADOS

Offices in Rio de Janeiro, São Paulo, Porto Alegre, and Brasília ...

suggested that the investment arm of the Brazilian Development Bank (BNDES) might be closed after selling all its stakes in private companies. That could include shares in meatpacker JBS, power holding company Cemig, aircraft manufacturer Embraer, and Petrobras.

Infrastructure Minister Tarcísio Gomes de Freitas and Mining and Energy Minister Bento Albuquerque have also made bold statements about privatizing many national assets and offering concessions.

Freitas has announced public tenders for various airports, highways, railways, and port terminals. The minister also declared that he intends to privatize all airports that are currently managed by state company Infraero. Federal auctions scheduled for the first quarter of 2019 are expected to bring at least US\$1.7 billion.

Albuquerque, meanwhile, has affirmed that the privatization of electric utilities company Eletrobras will go ahead. The intention is to sell additional shares on the market to raise capital. Two strategic subsidiaries, nuclear power generation unit Eletronuclear and the massive Itaipú Binacional hydroelectric plant, which straddles the Brazil–Paraguay border, will first be separated from the holding company.

Taking nuclear private?

Albuquerque also contends that private companies should not face any restrictions in the exploration of nuclear energy. He wants construction of the Angra 3 nuclear plant to resume with a new private partner under the Partnership for Investment Program (PPI).

The Brazilian Constitution stipulates that exploration, industrialization, and trade of nuclear minerals – and

enrichment of the same – are under the monopoly of the state. Albuquerque would like the prohibition on private-sector involvement to be reconsidered, although he has described that as his personal opinion.

The minister is a staunch advocate of nuclear energy as a crucial part of the national energy grid. He would like to see private companies participate in small-scale nuclear enterprises and in the construction of small reactors for water desalinization.

Fighting crime

Meanwhile, Justice and Public Security Minister Sergio Moro has outlined his proposal for an anti-crime bill that amends the Criminal Code, the Criminal Execution Law, the Law of Heinous Crimes, and the Electoral Code, among other legislation. Brazil has the world's highest number of murders, and the new government has made combatting corruption and violence a major plank of its platform.

The bill is intended to combat violent crime and organized crime. It involves tougher sentencing especially for repeat offenders, whistle-blower protections, the entrenchment of plea bargains, and a clampdown on political corruption. It also proposes jailing those whose convictions are upheld on first appeal, ending what has been de facto impunity for the wealthy and well connected.

Moro's bill must of course be passed in Congress, however, and about 30 percent of its members are currently under criminal investigation.

The new government has outlined several proposals that resonate with the business community and the general public. Making them a reality will be the next hurdle.

ECONOMY & BUSINESS

Economic snapshot

Interest rate on hold

At its meeting on 6 February, the Monetary Policy Committee of the Central Bank (COPOM) kept the benchmark Selic interest rate at 6.50 percent, where it has been since March 2018. And in a Reuters poll, more than half of economists surveyed indicated that they did not expect the rate to change this year, a view confirmed by the tone of the COPOM meeting minutes.

Pension reform is expected to be the hook on which future rate changes hang. Economists are hopeful that President Jair Bolsonaro's plan will pass Congress, and potentially save US\$350 billion over the next decade. If it does so, investor confidence – and the Brazilian real – should rise. That would mean a lower risk of a rate increase.

Consumer confidence up

The International Monetary Fund has predicted a growth rate of just 2.5 percent for Brazil in 2019, but Brazilians are finding that relatively encouraging after emerging from the depths of recession.

Consumer confidence at the end of 2018 was 93.8 points, the highest in five years, buoyed by hopes that the new government's economic policies will improve the business environment. The Bovespa stock market is also showing signs of more robust performance, at 97,000 points.

VEIRANO ADVOGADOS

Government & Regulatory ...

Upcoming events

Title	Date	Place	Sponsor/Host	Contact
ICABMIT: International Conference on Advances in Business Management and Information Technology	24 February 2019	Rio de Janeiro	IIER	info@theiier.org
Capital Markets Opportunities for Brazilian Issuers – Expectations for 2019	26 February 2019	New York	Brazilian–American Chamber of Commerce	www.brazilcham.com
REFF LatAm: Financing Latin America’s Renewable Energy Future	11 March 2019	Miami	Moody’s Investors Service	emseminars@euromoneyplc.com
IJLATAM: Latin American Infrastructure Opportunities	12–13 March 2019	Miami	Moody’s Investors Service	emseminars@euromoneyplc.com
9th Latin America China Investors Forum	26 March 2019	Beijing	Latin Finance	www.latinfinanceevents.com
Agricultural Investing	1 April 2019	New York	Brazilian–American Chamber of Commerce	www.brazilcham.com
RMMLF/IBA International Mining and Oil & Gas Law	10–12 April 2019	Rio de Janeiro	International Bar Association	www.ibanet.org
2019 Brazil Summit	15 April 2019	New York	Brazilian–American Chamber of Commerce	www.brazilcham.com

Industrial statistics

The Brazilian Institute of Geography and Statistics (IBGE) has reported that industrial output increased 1.1 percent in 2018, a slower pace than the 2.5 percent of the previous year. December’s output was up 0.2 percent over November but 3.6 percent down compared to the same period in 2017.

The most significant positive impact was made by the automotive sector, where production rose 12.6 percent, followed by pharmaceutical products at 6.1 percent, metallurgy at 4 percent, machinery at 3.4 percent, and oil by-products at 1 percent. The most significant negative impact was the food sector, with output falling

5.1 percent. Clothing and footwear production fell 3.3 percent and 2.3 percent, respectively.

Opposing freight rate minimums

The new Ministry of the Economy has submitted an official letter to the Supreme Court criticizing the previous administration’s policy of minimum freight rates, which were brought in to end a crippling truckers’ strike. The letter referred to the policy as institutionalizing a cartel. The constitutionality of the freight rate law is due to be determined in the next few weeks.

