



Brazil



Trade Facilitation Challenges for Women Traders and Customs Brokers

Survey findings and recommendations

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Brazil

Number of active cross-border trade firms (2020): 42,273³

Number of active customs brokers (2020–2021): 2,582⁴

Capital city: Brasília

Region: Latin America and the Caribbean

Income category: Upper-middle income⁵

Population (2020): 212,559,409⁶

GDP (current US\$ millions, 2020): 1,444,733.26⁷

Est. GNI per capita woman/man (2019 based on 2017 PPP\$): 10,535/18,120⁸

Labor force participation rate (% of total pop. ages 15–64, 2019) women/men: 62/80⁹

Merchandise exports and imports (% of GDP, 2020): 26.0¹⁰

Top exports by value (2021): Iron ore and its concentrates; soybeans; crude petroleum oils or bituminous minerals; sugars and laces; fresh, chilled or frozen beef¹¹

Top imports by value (2021): Fuel oils from petroleum or bituminous minerals (except crude oils); fertilizers or chemical fertilizers (except raw fertilizers); other manufacturing industry products; automotive parts and accessories; telecommunications equipment including parts and accessories¹²

WTO Trade Facilitation Agreement ratification date: March 29, 2016

³ This number is based on the list of firms from the CNPJ database.

⁴ This number is based on the list of customs brokers provided by Feaduaneiros, through a partnership with customs.

⁵ GNI per capita between \$4,096 to \$12,695. Data source: The World Bank. n.d. Data: World Bank Country and Lending Groups. Accessed 2021. <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>.

⁶ The World Bank. 2020. World Development Indicators Database. Accessed 2021. <https://databank.worldbank.org/source/world-development-indicators>.

⁷ Ibid.

⁸ United Nations Development Programme. 2019. Human Development Data Center. Accessed 2021. <http://hdr.undp.org/en/data>.

⁹ World Development Indicators database.

¹⁰ Ibid.

¹¹ MDIC. n.d. Comex Stat. Accessed 2021. <http://comexstat.mdic.gov.br/en/home>.

¹² Ibid.

The Environment for Working Women in Brazil

Brazil scored 85.0 out of 100 – slightly above the Latin America & Caribbean regional average – in the 2021 Women, Business and the Law index, which is structured around the lifecycle of a working woman. Its top scores were for the indicators of mobility, workplace, marriage, and assets, while lower scores were given for payment, parenthood, **entrepreneurship**, and pension. According to the OECD and the Global Entrepreneurship and Development Institute, Brazil has mixed performance in terms of supporting women's entrepreneurship – primarily making progress on equal rights and fostering positive perceptions about women in leadership and entrepreneurship, but women continue to face challenges when it comes to growth-oriented entrepreneurship.

Summary of key recommendations based on survey findings

Initial findings demonstrate an opportunity to improve the design of trade facilitation interventions to better address the needs of not only all traders and customs brokers but for women in particular, e.g., by:



Expediting the full and effective implementation of the WTO TFA, including by concluding the Trade Single Window and AEO program



Promoting the National Trade Facilitation Committee and Local Trade Facilitation Commissions



Improving access to and understanding of official border regulations and procedures among traders and customs brokers



Enhancing formal and regular trade consultations between the government and the private sector



Strengthening and promoting electronic declaration systems



Implementing the centralized, electronic payments system in the Trade Single Window and continuing efforts to eliminate the payment of unofficial fees



Ensuring detention processes are promptly informed to traders and customs brokers



Reviewing and publicizing official grievance procedures in a consolidated manner in the Trade Single Window



Ensuring consistency in the implementation of border procedures



Reviewing the entry requirements of professional customs brokers



Re-assessing and better advertising border operating hours in consultation with traders and customs brokers



Improving safety and security at the airport, seaport, and land border posts



Expediting reduction of trade tariffs and addressing constraints related to expensive and complex transport and logistic services

Section IV of the report provides more details on the suggested action areas for each of the recommendations listed.



The Port of Salvador in All Saints Bay, Bahia
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Financial district in São Paulo
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Brazilian business woman
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1 Executive Summary

Gender equality and inclusion are central to the World Bank Group's twin goals of ending extreme poverty and boosting shared prosperity. Research has shown that the expansion of international trade is essential for poverty reduction, and it provides better job opportunities and increased returns particularly for women working in export-oriented sectors because exporting companies tend to offer more stable employment, higher wages, and better working conditions than the domestic, informal sector.¹³ Oftentimes, however, women may face more barriers than men that prevent them from fully participating in trade. Thus, trade reforms can affect men and women differently.

There is a growing body of research on why women participate less in cross-border trade. Women, for example, face challenges related to access to finance (trade-related activities typically require a lot of capital and collateral), experience lower levels of literacy and lack of knowledge about cross-border trade regulations and procedures, face higher export costs as owners of smaller firms as well as exclusion from distribution networks.¹⁴ However, there is still a lack of data and research that quantifies the exact nature of the challenges that women traders face at the firm-level. Even less research is available on the gendered impact of trade facilitation reforms. Generally speaking, trade facilitation measures are non-discriminatory and apply to all traders in their design; however, these measures may not necessarily impact or benefit all traders in similar ways.

To better understand the cross-border trade and trade facilitation environment in Brazil, especially whether there are gendered differences or disparities between those that identify as belonging to ethnic minority groups¹⁵ or having special needs, **the World Bank Group undertook a study through telephone surveys of cross-border trade firms. Customs brokers were also surveyed given that a large majority of traders in Brazil hire customs brokers and/or other agents to facilitate import and export processes and procedures.**

¹³ WTO. 2017. *Gender Aware Trade Policy: A Springboard for Women's Economic Empowerment*. Geneva: World Trade Organization.

¹⁴ *Ibid.*

¹⁵ An ethnic minority is a group of people who differ in race or color or in national, religious, or cultural origin from the dominant group — often the majority population — of the country in which they live. The respondents were asked if they identified with a minority group and had the option to decline to respond.

Box 1. WTO Agreement on Trade Facilitation

The WTO Agreement on Trade Facilitation (WTO TFA) contains provisions for expediting the movement, release, and clearance of goods, including goods in transit. The TFA sets out measures for customs compliance issues and for effective cooperation between customs and other appropriate authorities on trade facilitation. Trade facilitation measures can help to reduce transaction costs to import and export with simplified, transparent trade procedures. The TFA is particularly important for countries striving to increase exports and overall trade and to strengthen domestic economic activity.

Box 2. Survey Population

Survey respondents included:

- **Traders (also referred to as “trade firms”)** that engage in cross-border import and/or export of goods (at the firm level and disaggregated by the gender of the firms' owner or manager)
- **Customs brokers** that provide cross-border trade services — to help facilitate customs clearance and other import/export processes and procedures — to traders (not at the firm level because customs brokers are registered as individuals and not entities in Brazil)

Note that in this report, the responses provided by firm owners and managers are combined and referred to as “women-led” or “men-led” accordingly.

The survey largely focused on areas related to the WTO TFA while also touching on the impact of the COVID-19 pandemic.

This report presents the findings and recommendations of the study that was undertaken in Brazil between April to August 2021. By thematic areas related to trade and trade facilitation, the survey sought to identify and distinguish between the challenges that (i) only women traders and customs brokers face; (ii) both women and men face; and (iii) both women and men face but of which women experience greater degrees of disadvantages compared to their men counterparts. The analysis also examined the challenges of those that identified as belonging to ethnic minority groups or as having special needs, where possible. It should be noted that because a quota sampling methodology was utilized for data collection, there were no attempts to undertake testing of significance as this test is only appropriate in probabilistic sampling procedures. The differences

highlighted are subjective and based on the observed proportions, and a difference of five percentage points or less between the respondents in the reporting data is considered to be less relevant/not a key finding.

Brazil is the largest and most populous country in South America.¹⁶ It occupies roughly half of the continent and is located in its central-eastern region, bordering the Atlantic Ocean. Brazil has the largest economy in the Latin American and the Caribbean region.¹⁷ The country has 36 public ports,¹⁸ with the Port of Santos being the largest in Brazil and in Latin America, handling 29 percent of Brazil's trade balance.¹⁹ The COVID-19 pandemic exposed Brazil to an unprecedented health and economic challenge. The survey findings, gathered over telephone during the pandemic, may be viewed in this context and used to raise awareness around the importance of trade facilitation in expediting the movement, release, and clearance of goods.

¹⁶ CIA. 2021. *World Factbook: Brazil*. Accessed 2021. <https://www.cia.gov/the-world-factbook/countries/brazil/> and *World Development Indicators database*.

¹⁷ Largest economy based on the GDP in current USD. Data source: *World Development Indicators database*.

¹⁸ Brasil Governo Federal. 2020. *Sistema Portuário Nacional*. Accessed 2021. <https://www.gov.br/infraestrutura/pt-br/assuntos/transporte-aquaviario/sistema-portuario>.

¹⁹ Santos Port Authority. n.d. *Santos Port Authority: About Us*. Accessed 2021. <https://www.portodesantos.com.br/en/about-us/>.

The challenges identified through the survey responses can be categorized into three main categories: A) challenges that are common to both women and men traders and/or customs brokers, B) challenges that impact more women than men traders and/or customs brokers, and C) challenges that impact more men than women traders and/or customs brokers.

A. Common Challenges

Overall, more than half the respondents have been impacted by the pandemic.

Even though the majority of traders and around half of the customs brokers reported there was no change in the time needed to comply with customs inspections and documentary requirements due to the COVID-19 pandemic, there still was a considerable share of respondents that reported an increase of the time (21 percent of women traders; 19 percent of men traders; 29 percent of women brokers; 25 percent of men brokers).

Almost one-third of respondents reported that information on changes to border processes and procedures caused by the pandemic has been confusing and/or contradictory between different border agencies.

Around 13 percent of all respondents reported that they spend more time on payment of official fees as a result of the pandemic.

Over one-quarter of respondents do not think or do not know if border processes are consistently implemented by border officials.



Almost a quarter of customs brokers believe the working hours of the ports, airport, or land border posts they use restrict their ability to provide their services.

Less than half of the traders believe that guidance on how to make an official appeal is clear and easy to access across government entities.

Over one-third of customs brokers and almost half of the traders reported that official regulations and processes are usually *not* easy to understand. Finding comprehensive information across border agencies, among other issues, was reported to be a key challenge.

Fourteen percent of the customs brokers reported to have had goods detained without being promptly informed, and this happened more than half of the time.

None of the traders and less than a quarter of customs brokers believe that official appeals procedures are effective and lead to reforms when they use them.

Less than a quarter of traders are aware of the NTFC's existence, and of the traders that identify as belonging to an ethnic minority group, the majority is not aware of the NTFC.

Only 10 percent of traders compared to 89 percent of customs brokers think that all cross-border regulatory entities/agencies have systems that accept electronic forms and documents.²⁰

More customs brokers who self-identified as belonging to an ethnic minority group reported that official regulations and processes are not easy to understand compared to customs brokers who did not self-identify as an ethnic minority.

Despite efforts by the government to increase engagement with the private sector, 87 percent of traders and 70 percent of customs brokers say they have never been or are not regularly consulted on changes to processes and procedures related to trade.

There appears to be a relatively strong perception among respondents that their feedback is taken into consideration by the government, but 32 percent of traders and 29 percent of customs brokers still do not believe their feedback is taken into consideration or are not sure if it is taken into consideration.

²⁰ This percentage may be low among customs traders because a majority of traders hire customs brokers to organize and present paperwork on their behalf.

B. Challenges Disproportionately Faced by Women

Among customs brokers, more men (74 percent) than women (67 percent) believe their feedback is taken into consideration.

Almost half of the men customs brokers are aware of Local Commissions on Trade Facilitation's (COLFACs) existence compared to slightly less than one-third of women customs brokers.²¹

Of the respondents that have had goods detained, a higher share of women customs brokers compared to men customs brokers reported issues with Anvisa (19 percent of women, 14 percent of men) and Vigiaagro (19 percent of women, 11 percent of men) as reasons for detention of goods.²²

A higher share of women customs brokers (71 percent) than men customs brokers (64 percent) reported that their ability to undertake trade has been impacted by the pandemic, largely because there is less demand for their services and also due to delays for goods to be cleared to some extent.

In most areas of the survey, there were only *slight differences* between women and men respondents (*less than a five percent difference*), which is a testament to the government of Brazil's efforts to deliver trade facilitation initiatives that benefit men and women traders and customs brokers quite similarly. The survey did, however, point to a few specific challenges that *disproportionally impact women-led* compared to men-led firms and customs brokers (*a difference of at least five percent*).

More women than men customs brokers believe unofficial methods are faster when wanting to resolve their grievances and concerns (49 percent of women and 33 percent of men).

Six percent of women traders and 21 percent of men traders that regularly visit the ports, airports, and border posts²³ have experienced safety and security issues. Out of them, all of the women and 72 percent of men reported experiencing negative behavior from airport, seaport, or land border post officials, and 28 percent of women traders compared to six percent of men traders also reported negative behavior from the police.

Overall, more women customs brokers have difficulties when looking for information on official regulations and procedures and understanding it compared to men customs brokers. This is also reflected in their experiences during the COVID-19 pandemic, with fewer women customs brokers (49 percent) compared to men customs brokers (62 percent) finding information related to changes to border processes and procedures as a direct response to the pandemic to be clear and easy to understand.

Fewer women customs brokers reported being regularly consulted than to men (27 percent and 32 percent, respectively).

Fourteen percent of women and 17 percent of men customs brokers that regularly visit the ports, airports, and border posts²⁴ have experienced safety and security issues. Of these customs brokers, more women customs brokers (55 percent) than men (28 percent) reported experiencing negative behavior from airport, seaport, and land border post officials.

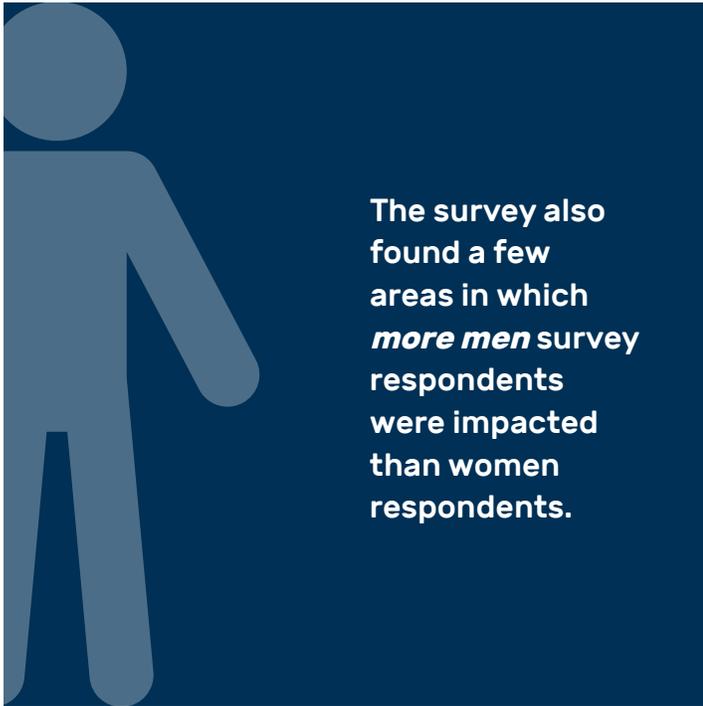
²¹ COLFACs were first established at 15 main ports, airports, and border points in Brazil. As of October 1, 2021, the system was expanded to all 29 customs offices in the country.

²² Anvisa is an authority responsible for sanitary controls, and Vigiaagro is an authority responsible for plant, animal and related products controls.

²³ A relatively small share of traders (10 percent of women and 14 percent of men traders) regularly visits airport, seaport, or land border posts, and a minority of them have experienced safety and security issues (six percent of women and 21 percent of men).

²⁴ A much higher share of customs brokers than traders regularly visit airport, seaport, or land border posts (49 percent of women and 58 of men customs brokers compared to 10 percent of women and 14 percent of men traders).

C. Challenges Disproportionately Faced by Men



More men than women traders report that they are never or are not regularly consulted (89 percent of men compared to 83 percent of women traders).

Fewer men than women traders believe that border processes are consistently implemented by border officials (70 percent of men compared to 75 percent of women traders).

When utilizing the grievance and appeals processes, more men customs brokers (36 percent) than women customs brokers (26 percent) believe the formal appeal/grievance procedures do not lead to changes.

The perception that feedback is taken into consideration is much lower among men traders (60 percent) than women traders (79 percent).

Of the traders that go to the airport, seaport, and land border posts, more men than women have experienced verbal harassment or threats (13 percent and three percent respectively) and intimidation (12 percent and three percent respectively).