President Jair Bolsonaro has strong support from the agricultural sector, which has opposed minimum freight

rates because they sharply increase transport costs. His government wants the anti-trust Administrative Council for Economic Defense (CADE) and the Public Prosecutor’s Office to investigate the allegedly illegal conduct of the trucking industry and to impose sanctions and criminal penalties as justified.

Relatedly, a subsidy on the price of diesel fuel, also brought in to appease truckers, ended on 1 January.

VEIRANO ADVOGADOS

Commercial Contracts...

Banking & finance

Balancing the books

At the end of January, Brazil posted its fifth consecutive annual deficit, albeit a smaller one than anticipated. The government forecast for 2018 was R\$159 billion (US\$42.7 billion); the actual figure was R\$120.3 billion (US\$32.3 billion).

The federal debt rose to about US\$1.03 trillion in December, up 8.9 percent year on year. The Brazilian Treasury predicts public debt this year rise up to US\$1.18 trillion. Net financing needs are also expected to increase by almost 20 percent, to approximately US\$214 billion.

According to Treasury forecasts, short-term notes linked to the benchmark Selic interest rate will account for 38–42 percent of the federal debt this year, up from 35.5 percent last year. The benchmark Selic interest rate is at an all-time low of 6.50 percent and is expected to remain at about that level through the year.

Fixed-rate bonds will represent 29–33 percent of the total debt stock, compared with 33 percent last year, while the share allocated to inflation-indexed bonds is expected to be 24–28 percent, compared to 27 percent last year.

At the same time, the new economy minister, Paulo Guedes, is proposing a balanced budget for 2019.

That will depend in part on the states, which last year negotiated an extension to repay their debts to the federal government in exchange for capping their annual expenditures. Some 10 states have already indicated that they haven't been able to keep within the prescribed limits, however, and the federal government may have to extend the deadline for compliance.



Embraer will sell 80 percent of its commercial plane division to Boeing for \$4.2 billion

Foreign investors currently own just over 11 percent of the Brazilian domestic federal debt – down almost a full percentage point from 2017 – but analysts believe that proportion may rise under the new government.

Agribank abroad?

International Valor reports that Brazilian Agribank is considering launching an IPO in the United States if it receives government approval. Last year the bank requested that the securities regulator rescind its registration as a publicly held company, a move that potentially facilitates a foreign listing.

Credit rebound

As January drew to a close, Itaú Unibanco, Banco do Brasil, Bradesco, and Santander Brasil banks were expected to post a combined fourth-quarter profit of US\$5.15 billion for 2018, 12 percent higher than in the fourth quarter of 2017.

Driving earnings was a rebound in the Brazilian credit market. The Central Bank reported on 29 January that the volume of loans grew by 5.5 percent in 2018,

reaching US\$865 billion. That signals the end of a two-year retraction of credit. Credit for private individuals grew 8.6 percent, to US\$475 billion, and for companies grew 1.9 percent, to US\$390 billion.

Business news

Embraer-Boeing deal moving ahead

Embraer has signed the master transaction agreement for a tie-up with US aircraft manufacturer Boeing and called a shareholder assembly for 26 February to approve the partnership. President Jair Bolsonaro's government has approved the deal, whereby Embraer will sell 80 percent of its commercial plane division to Boeing for \$4.2 billion.

The Boeing–Embraer deal has faced challenges on multiple fronts, including from left-wing politicians and labor representatives who say it will lead to job cuts. The deal was temporarily blocked by Brazilian judges twice through injunctions, both of which have since been reversed.

Aerial surveying JV

Terra Drone Japan and Brazilian Plimsoll UAV have established a new joint venture: Terra Drone Brazil.

Plimsoll already provides drone survey services in Brazil, specializing in the inspection of floating production storage and offloading systems for oil and gas operations.

Terra Drone has acquired a significant stake in Plimsoll, and Terra Drone Brazil will expand on its services to support utility networks, cell towers, and mining operations through the use of geographic information systems.

Precision agricultural analysis

Israel Aerospace Industries (IAI) has signed an agreement with Santos Lab to collaborate on the use of unmanned aerial surveillance and advanced analytics for large-scale precision agricultural applications, such as analysis of crops and soil conditions.

Rio-based Santos will perform the agricultural missions using the BirdEye 650D UAS, while IAS will analyze the data. The service is expected to become operational at the end of 2019.

Canadian in the sun

Canadian Solar has obtained a US\$80.7 million financing package from Banco do Nordeste for its Salgueiro solar project in Pernambuco. The company expects to begin construction this year and have the plant operational by mid-2020. It will sell the output under a 20-year deal with the Brazilian Electric Power Commercialization Chamber.

This is the second Canadian Solar project to be financed by Banco do Nordeste.

Infrastructure issues

Avianca struggles to keep fleet

Avianca Brasil – a carrier with 13 percent of Brazil's air transportation market – has been having a difficult time.

The company filed for bankruptcy in December after falling behind on its lease payments but obtained a limited stay on repossessions of its aircraft so that it could continue operating. It has indicated that it will give back some planes and scale back operations.

Meanwhile, aircraft leasing firms GE Capital Aviation Services (GECAS) and Aircastle want to repossess their aircraft earlier. Aircastle and GECAS together own 40 percent of the carrier's 46-plane fleet. Without those aircraft in operation, thousands of passengers could find themselves without a ride.

Airport concessions

Partnership for Investment Program (PPI) director Adalberto Vasconcelos has indicated that one or two more blocs of airport concessions will be announced after March, including Curitiba, but not the busy Congonhas airport in São Paulo or Santos Dumont airport in Rio de Janeiro.

Because these are key to funding Infraero, the government agency that manages airports, they will be held back from auction for the time being.

Expanding the freight railways

The government plans to conduct three new railway concessions by the beginning of 2020, doubling the share of railways in the transportation matrix by 2025.

The Ferrogrão grain railway, running from Sinop in Mato Grosso state to Miritituba on the Tapajós River, will

reportedly be ready for bidding this year or early in 2020. The 930 km railway will expand the agricultural sphere of influence of the main grain-producing state, Mato Grosso, by linking the center-north productive region of Sorriso to Itaituba, Para, in the lower Amazon basin.