The next section of this report summarizes the sampling methodology. Section III presents the survey findings, and section IV provides recommendations to address the challenges identified in section III.



Brazilian women of Salvador, Bahia
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2 Summary of the Sample and Methodology

Based on data from the CNPJ database (national registry of legal entities) provided by the Receita Federal (Federal Revenue Service), there were 42,273 trade firms registered in 2020 that had engaged in more than three international trade transactions over the previous 12 months. Remediation of the list reduced the number of firms eligible to participate in the survey to 19,516 because some of the entries either (i) had invalid phone numbers, (ii) missed contact information, (iii) were of ineligible shareholding,²⁵ or (iv) were ineligible firm types.²⁶ A list of 2,582 customs brokers was obtained in 2021 from the National Customs Brokers Association (Feaduaneiros) through a partnership with customs. Because gender information was not available and known for the list of customs brokers, proportional quotas could not be set for the customs brokers sample population, potentially leading to under or over sampling of certain groups. The collected data was weighted to adjust for the non-proportional quota allocation.

Two questionnaires were designed to collect data in Brazil in Portuguese. The questions were largely focused on areas related to the WTO Trade Facilitation Agreement, including, but not limited to access to information, consultations, detention of goods, and the National Trade Facilitation Committee. The survey, however, also touched upon the safety and security issues at the border, as well as the impact of the COVID-19 pandemic on traders and customs brokers.

To best achieve the goals of implementing the survey given available resources and time constraints, a quota sampling methodology was utilized to interview the cross-border trade firms (also referred to as “traders”) and customs brokers. Quota sampling is a non-probabilistic sampling technique where the assembled sample typically has the same proportions of individuals as the entire population with respect to known characteristics, traits, or focused phenomenon. Where the proportions do not reflect the real population distribution, the results are weighted in order to reduce/eliminate any potential biases. To establish the target quotas for the trade firms and customs brokers, the following formula was used to calculate the sample size.²⁷

$$n = \frac{Zp(1-p)}{e^2}$$

Where Z was set at 1.96 for 95 percent CI, P was set at 50 percent to assume maximum variability in the population while e (margin of error) was set at five percent. The population

²⁵ For example, equal shareholding between men and women.

²⁶ For example, binational company; public company; union entities; state or federal district private law public foundations; religious organizations; autonomous social services.

²⁷ Proportional quota sampling was applied to the trade firms because there was sufficient information on that sample population. Proportional quota sampling was not applied in sampling customs brokers due to insufficient information on the population.

characteristics of interest for the study were gender, firm size, and location of the firms. Two measurements of firm size were used: 1) firm size by revenue (up to R\$ 1 million, between R\$1 and 100 million, and \$R100 million or more) and 2) firm size based on the World Bank Enterprise Survey’s definition of firm sizes (micro (1-4 employees), small (5-19 employees), medium (20-99 employees), and large (100 employees and above)).

Out of a total sample size of 1,750 trade firms set for the survey, 1,531 women and men traders were successfully interviewed in Brazil by phone between April to August 2021, resulting in a successful interview rate of 87.5 percent.²⁸ Out of a total sample size of 384 customs brokers, 340 customs brokers were successfully interviewed using a simplified version of the trader questionnaire, resulting in a successful interview rate of 88.5 percent.²⁹

Table 1 provides a summary breakdown of the survey respondents, and **Annex A provides a detailed description of the survey sample and methodology.**

Table 1. Breakdown of Trader and Customs Broker Survey Respondents by Gender

	Men	Women	Total
Trade Firms	986	545	1,531
Customs Brokers	184	156	340

Given that a quota sampling approach was employed, the findings in this report are representative of the population characteristics that were used to form the quotas, though might be limiting (potential selection bias for some estimates) in that it may not be representative for some of the population characteristics of the country at large.

Furthermore, the survey was limited to identifying constraints that existing traders face. Therefore, it may suffer from a selection bias in that it did not explore obstacles to engaging in trade among women firms who currently only trade domestically (possibly as a result of barriers to cross-border trade). Exploring the reasons of non-engagement in cross-border trade would require a deeper assessment of why non-trading women firms do not trade, which goes beyond the scope of this survey and likely also the WTO Trade Facilitation Agreement.

²⁸ 19,516 active cross-border trade firms were contacted to participate in the survey.

²⁹ 2,579 customs brokers were contacted to participate in the survey.



Containers at port, Brazil
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3 Survey Findings

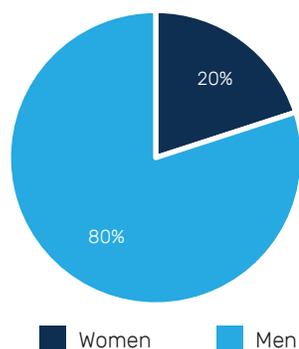
The survey findings are presented in four parts. Part A provides an overview of the demographics of the survey respondents and the trade profile of the interviewed firms and customs brokers; part B presents the impact of the COVID-19 pandemic as reported by respondents; part C highlights the main challenges that prevent the surveyed trade firms from expanding their businesses internationally; and Part D dives deeper into the trade facilitation-specific findings as well as findings that are not necessarily related to WTO TFA but important to consider in the context of cross-border trade. *All findings pertain only to the perceptions of the surveyed respondents and may not be fully representative of the whole population because a quota sampling methodology was utilized for the survey. All figures and percentages are rounded to the nearest whole number.*

A. Respondent Demographics and Business Profile

Profile of Surveyed Traders and Customs Brokers

■ **Most trade firms in Brazil are owned by men majority shareholders (80 percent).** Only 20 percent of trade firms have women majority shareholders.³⁰ (see Figure 1)

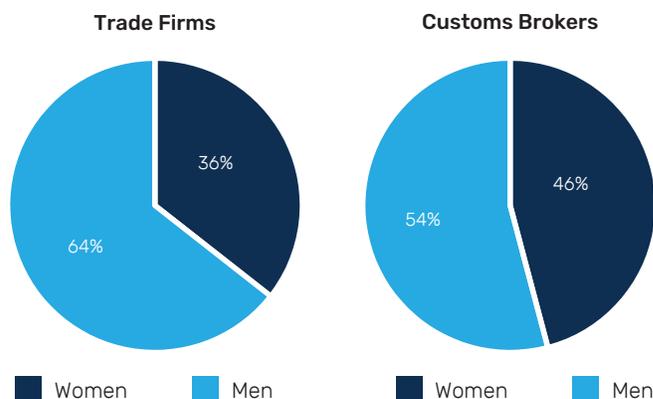
Figure 1. Share of Trade Firms by Gender of Majority Shareholder(s)



³⁰ This breakdown is based on the known gender distribution from the list of 19,516 trade firms that were eligible to participate in the study.

■ **Of the surveyed trade firms, the majority of firms (64 percent) are led by men.** As shown in Figure 2, 36 percent of the surveyed trading firms are led by women. Of the surveyed customs brokers, 46 percent of the respondents are women.

Figure 2. Share of Trade Firms Led by Gender and Customs Brokers by Gender

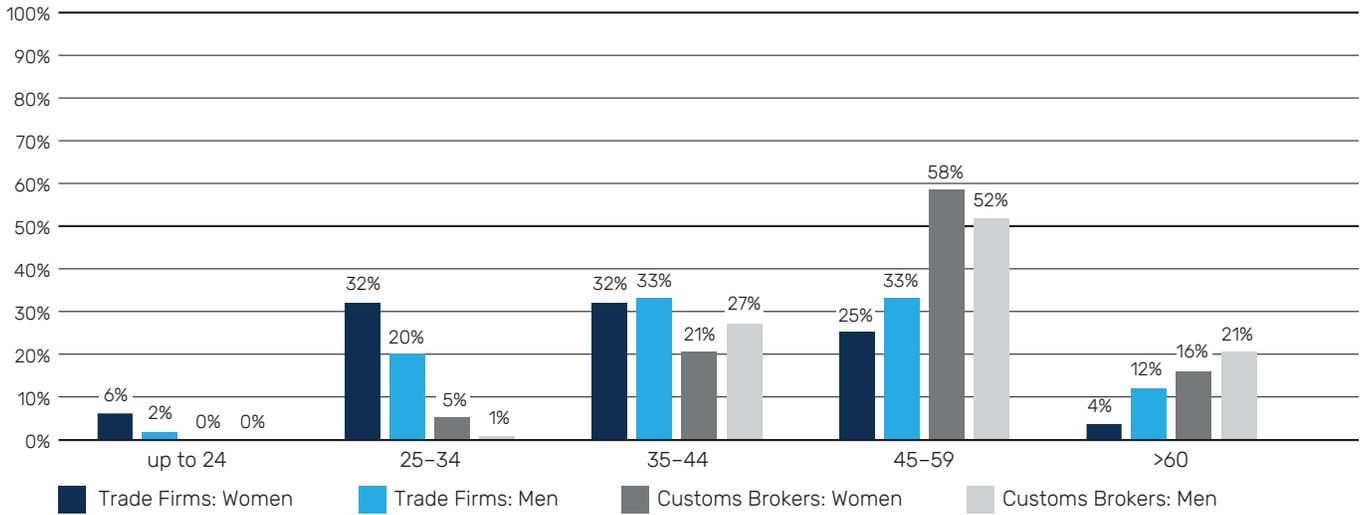


Note: The firm owners and managers are combined and referred to as “women-led” or “men-led” accordingly for trade firms.

■ **Seventy percent of women traders are under the age of 45 years old compared to 55 percent of men traders.** In contrast, more men traders are over the age of 60 compared to women traders (12 and four percent respectively). Among customs brokers, more women are 45–59 years old (58 percent) compared to men customs brokers in the same age range category (52 percent). Similar to traders, more men customs brokers are older than 60 compared to their women counterparts (21 and 16 percent respectively). According to the IFC, there could be more younger women than older women in the field because women entrepreneurs in Brazil are more likely to close their businesses over time than their men counterparts.³¹ (see Figure 3)

³¹ Emerick, Shirley, and Bruna Sandrini. 2021. In Brazil, Women Entrepreneurs are Ready to Step Up. June. Accessed 2021.

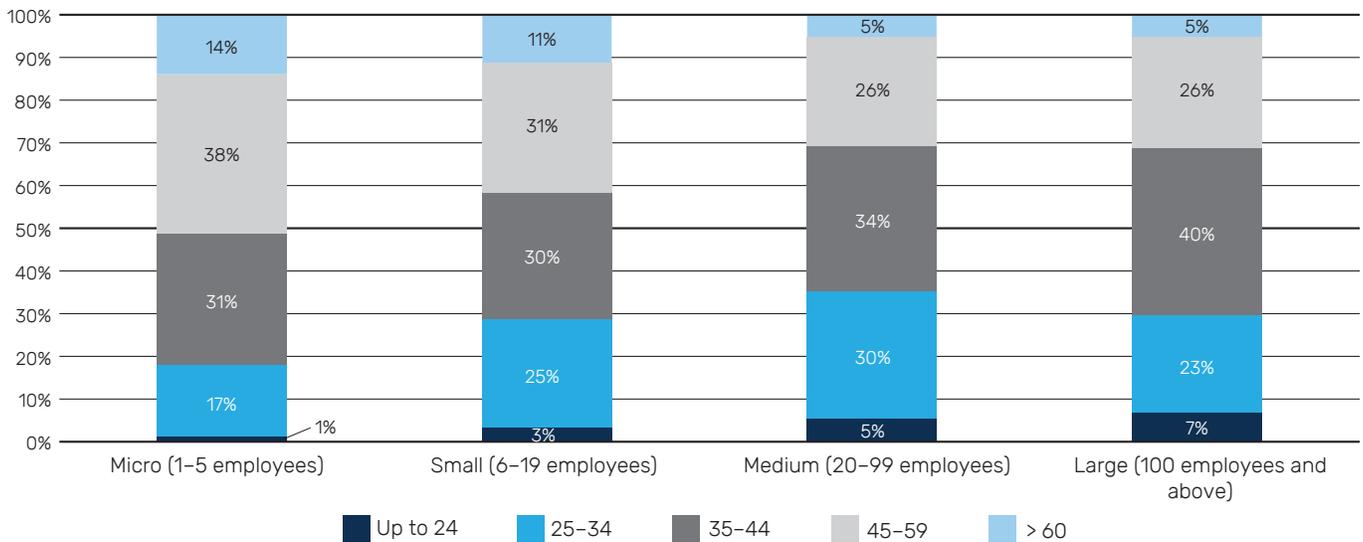
Figure 3. Age of Respondent by Gender



■ **By firm size, more traders below 45 years old lead larger firms** (70 percent of large firms and 69 percent of medium firms compared to 58 percent of small firms and 49 percent of micro firms). In contrast, more traders above 45 years old lead micro and small firms (52 and 42 percent respectively) than medium and large firms (31 percent each). (see Figure 4)

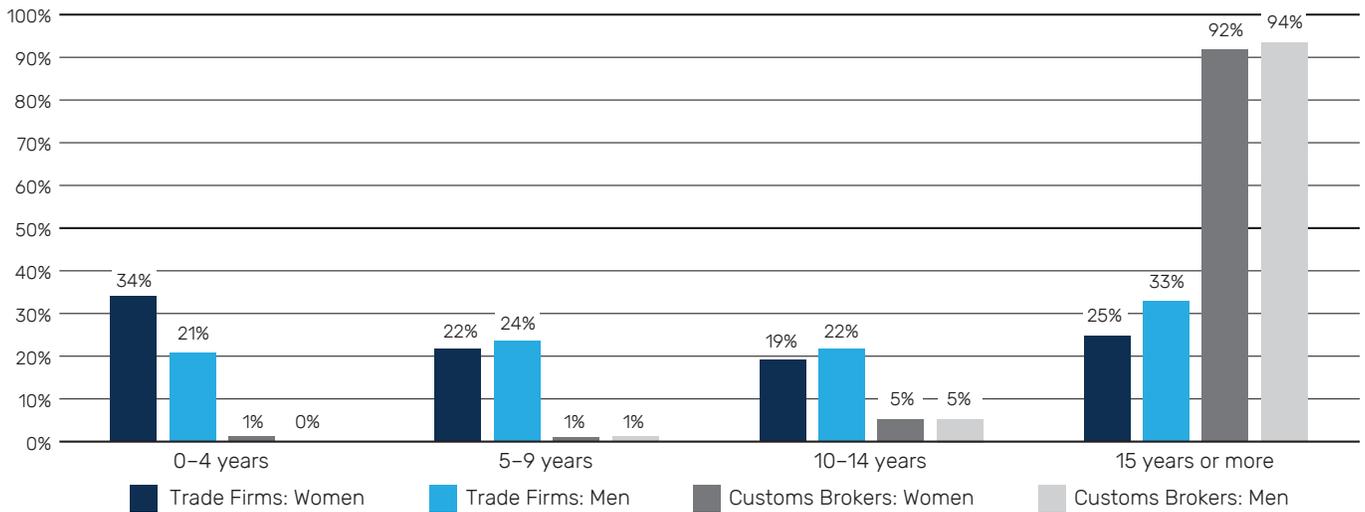
■ **Men traders have more years of experience engaging in cross-border trade than women traders, with 55 percent of men traders having more than 10 years of experience compared to 44 percent of women.** More women traders (34 percent) have four or fewer years of experience in cross-border trade compared to their men counterparts (21 percent). Of the customs brokers, the majority (92 percent of women and 94 percent of men) have been engaged in cross-border trade for 15 years or more, only a slight difference. (see Figure 5)

Figure 4. Age of Respondent by Trade Firm Size



Note: Trade firms that did not know or preferred not to disclose their firm size are excluded from this figure. This cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

Figure 5. Number of Years the Respondents have been Engaged in Cross-Border Trade by Gender



■ **One percent of surveyed traders and three percent of surveyed customs brokers self-identified as having special needs (physical, mental, intellectual, or sensory).** Of those traders that self-identified as having special needs, 51 percent are women, and 49 percent are men. Among customs brokers who self-identified as having special needs, 44 percent are women, and 56 percent are men.³² (see Figures 6 and 7)