The FICO and FIOL railways will connect the central farm belt to the North-South line and the Atlantic ports, with the capacity to move 8 million tons of grains per year.

Mining & metals

Dam inspections

The federal government has ordered inspections of all mining dams in Brazil. Minas Gerais state has 132 dams, so the need to monitor their potential to cause damage is strong.

A recent National Water Agency (ANA) study classified 45 reservoirs as having structural flaws that make them vulnerable to collapse or other accident, and some 3.5 million Brazilians live in areas with dams considered to be high risk.

Safety first for CSN

CSN Mineração has announced that by the end of 2019 it will eliminate the storage of mine tailings at its operations in Congonhas, Minas Gerais, as part of an effort to reduce risks. The tailings are stored at a reservoir using the downstream method, but CSN is shifting to a method of dry-processing ore that is safer.

VEIRANO ADVOGADOS

Infrastructure & Projects...

ENERGY & ENVIRONMENT

Oil & gas in brief

Petro Rio to control Frade

Petro Rio has agreed to buy Chevron's 52 percent stake in the Frade oil field. That will bring the company's share to 70 percent and give it control of operations. Petro Rio also owns stakes in the Polvo and Manati fields. The company now has an estimated output of 28,000 barrels of equivalent oil per day, making it the largest Brazil-based independent oil producer.

Maha maintenance

Swedish company Maha Energy has been conducting scheduled refinery maintenance in Brazil, causing delivery of approximately 7,900 barrels of oil to be postponed. The Tartaruga field operation was shut throughout January due to the planned 7TTG and 107D intervention work.

Renewable energy

Buying from Uruguay and Argentina

Brazil has had to import electricity from Uruguay and Argentina in order to increase its available reserves. While not facing actual shortages, by 22 January the country was at its highest level of energy production in 20 years in response to a spike in demand brought on by soaring summer temperatures. ...

VEIRANO ADVOGADOS

Oil, Gas & Biofuels ...



Petrobras America has signed a share purchase agreement with Chevron with respect to the Pasadena Refining System

Petrobras news

Breaking the gas monopoly

Argus media reports that the National Petroleum, Natural Gas, and Biofuels Agency (ANP) is considering a redefinition of the role of Petrobras in the natural gas market. The state-owned company has been the sole wholesaler of gas and sole supplier to distributors, but ANP wants to reduce its responsibility for distribution and open up access to its LNG regasification terminals and pipelines in order to foster competition.

ANP has submitted a proposal on the matter to the anti-trust Administrative Council for Economic Defense (CADE).

ANP wants the Petrobras regasification terminals be classed as part of the country's essential gas transport infrastructure so that other companies can make use of excess capacity. LNG regasification terminals have

been operating with unused capacity of between 65 and 85 percent over the past decade.

The proposal also suggests that Petrobras should be required to grant access to offshore gas transport infrastructure, and to processing plants, in a "non-discriminatory and transparent" fashion.

Offloading Pasadena

Petrobras America has signed a share purchase agreement with Chevron with respect to the Pasadena Refining System, as reported on the Petrobras parent company website on 31 January. The complex, which is located near Houston, Texas, includes the refinery, pipelines, water access, and a tank farm with 5.1 million barrels of crude and refined products storage capacity.

The transaction value is put at US\$562 million, of which US\$350 million corresponds to equity and US\$212 million to working capital as of October 2018. ...



The first phase of development at the Lula offshore field has been completed

Cutting back on refining

Petrobras operates almost all of Brazil's 2.3 million b/d refining capacity, but the new government wants to use the company's 2019–23 divestment program to open the refining market to competition and ultimately pass lower prices on to consumers.

The company has plans to sell off four refineries, accounting for about 25 percent of processing capacity.

It is also in talks with the China National Petroleum Corporation to complete work on the 165,000 b/d Comperj refinery, which was halted in 2015 for lack of a construction partner. The complex is about 85 percent complete.

Proven reserves fall

On 30 January, Petrobras reported that its proven reserves of oil, condensates, and natural gas were 11.957 billion barrels of oil equivalent (boe) at the end of 2018. That is down 3.68 percent from 12.415 billion boe a year earlier and is the lowest level since 2001.

Production figures

Petrobras's production of oil, gas, and natural gas liquids (NGL) was 2.63 million barrels of oil equivalent per day (boed) for 2018. Of this total, 2.53 million boed was produced domestically and 101,000 boed abroad. The annual average of the company's total operated production (its share and that of partners) was 3.29 million boed, of which 3.16 million boed was in Brazil.

December total production was 2.70 million boed, of which 2.64 million boed was produced in Brazil and 63,000 boed abroad. The total operated production during the month was 3.4 million boed, representing a 3.3 percent increase.

Lula completes first phase

The first phase of development at the Lula offshore field has been completed, as the ninth floating production, storage, and offloading (FPSO) vessel began pumping oil in the Lula Norte area on 1 February. The field is expected to achieve 1 million barrels of daily production this year, and is the largest producing field in Brazil.

Brazil has an arrangement with Argentina and Uruguay under which the countries may request emergency energy imports. The assistance is undertaken in exchange for energy credits rather than payment.

Corn ethanol for all

The National Corn Ethanol Association (UNEM), corn ethanol producers, and logistics companies are working together in Mato Grosso to develop logistics solutions to export biofuel. Supply exceeds demand in the grain-producing state, which has a population of 3 million, and the surplus biofuel is expected to compete with ethanol imported from the United States in other regions of the country once distribution systems have been improved.

In the first of three planned phases, companies in the sector will develop railway and river barge networks to ship the state's excess biofuel to markets in the northern region.

In the second phase, the ethanol will be sent by barge to Belém, at the mouth of the Amazon, and then transported to the northeastern coastal states by the domestic shipping industry.

In the third phase, the biofuel will be sent south via pipelines and railways to consumer markets and refineries around the urban centers such as São Paulo and Rio de Janeiro.

Green light for REIDI

Six green power facilities with a combined capacity of 142 MW have been admitted to the national Incentive Regime for Infrastructure Development (REIDI), which means that they will now be allowed to issue infrastructure debentures and will receive tax incentives. ...

PHOTOGRAPH DIVULGADO PETROBRAS/AGÊNCIA BRASILEIRA

The six projects – Serra da Babilonia A, C, E, and F; Jerusalem I; and Lucia Cherobim – will cost an estimated US\$188.7 million. They offer a mix of wind and hydro power in Bahia, Paraná, and Rio Grande do Norte.

Voltaia ready to build

A 128 MW wind project in Rio Grande do Norte is ready for the construction phase. The Ventos da Serra do Mel 2 (VSM 2), owned by Voltaia, will be equipped with 36 turbines supplied by Siemens Gamesa Renewable Energy. Commissioning is scheduled for 2020.

Voltaia has secured two long-term power purchase agreements (PPAs) for the wind farm. The first is for 64 MW and will start in 2021; the other is for 64 MW and begins in 2024. Electricity generated before the PPAs are implemented will be sold on the free market.

Acquiring Assuruá

The Administrative Council for Economic Defense (CADE) on 4 February approved a purchase plan presented by Omega Geração to acquire 100 percent of the Assuruá Complex. The wind power generation project comprises 13 operational wind farms in Gentio do Ouro, Bahia, with a total installed capacity of 303 MW.

Environmental news

A break for NGOs

The Ministry of Environment has backpedaled on a decision to suspend all agreements and partnerships

VEIRANO ADVOGADOS

White-Collar Crimes...

PHOTOGRAPH: FÉLIX FRANÇA/AGÊNCIA SENADO



Suely Araújo, head of the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA), resigned on 7 January

with non-governmental organizations for the next 90 days. Ministry representatives have announced that the suspension will apply only to the signing of new contracts.

The move by new environment minister Ricardo Salles was justified as a process to permit the re-evaluation of the partnerships, but many observers interpreted it as an attack on NGOs that are working to protect the environment. President Jair Bolsonaro and his supporters have repeatedly criticized government support for NGOs.

IBAMA head quits

The head of the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA) resigned on 7 January after newly elected president Jair Bolsonaro used Twitter to criticize agency spending on rented vehicles used to patrol rough terrains. Suely Araújo, who has headed IBAMA since 2016, strongly denied the allegations.

Bolsonaro has repeatedly attacked IBAMA and its “crooked fines,” intimating on the campaign trail last year that he could shut the agency down.

Eduardo Bim, a lawyer for the Attorney General’s Office who specializes in environmental law, will head the environmental agency.

We still have Paris, for now

President Jair Bolsonaro asserted on 23 January that Brazil would remain a signatory to the Paris Agreement “for now,” according to *International Valor*.

Under the agreement, developed countries have an obligation to provide US\$100 billion for emerging economies such as Brazil to wean themselves from dependence on fossil fuels.

Bolsonaro’s administration reportedly wishes to focus on pressing for this responsibility to be fulfilled.

Science & technology

Mighty molecule

In cooperation with Stanford University, the Institute of Biomedical Sciences of the University of São Paulo (ICB-USP) has designed a synthesized molecule that can stop congestive heart failure from progressing in lab-tested animals and possibly even reverse its course by improving contraction of the heart muscle.

The breakthrough may increase the quality of life and the life expectancy of people suffering from cardiovascular disease.

The World Health Organization (WHO) estimated 17.7 million deaths from cardiovascular illnesses in 2015, which is 31 percent of all deaths worldwide.

Heart failure may come as a result of a poorly treated heart attack, high blood pressure, or heart valve issues.

The molecule, which has been named Samba, was also tested on human heart cells.

I've seen your face before

Original, the first digital bank in Brazil, is introducing facial recognition technology for authenticating banking transactions. Customers will validate their information through an app on their mobile phones.

The new functionality will be used in addition to a call-back process for transaction verification.

VEIRANO ADVOGADOS

Healthcare ...

POLITICS, LAW, SOCIETY

Politics in brief

A house divided

Rodrigo Maia, who is a member of the right-wing Democrats, has been elected as speaker of the Chamber of Deputies for a third time. His new term will be for two years.

Meanwhile, the race to head the Senate was far more controversial. Senator Renan Calheiros of the Brazilian Democratic Movement was originally thought to be a shoe-in for a third term as president. His primary challenger was first-term senator Simone Tebet.

And indeed Calheiros may well have been elected had his opponents not pushed for an open ballot. Traditionally, congressional leaders are chosen by secret ballot and there is no requirement to vote along party lines. Calheiros is an old-guard politician whose name is synonymous with backroom dealing, however, and many senators don't want to be seen to support him.

A poll in favor of an open ballot was therefore brought to the Senate floor by his opponents but caused such an uproar that the session had to be suspended. Within less than 12 hours, Supreme Court Chief Justice Dias Toffoli had accepted Calheiros's appeal against the motion.

The controversy continued when it was discovered that with 81 senators present there were 82 votes, and a second vote had to be called. As it was in progress, Calheiros – who appeared to see the writing on the wall – withdrew his candidacy and called for the new round of voting to be annulled.

Instead, the vote proceeded over Calheiros's objection. Into the vacuum stepped Senator Davi Alcolumbre of the Democrats, who was actively supported by Jair Bolsonaro's chief of staff, Onyx Lorenzoni, and is thus evidently the government's chosen candidate. Alcolumbre won with 42 votes – just one more than the minimum needed. Calheiros refused to fill out his ballot and has technically moved to the opposition.

The Bolsonaro government may have got the Senate president it wanted, but it will need to tread carefully around the influential Calheiros as he is now a potential enemy.

Turf war

As reported in the last issue of *VistaBrazil*, the incoming administration has undertaken a significant restructuring of government ministries, merging and moving various powers. Economist Paulo Guedes was giving an economic superministry responsible for – among many other things – financial and economic negotiations with foreign governments, multilateral organizations, and government agencies.