Figure 6. Proportion of Respondents that Self-Identify as Having Special Needs

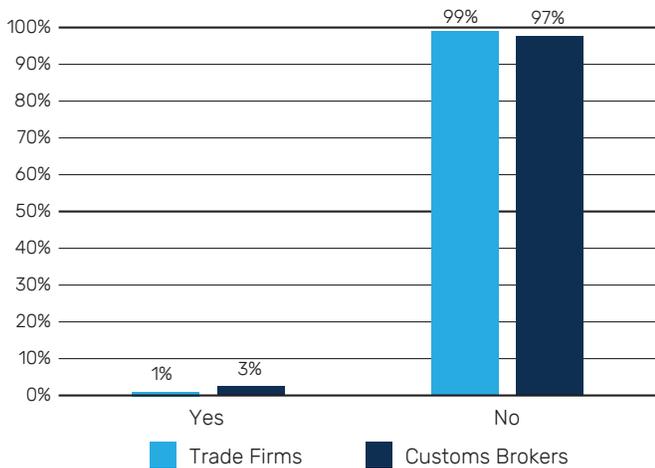
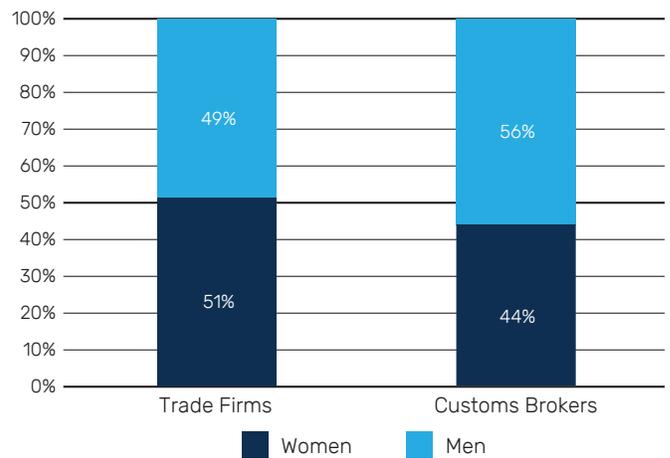


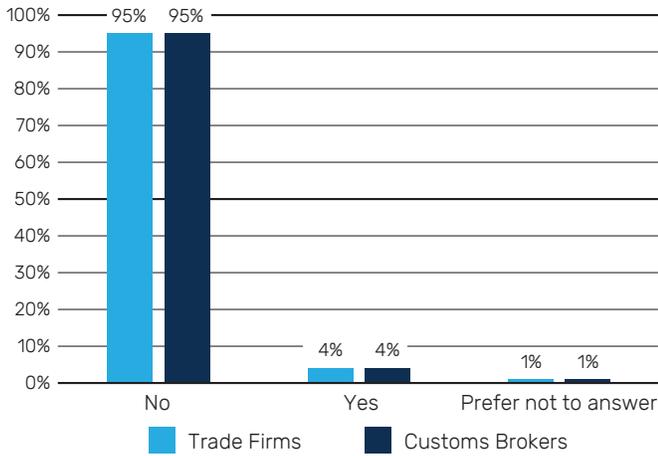
Figure 7. Proportion of Respondents that Self-Identify as Having Special Needs by Gender



■ **Four percent of surveyed traders and customs brokers self-identified as belonging to an ethnic minority group.** Among traders who self-identified as belonging to ethnic minority groups, 51 percent are men, and 49 percent are women. The gender disparity is larger among customs brokers, with 64 percent of women self-identified as belonging to ethnic minority groups compared to 36 percent of men. (see Figures 8 and 9)

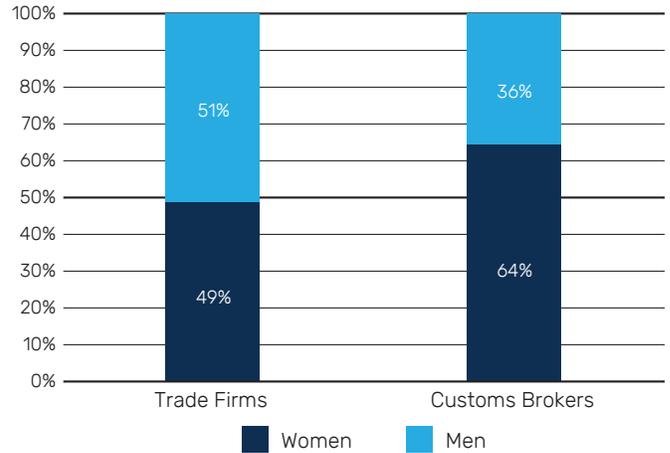
³² According to the 2010 Census, about 24 percent of the population declared to have some degree of difficulty in at least one of the investigated skills (seeing, listening, walking, or climbing stairs), or having mental/intellectual disability.

Figure 8. Proportion of Respondents Self-Identifying as Belonging to an Ethnic Minority Group by Sample Population Group



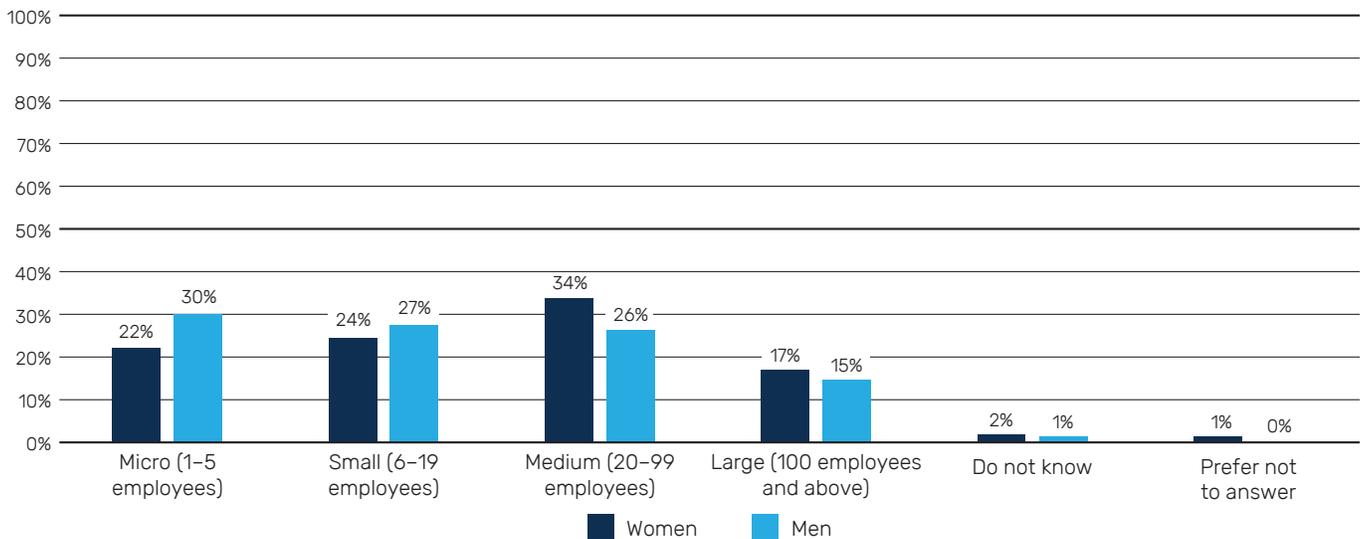
■ **There is a greater share of women traders leading larger firms than smaller firms compared to men traders (of which there is a greater share leading micro and small firms compared to larger firms).** Of the women traders, 17 percent lead large firms, and 34 percent lead medium firms, compared to 15 percent and 26 percent of men leading firms of the same sizes respectively. In contrast, slightly more men lead small (27 percent) and micro (30 percent) firms compared to women traders (24 and 22 percent respectively). (see Figure 10)

Figure 9. Proportion of Respondents Self-Identifying as Belonging to an Ethnic Minority Group by Gender



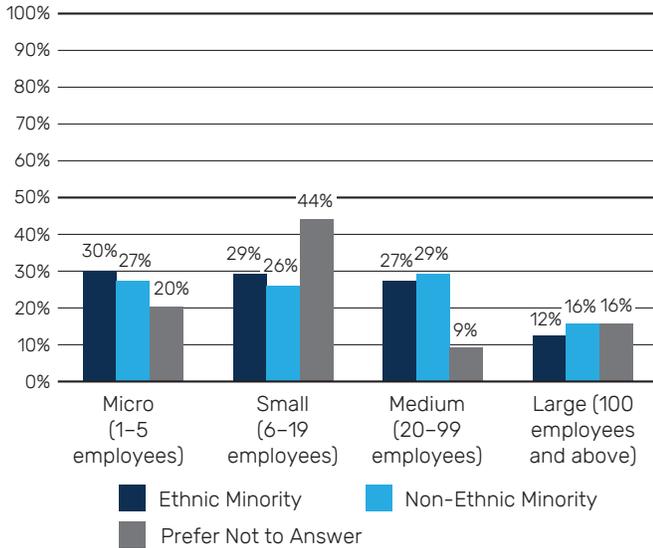
■ **Traders that have self-identified as belonging to ethnic minority groups lead smaller firms.** Specifically, slightly more traders who self-identified as an ethnic minority lead micro (30 percent) and small firms (29 percent) compared to traders who do not self-identify as an ethnic minority (27 and 26 percent for the micro and small firms respectively). In contrast, 16 percent of non-ethnic minority traders compared to 12 percent of traders belonging to an ethnic minority lead of large firms. (see Figure 11)

Figure 10. Proportion of Firm Sizes by Gender of Trade Firm Respondent



Note: This cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

Figure 11. Proportion of Firm Sizes by Ethnic Groups (Trade Firms)



Note: Trade firms that did not know or preferred not to disclose their firm size are excluded from this figure. This cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

■ **A small share of traders (six percent) and customs brokers (seven percent) report that caretaking responsibilities impact their ability to trade across borders.** Almost half of the traders (44 percent) and customs brokers (46 percent) reported not having significant caretaking responsibilities. Only a very slight difference was observed in caretaking responsibilities affecting trade ability. (see Figure 12)

■ **Trade firms use a range of options to finance their business, with official bank loans being the more commonly used source for men and women traders.** More men traders compared to women traders use official bank loans (36 percent vs 29 percent), personal savings (35 percent vs 22 percent), relatives and friends (five percent vs four percent), and other loans and grants (16 percent vs 11 percent). (see Figure 13)

Figure 12. Proportion of Trade Firms and Customs Brokers with Caretaking Responsibilities that Impact Ability to Trade Across Borders by Gender

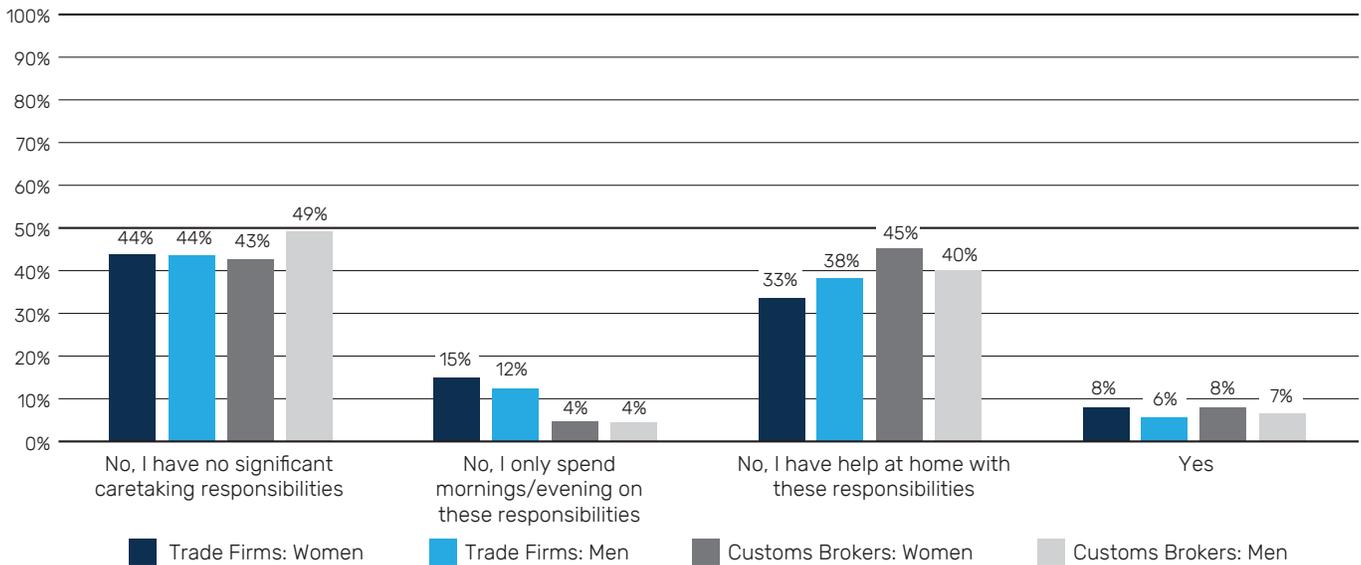
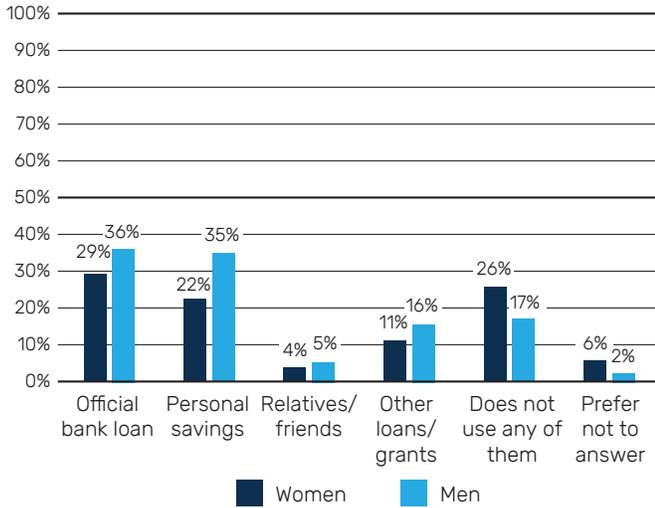


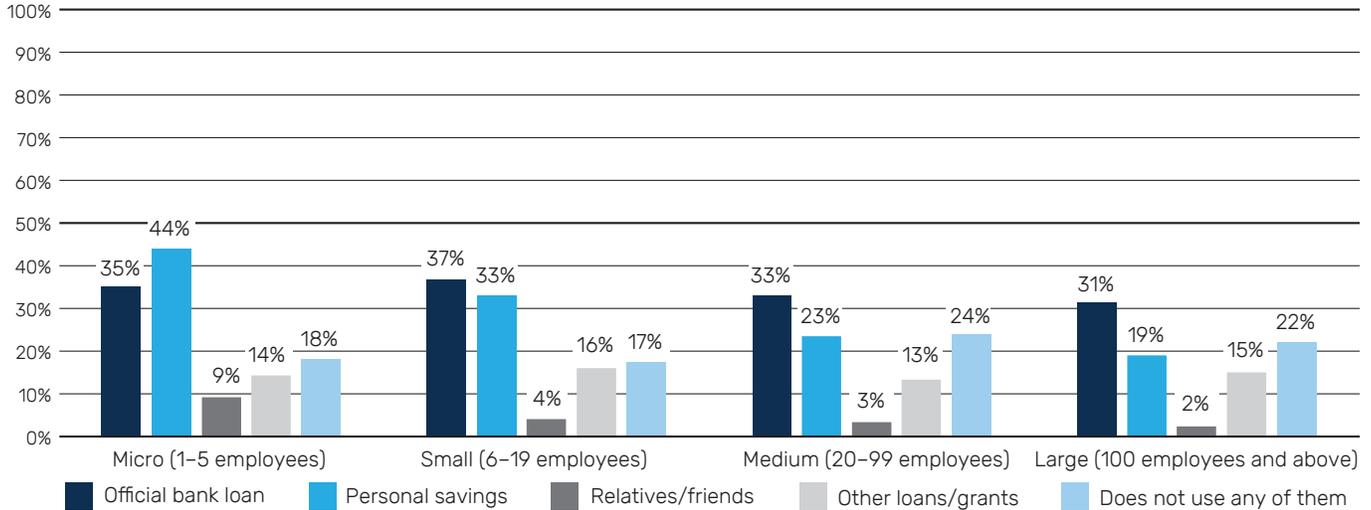
Figure 13. Sources Used to Finance Trading Business by Gender (Trade Firms)



Note: Respondents that selected "other" (open response) are not included in the figure. Data for customs brokers is not available because this question was not asked to the customs broker sample population. Traders could choose more than one source of finance, so totals may not sum to 100 percent.

Sources of finance differ according to the firm size, with personal savings being more widely used by micro firms (44 percent) compared to firms of other sizes (33 percent for small, 23 percent for medium, and 19 percent for large firms). Similarly, use of relatives and friends to finance their trading business marginally decreases with larger firm sizes (nine percent for micro firms, four percent for small firms, three percent for medium firms, and two percent for large firms). Official bank loans are used more by small firms (37 percent), followed by micro (35 percent), medium (33 percent), and large firms (31 percent). Other grants and loans are used by firms of all sizes with only slight differences. (see Figure 14)

Figure 14. Sources Used to Finance Trading Business by Firm Size



Note: Trade firms that did not know or preferred not to disclose their firm size are excluded from this figure. This cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level. Traders could choose more than one source of finance, so totals may exceed 100 percent.