That has ruffled feathers in the Ministry of Foreign Affairs, as an executive order states that not only economic, trade, and financial negotiations but also negotiations of a technical and even a cultural nature will be shared between the two ministries.

That could enable the Ministry of the Economy to take the lead in trade and economic negotiations with other countries.

LGBT+ rights under fire

Within days of assuming office, President Jair Bolsonaro had signed several executive orders. One such ...

removed issues of concern to the LGBT+ community from consideration by the new Ministry of Human Rights, which is headed by an ultraconservative evangelical pastor. Damares Alves has repeatedly insisted that the Brazilian family is under threat.

It is therefore perhaps unsurprising that high-profile gay legislator Jean Wyllys announced not long afterward that he was giving up his legislative seat and living at an undisclosed location abroad because of threats to his life. He has vowed to continue to fight for LGBT rights abroad.

Wyllys's third political term had been due to start on 1 February. The Socialism and Freedom Party (PSOL), to which Wyllys belongs, indicated that his Congressional seat would be taken over by Rio de Janeiro politician David Miranda.

Bolsonaro leaves hospital

President Jair Bolsonaro underwent a nine-hour surgery on 28 January to remove a colostomy bag he was fitted with following his stabbing during the fall 2018 campaign, and to repair his intestinal tract. He was originally going to be discharged on 7 February but after developing pneumonia wound up making a 17-day stay at the Israelita Albert Einstein Hospital, in São Paulo, finally heading back to the presidential palace in Brasília on 13 February.

Legal issues

Keeping secrets for longer

Vice President Hamilton Mourão, acting as president during Jair Bolsonaro's hospitalization, signed a decree that amends the Law of Information Access, the Brazilian freedom of information legislation. ...

PHOTOGRAPH: AIRBUS HELICOPTERS



Helicópteros do Brasil has delivered a new H225M helicopter to the Brazilian Navy

Defense issues

A US base in Brazil?

In a sharp deviation from previous foreign policy, President Jair Bolsonaro has mused publicly about the possibility of allowing an American military base on Brazilian soil as a counterweight to Russian influence in Venezuela.

While attending a meeting of the Lima Group – 13 Latin American countries that are monitoring the political and economic crisis in Venezuela – Foreign Minister Ernesto Araújo confirmed the president's inclination. The Brazilian military has not welcomed the proposal, seeing it as an infringement on Brazilian sovereignty.

SAAB to supply air defense systems

On 14 January, Swedish military equipment manufacturer SAAB announced that it would deliver RBS

70 NG systems to the Brazilian Army. The Army has operated the RBS 70 since 2014, and this order is for the latest NG version of the portable air defense system. The RBS 70 NG offers day/night capability, laser guidance, and an automatic target tracker.

The order also includes training systems, camouflage systems, and other associated equipment.

New chopper for the Navy

Helicópteros do Brasil, known as Helibras, announced on 7 January that it had delivered a new H225M helicopter to the Brazilian Navy, to be used for combat, search and rescue missions. Under the H-XBR program, which was established in 2008, the Navy will receive 50 aircraft in total. To date, 34 have been delivered.

VEIRANO ADVOGADOS

Dispute Resolution ...



PHOTOGRAPH: RODRIGUE DESAGENCIAS/SENDDO

Flávio Bolsonaro was called by Council for Financial Activities Control (COAF) investigators to answer questions

12
18

The decree, which was made official on 24 January, increases the number of cabinet positions with clearance to classify internal information as ultra-secret and secret – denominations that carry secrecy provisions of 25 and 15 years, respectively. Civil servants with management positions at a certain pay grade will be able to make that determination, and will also be allowed to delegate to heads of federal agencies, foundations, public companies, and mixed-economy entities the power to assign secrecy to any document.

The Socialism and Freedom Party (PSOL) has indicated that it will file a motion at the Supreme Court (STF) to declare the decree null on the grounds of unconstitutionality. Widespread criticism has been leveled at the lack of transparency inherent in any increased power to determine secrecy.

Flávio, wherefore art thou?

The Council for Financial Activities Control (COAF) has identified transactions of approximately US\$325,000

in 2016–17 in the bank account of Fabricio Queiroz, the former driver and adviser of federal senator Flávio Bolsonaro, the son of Brazil's new president. Some payments through the account were made to Jair Bolsonaro's wife, Michelle Bolsonaro.

Bolsonaro junior and senior have denied any wrongdoing, as has Queiroz. The latter's lawyers told Rio prosecutors that their client was willing to cooperate with investigators but had to undergo an urgent surgery that prevented him from doing so.

Queiroz himself asserted in a television interview that a health crisis had stopped him from keeping appointments with prosecutors to explain the provenance of the money. He noted as justification for having substantial sums to hand that he runs a profitable automotive business. He did not explain why he was discussing the matter on TV when he had still not met prosecutors.

Jair Bolsonaro has said the money sent to his wife was to

repay a personal loan. Flávio Bolsonaro, who was called by COAF investigators to answer questions, has said that Queiroz gave him a “plausible” explanation and that the accusations were intended to undermine the Bolsonaro family.

Flávio Bolsonaro's lawyers argued that his position as a senator afforded him certain legal protections, including that any case involving him should be decided only by the Supreme Court (STF). They therefore sought an injunction against the investigation. The STF first ordered Rio de Janeiro state prosecutors to suspend the probe temporarily but then ruled on 1 February that the inquiry could proceed.

Tourism minister in fake candidate scheme

Tourism Minister Marcelo Álvaro Antônio of the Social Liberal Party (PSL) is accused of embezzling campaign funds through a scheme to sponsor fake political candidates.

At Antônio's request in 2018, national PSL headquarters transferred US\$76,000 to fund the campaigns of four candidates. At the time he was the Minas Gerais party chief. The candidates then received a combined tally of just over 2,000 votes. Meanwhile the money was transferred to four companies owned by Antônio's aides or their relatives.

Lula stays put

Former president Luiz Inácio Lula da Silva, who is serving a 12-year prison sentence for corruption, was granted temporary leave because of his brother's death.

Genival Inácio da Silva died on 29 January from cancer, and Lula's lawyers filed a court request hours later asking permission for him to take part in the funeral.



Supreme Court Chief Justice Dias Toffoli

Lower courts rejected the request because of security concerns, citing the potential for a large crowd to form at the funeral in order to see the former president. Supreme Court Chief Justice Dias Toffoli then decided as an alternative to allow Lula and some of his family members to see the body of his deceased brother, but only at a military base with restricted public access.

The former president elected instead to stay in prison, saying that he did not choose to meet his family clandestinely at the behest of the state.

Pezão assets blocked

At the request of the Rio de Janeiro Office of the Prosecutor, a court has blocked the assets of former state governor Luiz Fernando Pezão. The assets, some of them allegedly from bribes, reportedly total over US\$12 million.

VEIRANO ADVOGADOS

Labor & Employment ...

Social issues

Minimum wage up, a little

On his first day as president, Jair Bolsonaro signed a decree raising the monthly minimum wage from R\$954 (US\$257) to R\$998 (US\$269).

The 4.6 percent increase is nonetheless below the amount estimated in the state budget for 2019 prepared by the outgoing administration of Michel Temer. The rationale for the smaller increase is that the formula for arriving at the minimum wage is pegged to inflation, which has been lower than expected

Supporting vocational training

The Ministry of Education is considering making changes to some elements of the high school reform package passed by the previous administration, but remains committed to a policy of investing more in vocational training to help young workers enter the job market.

Minister Rociardo Vélez asserts that universities should be the preserve of an intellectual elite and that vocational education offers more immediate returns. Nonetheless, he intends to keep federal colleges tuition free, according to *International Valor*.

Location, location, location

A study released by the Getúlio Vargas Foundation and the Escolhas Institute reports that the Minha Casa, Minha Vida (My House, My Life) low-income home ownership program has created social isolation.

The program has focused primarily on building high-density projects in areas with few public services or employment opportunities, rather than on urban infilling or building at the urban fringes.

INTERNATIONAL AFFAIRS

Diplomatic briefs

Marching to Jerusalem

In an echo of recent US policy, Jair Bolsonaro seems set on moving the Brazilian embassy in Israel from Tel Aviv to Jerusalem.

During a meeting on 28 January with Vice President Hamilton Mourão, Palestinian ambassador Ibrahim Mohamed Khalil Alzeben asked Brazil not to relocate the embassy, calling the move detrimental to peace. But Bolsonaro said on 4 January that it is only a question of when, not if, the embassy is moved.

While in Brazil to attend Bolsonaro's inauguration, Israeli Prime Minister Benjamin Netanyahu also asserted that the new Brazilian president had guaranteed the change will take place. Bolsonaro in turn has been invited to pay a visit to Israel, as Netanyahu tries to shore up support ahead of his own country's election on 9 April.

The view on Venezuela

Brazil was at the forefront of Latin American countries recognizing Venezuelan Congressman Juan Guaidó as interim president after he announced that he had taken executive power from Nicolás Maduro.

The Brazilian Ministry of Foreign Relations released a statement of recognition, and President Jair Bolsonaro declared on Twitter that Brazil would "politically and economically support the transition process, so that democracy and social peace can be restored to Venezuela."

But will Brazil take action? Bolsonaro says that Brazil is ...

following the crisis closely and fears that a non-peaceful transition is under way. Vice President Hamilton Mourão, however, says the country will not intervene in the politics of Venezuela. On 31 January he suggested Brazil might adopt “small sanctions” against the country, noting that freezing the assets of Venezuelan officials could be considered.

Foreign Minister Ernesto Araújo announced on 2 February that Brazil was proposing the creation of an interministerial group to discuss initiatives for providing support for the Venezuelan political transition.

In Latin America, Guaidó’s position was also acknowledged by Argentina, Chile, Colombia, Ecuador, Paraguay, Peru, and Guatemala.

Thin on details in Davos

President Jair Bolsonaro was not a crowd pleaser when he spoke at the World Economic Forum in Davos in late January. The new president identified as priorities attracting foreign capital, exploiting natural resources, reducing taxes and bureaucracy, encouraging tourism, and supporting agribusiness.

His 10-minute speech did not, however, offer any details of an economic plan to attract foreign investment. Instead, Bolsonaro chose to praise recent right-wing political victories in Latin America and to reject the policies of the left. He called himself a supporter of “true human rights,” meaning family values and opposition to abortion.

Considering that his audience was interested in economic incentives to invest in Brazil, the performance was off key.

Exiting from migration pact

On 10 December 2018, Brazil and 163 other countries



President Jair Bolsonaro was not a crowd pleaser when he spoke at the World Economic Forum in Davos in late January

adopted the UN-sponsored Global Compact for Safe, Orderly, and Regular Migration. The pact sets out objectives for better managing migration at local, national, regional, and global levels in order to establish a common approach.

Almost exactly a month later, President Jair Bolsonaro announced on 9 January that he was withdrawing the country from the agreement in order to “preserve national values.”

International trade

China syndrome

Economy Minister Paulo Guedes and Chinese ambassador to Brazil Yang Wanming have been discussing ways to diversify Brazilian trade with China, the country’s primary export market, especially by boosting sales of value added goods in favor of commodities. Some 82 percent

of Brazilian sales to China comprise soybeans, crude oil, and iron ore, while in return China sells manufactured and capital goods to Brazil, such as oil drilling and mining equipment.

Last year, 26.8 percent (US\$64.2 billion) of total Brazilian exports overseas went to China, and 19.2 percent (US\$34.7 billion) of imports came from the Asian country. By contrast, 12 percent of Brazilian exports go to the United States and 6.2 percent to Argentina.

Playing chicken?

Saudi Arabia has denied that its decision to suspend imports of chicken from five out of 30 Brazilian companies is in any way linked to the planned move of the ...

VEIRANO ADVOGADOS

Banking & Finance ...



PHOTOGRAPH: GOODFREEPHOTOS

Brazil sent 437,000 tons of chicken to Saudi Arabia last year

Brazilian embassy from Tel Aviv to Jerusalem – a decision that is strongly criticized in the Arab world.