■ The proportion of customs brokers that are members of business/trade/industry associations is double that of trade firms. Almost all customs brokers are members of associations while 45 percent of traders are members (see Figure 15). By firm size, a greater share of larger firms are members of associations than smaller firms (32 percent of micro, 41 percent of small, 51 percent of medium, and 68 percent of large firms are members of associations). (see Figure 16)

Figure 15. Proportion of Trade Firms and Customs Brokers that are Members of a Business or Trade/Industry Association

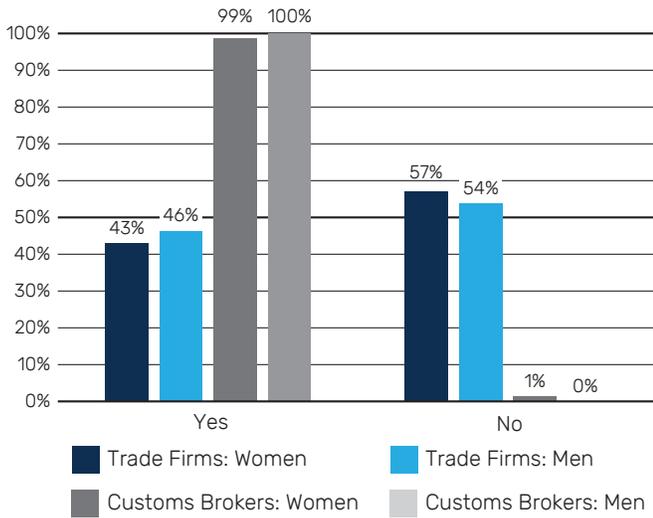
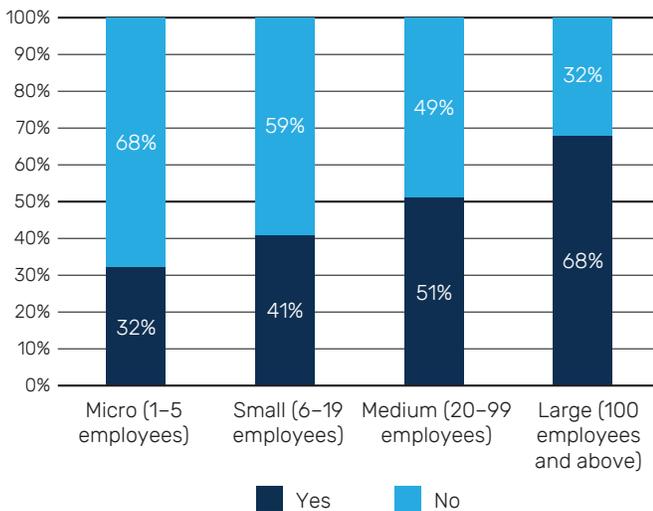


Figure 16. Proportion of Trade Firms that Are Members of Associations by Firm Size



Note: Trade firms that did not know or preferred not to disclose their firm size are excluded from this figure. Additionally, this cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

Import and Export Activity³³

■ Proportionally, more women-led trade firms are engaged in both import and export activities compared to their men counterparts (40 percent for women-led and 35 percent for men-led), which more are engaged in only imports. More men-led trade firms compared to women-led firms engaged in imports only (49 percent compared to 42 percent). A similar trend can be seen among the surveyed customs brokers, with more women customs brokers providing both export and import services than men customs brokers, and more men than women customs brokers providing only import services. (see Figure 17)

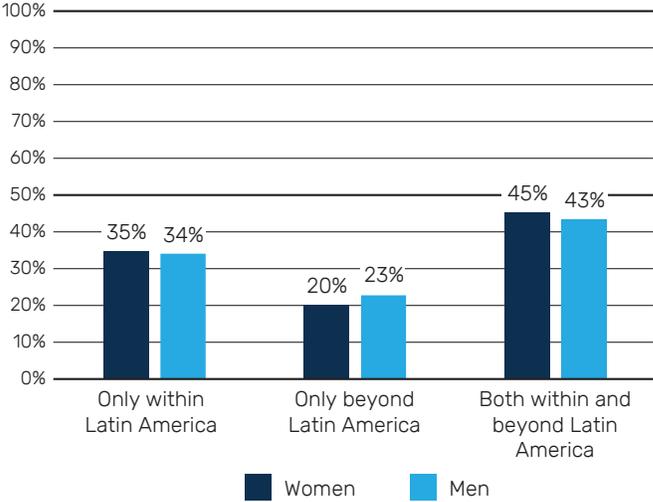
Figure 17. Share of Trade Firms and Customs Brokers Exporting and Importing by Gender



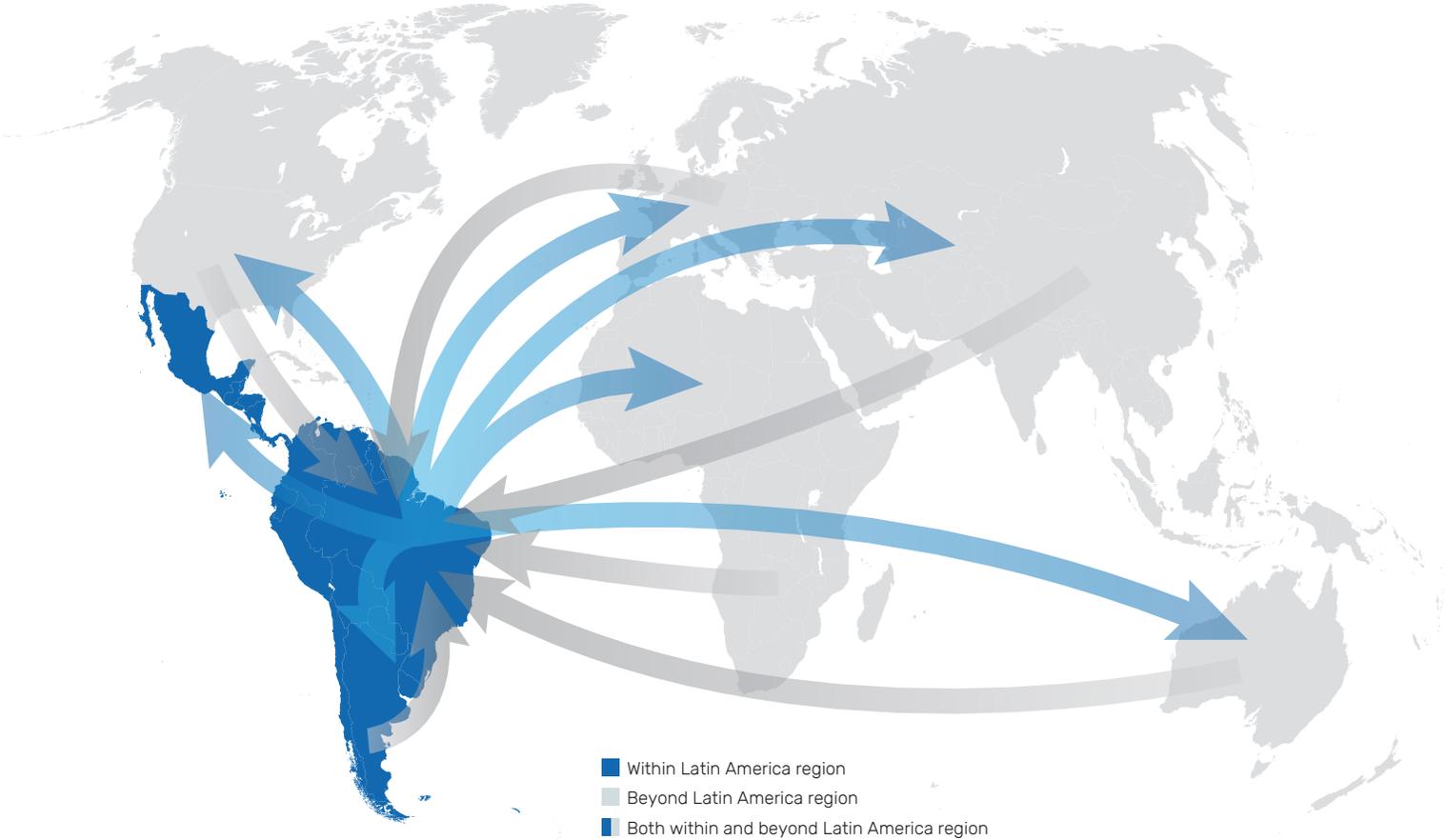
³³ Data in this section is based on the number of respondents and does not reflect value of trade. As such, data from this survey should not be compared with national statistics that are based on the value of import and/or export activities and transactions.