A statement released on 25 January indicated that the suspension was rooted in a technical process to upgrade the list of Brazilian companies qualified to export. The Saudi Arabian government had sent a technical mission to assess chicken slaughter conditions and then licensed 25 Brazilian companies that complied with established standards.

These companies sent 437,000 tons of chicken to Saudi Arabia last year, 63 percent of all Brazilian chicken exports.

Making Mercosur competitive

President Jair Bolsonaro and Argentina's President Mauricio Macri are talking about revising Mercosur's Common External Tariff (TEC), a unified tariff on products imported from outside the bloc, and reducing tariffs on steel, petrochemicals, capital goods and technology, and telecommunications goods. The goal

is to boost international trade and make Mercosur economies more competitive.

In general, the Bolsonaro administration wants to shift the South American trade bloc away from involvement in political issues, a policy that is supported by Argentina, Uruguay, and Paraguay.

Soy up, soy down

The Brazilian association of vegetable oil producers (ABIOVE) has cut its estimate of soybean exports in 2019 by 5 percent and trimmed the volume of last year's ending stocks following higher than expected exports last year. The US–China trade war meant that crushers had to find non-US supply, and Brazilian exports soared.

With the likelihood that the United States and China will resolve the issue, however, Brazilian exports are expecting a drop from 83.8 million tons in 2018 to 70.1 million tonnes in this year. Exports of soy oil are expected to fall to 400,000 million tons, compared to 1.43 million tonnes last year.

ABIOVE represents all the main agribusiness majors in the country.

You scratch my back

Brazil and the United States may be able to help each other in terms of trade. Brazil wants the US market reopened for its fresh beef exports, while the United States wants a quota on Brazilian wheat and a 10 percent tariff on anything over the limit. The suggested ceiling is 750,000 tonnes of wheat.

The Bolsonaro government has so far sent numerous friendly signals to the Trump administration, so the prospect of an agreement seems likely.

VERBATIM

Verbatim reports on recent developments at Veirano Advogados, offers timely client alerts on new legislation and related information, lists publications authored by members of the Firm's team of specialists, and provides other current and pertinent content.

Firm news

Hosting China-Brazil Business Council

Veirano Advogados recently hosted a board meeting of the China–Brazil Business Council. The meeting was attended by Vice President Hamilton Mourão, as well as Veirano partners Pedro Freitas, Robson Barreto, and Alberto Bragança. The conversation covered perspectives on China–Brazil relations and addressed opportunities and challenges related to bilateral ties.

Four new partners

Veirano Advogados begins 2019 with the promotion of four associates to partner: Cristian Divan Baldani (Labor & Employment, Rio de Janeiro), Filipe Scherer Oliveira (Dispute Resolution, Porto Alegre), Graziela Pinto Lima (Corporate & Mergers and Acquisitions, São Paulo), and Isabela Martins Xavier (Corporate & Mergers and Acquisitions, São Paulo).

[Continue reading...](#)

Global Competition Review 100

The recently released 2019 edition of the *Global Competition Review 100* has recognized Veirano Advogados for its competition practice, highlighting partners Mariana Villela and Leonardo Maniglia Duarte. The *GCR 100* is a comprehensive listing of top competition practices around the world. [Continue reading...](#)

Legal reaction tool for water, waste, and tailings dam crises

In view of recent announcements by public authorities on the inspection of all existing dams in Brazil, Veirano's VA Response has formed a Dams Committee and released a new version of our readiness system, offering immediate support and tools to assist in emergencies.

[Continue reading...](#)

Client alerts

Environmental licensing suspended

The Minas Gerais Secretary for Environment and Sustainable Development (SEMAD) has issued Resolution 2,762/2019, suspending all environmental licensing proceedings connected with the regularization of tailings dams in the state. [Continue reading...](#)

Dam safety plan

Resolution 165/2018 of the State Environmental Institute (INEA) establishes guidelines for drafting the Dams Safety Plan (PSB). The plan regulates national and state dam security policies. [Continue reading...](#)

Mining occupational safety and health

The Ministry of Labor has published Ordinance 1,085/2018, amending Regulation 22, which regulates aspects of mining-sector occupational safety and health.

[Continue reading...](#)

STJ precedents on environmental damages

The Superior Court of Justice (STJ) published Precedents 623 and 629 at the end of 2018, regarding civil liability for environmental damages. The first may impose environmental obligations on a current or former owner at the creditor's discretion. The second refers to

the requirement to repair damage. [Continue reading...](#)

State law changes policy on solid waste

Law 8,298/2019 has recently been published to amend Law 4,191/2003 and establish state policy on solid waste. The law defines standards for the disposal of solid waste in aquifer areas and establishes guidelines for new and existing sanitary landfills. [Continue reading...](#)

Environment reserve quota

Decree 9640/2018 has been published in order to regulate the Environment Reserve Quota (CRA). The CRA was established by article 44 of the Forest Code (Law 12,651/2012). [Continue reading...](#)

Environment Regularization Program deadline

A provisional act was published in the end of 2018 to amend the Forest Code (Law 12,651/2012) in order to extend the period of the Environment Regularization Program (PRA). [Continue reading...](#)

Urban environmental impact

The Environmental State Council of São Paulo has published Ordinance 3, establishing that construction in designated Permanent Preserved Areas (APP) in urban areas will be considered to have low environmental impact if the given area no longer fulfills an environmental function. [Continue reading...](#)

Vehicle emissions program

The Federal Environmental Council has published Resolution 492, regulating two phases of the Air Pollution Control Program for Vehicles (PROCONVE) for new light motor vehicles for road use. [Continue reading...](#)

Modification of energy tariffs

Public Hearing 59/2018 is under way before the Brazilian Electricity Regulatory Agency (ANEEL). The purpose is

to gather input on the Regulatory Impact Analysis (RIA) for the future modification of the distribution tariff on certain consumers in order to adopt a twofold structure (energy plus grid use). RIA is a phase of ANEEL's process for proposing and passing regulatory alterations.

[Continue reading...](#)

Distributed generation regulatory framework

The Brazilian Electricity Regulatory Agency (ANEEL) has started public hearing 01/2019 in order to obtain input and information about the Regulatory Impact Analysis (RIA) for the revision of Normative Resolution ANEEL 482/2012. [Continue reading...](#)

Natural gas sector regulation

Decree 9,616/2018 amends Decree 7,382/2010 and provides for activities related to the transportation, treatment, processing, storage, liquefaction, regasification, and commercialization of natural gas. [Continue reading...](#)

Brazilian and Japanese PTO pilot project

The Brazilian Patent Office (INPI) and the Japanese Patent Office (JPO) have launched the second phase of the pilot Patent Prosecution Highway (PPH) project. The phase will extend the variety of technical fields included in the project and will last for two years.

[Continue reading...](#)

Social contributions on meal allowances

The Federal Revenue Office has released Consultation 35/2019 to deal with social security contributions levied on meal allowances. The consultation establishes the conditions under which employee meal allowances are subject to deductions. [Continue reading...](#)

Central Bank to review AML/CTF regulation

The Central Bank of Brazil has launched Public ...

Consultation 70 to review anti-money laundering and counter-financing of terrorism (AML/CTF) policies in order to incorporate recommendations from the Financial Action Task Force (FATF-GAFI).

[Continue reading...](#)

Government contract scrutiny

With the issue of Decree 39,620/2018, the Governor of the Federal District has determined that certain contracts and payments must pass through the District's internal control unit before being processed. [Continue reading...](#)

Boosting local development

The Governor of the Federal District has announced the reformulation of the Governing Board of Private Public Partnerships (PPPs) of 2014, along with new regulations for Manifestation of Interest Procedures (PMI) and Manifestations of Private Interest (MIP). The goal is to expand private-sector participation as a way of boosting local development. [Continue reading...](#)

New construction code for Rio

Complementary Law 198/2019 has instituted a Simplified Code of Construction Works and Buildings for the city of Rio de Janeiro. The goal of the new code, which has just 40 articles to the 500 of the previous code, is to simplify the rules for those who wish to renovate or undertake new construction. [Continue reading...](#)

Real estate purchase contracts

Law 13,786/2018 has been published to regulate the termination of real estate purchase contracts. It changes the Real Estate Development Law and the Parceling of Urban Land Law. [Continue reading...](#)

A step closer to real-time payments

Communication 32,927 of the Central Bank of Brazil

establishes some fundamental bases for making real-time payments under the Brazilian Payments System (SPB) scheme. [Continue reading...](#)

Civil Code amended

The Brazilian President has sanctioned Federal Law 13,792/2019, which amends certain provisions of the Brazilian Civil Code dealing with limited liability companies. [Continue reading...](#)

New importation rules

The Brazilian Federal Revenue (RFB) has opened Public Consultation 08/2018 for the release of a normative instruction to regulate importation conducted "on behalf of a third party" and importation conducted "by order/upon request". [Continue reading...](#)

Brazilian Data Protection Authority

Provisional Measure 869/2018 was published, promoting amendments to several articles of the Brazilian General Data Protection Law. The law was enacted in 2018 and creates the Brazilian Data Protection Authority. [Continue reading...](#)

National Security Policy for Information

Decree 9,637/2018, establishing the National Security Policy for Information (PNSI), entered into force at the end of 2018. It sets forth rules governing information security and bidding releases in cases that could compromise national security. [Continue reading...](#)

End to aviation foreign ownership cap

The Brazilian Federal Government has published Provisional Measure 863/2018, amending the Brazilian Aviation Code (Law 7,565/196) and lifting existing restrictions to foreign capital shareholding in Brazilian air transportation companies. [Continue reading...](#)

Publications

Life Sciences & Healthcare Newsletter

Veirano Advogados has released a new edition of its *Life Sciences & Healthcare Newsletter*, which is prepared by a multidisciplinary team of specialists on the healthcare industry. The most recent edition contains articles on hospital charges for patient medication, computerized handling of medical records, and new corporate governance rules for healthcare plan operators. [Continue reading...](#)

Environment Newsletter

Veirano Advogados has released a new edition of its *Environment Newsletter*, prepared under the coordination of partner Ana Luci Grizzi and associate Leonardo Freire. [Continue reading...](#)

Employment and labor law

Veirano partner José Carlos Wahle contributed a country snapshot to the *Lexology Navigator* discussing Brazilian labor law reform. He explains key considerations and emerging issues and proposals. [Continue reading...](#)

Pharmacy advertising guidelines

Partner Valdir Rocha and associate Lígia Alvarenga, together with IP consultant Rodrigo Ayres de Oliveira, have contributed an article to the *GALA Gazette*, on Resolution 658/2018. The resolution was published by the Federal Council of Pharmacy to regulate publicity, advertising, and the announcement of activities related to the pharmaceutical profession. [Continue reading...](#)

Labor reform one year on?

Partner José Carlos Wahle has contributed an article to the *Ius Laboris* alliance, summarizing how labor reform has affected employment law and relations one year on. [Continue reading...](#)

Trademarks Law Review

Veirano associate Mauricio Maleck has contributed a chapter to the second edition of *The Trademarks Law Review*. He explores the intention of the Brazilian government to join the international trademark system known as the Madrid Protocol. [Continue reading...](#)

Considering comparative advertising

Partner Valdir Rocha and associate Lígia Alvarenga have contributed an article to the *GALA Gazette* on a dispute

between ride-sharing companies Uber and 99. The case led to a discussion of the possibility of comparative advertising. [Continue reading...](#)

Use of AdWords in Brazil

Associate Mauricio Maleck has contributed an article to the *GALA Gazette* exploring the implications of paying for AdWords services via internet search engines such as Google and Bing. In Brazil, using a competitor's trademark to divert internet traffic to another webpage

may constitute trademark infringement and unfair competition. [Continue reading...](#)

VEIRANO ADVOGADOS

VistaBrazil January/February 2019