■ A higher share of trade firms export goods both within and beyond Latin America (45 percent of women and 43 percent of men) compared to only within Latin American or only beyond Latin America. The share of women-led trade firms exporting only beyond Latin America is slightly smaller than the share of men-led trade firms (20 and 23 percent respectively). (see Figure 18 and Map 1)

Figure 18. Export Destination by Gender (Trade Firms)



Map 1. Export and Import Destination



■ Slightly fewer women customs brokers provide services for goods being exported both within and beyond Latin America compared to men (49 percent of women and 53 percent of men). In addition, more women customs brokers (42 percent) provide services for goods being exported only within Latin America compared to men customs brokers (36 percent). (see Figure 19)

■ The export destination differs by trade firm size, with a greater number of larger trade firms exporting both within and beyond Latin America compared to trade firms of smaller sizes (58 percent of large firms, 43 percent of medium firms, 42 percent of small firms, and 33 percent of micro firms). The number of trade firms exporting only beyond Latin America decreases as the firm size increases, with 30 percent of micro firms compared to only 11 percent of large firms exporting only beyond Latin America. The share of firms exporting only within Latin America varies slightly by firm size, with 38 percent of medium firms, 37 micro firms, 30 percent of large firms, and 29 percent of small firms exporting only within Latin America. (see Figure 20)

Figure 19. Export Destination by Gender (Customs Brokers)

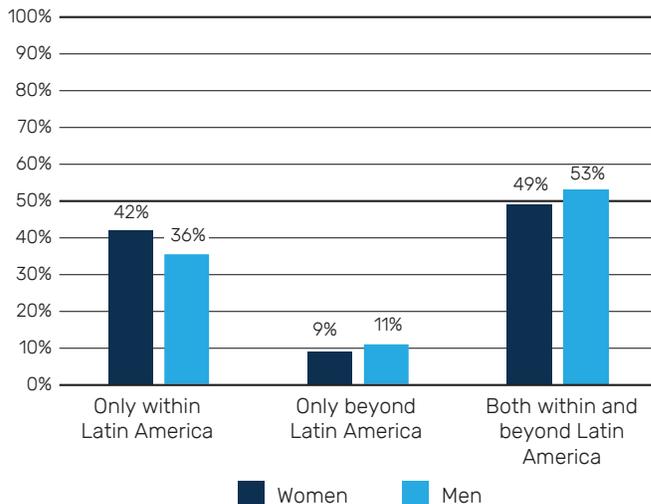
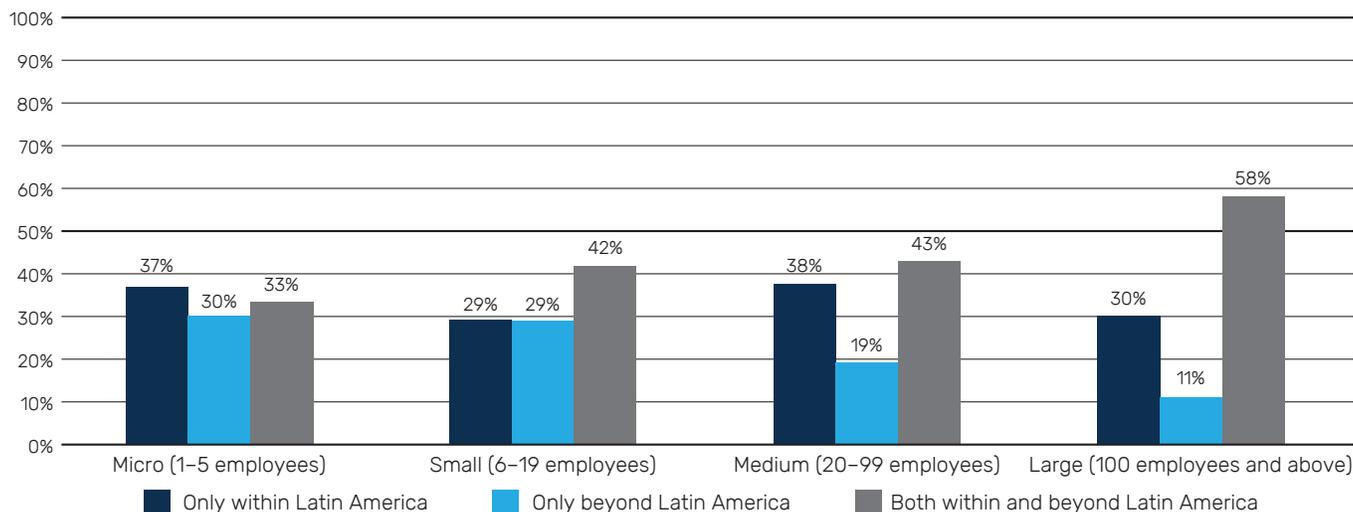


Figure 20. Export Destination by Firm Size (Trade Firms)



Note: Trade firms that did not know or preferred not to disclose their firm size are excluded from this figure. This cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

■ **Fewer women-led trade firms (65 percent) import goods from only beyond Latin America compared to men-led trade firms (70 percent).** In contrast, slightly more women-led trade firms (11 percent) import only within Latin America compared to men-led trade firms (eight percent). The share of women-led and men-led trade firms importing from both within and beyond Latin America is 24 and 22 percent, respectively. (see Figure 21)

■ **Fewer women customs brokers (44 percent) provide importing services for goods originating from both within and beyond Latin America compared to men customs brokers (53 percent).** In contrast, slightly more women customs brokers provide importing services to goods originating only from within Latin America, and more women customs brokers provide importing services to goods originating only from beyond Latin America. For example, 44 percent of women customs brokers compared to 41 percent of men customs brokers provide importing services for goods originating from within Latin America only, while 12 percent of women customs brokers compared to seven percent of men customs brokers provide services to goods originating from beyond Latin America only. (see Figure 22)

■ **The origin of imported goods differs by trade firm size, with a higher number of large firms importing from both within and beyond Latin America compared to firms of smaller sizes (37 percent of large firms, 22 percent of medium firms, 20 percent of small firms, and 17 percent of micro firms).** The number of trade firms importing only from Latin America slightly decreases as the firm size increases, with 11 percent of micro firms compared to seven percent of large firms importing strictly from Latin America only. Firms that import from only beyond Latin America make up a major share of firms within each size category (72 percent of micro and small firms each, and 70 and 56 percent of medium and large firms respectively). (see Figure 23)

Figure 21. Import Origin by Gender (Trade Firms)

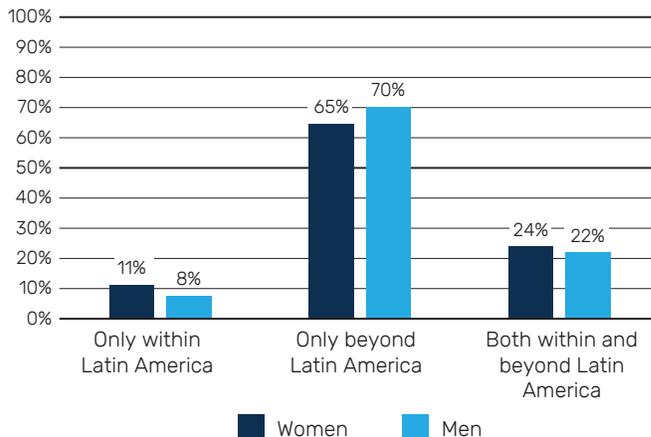


Figure 22. Import Origin by Gender (Customs Brokers)

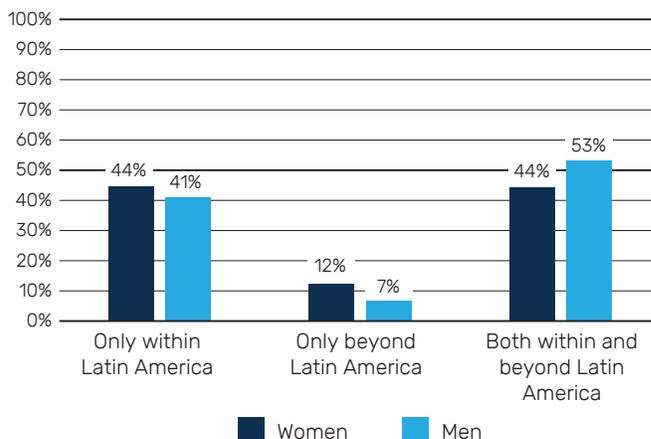
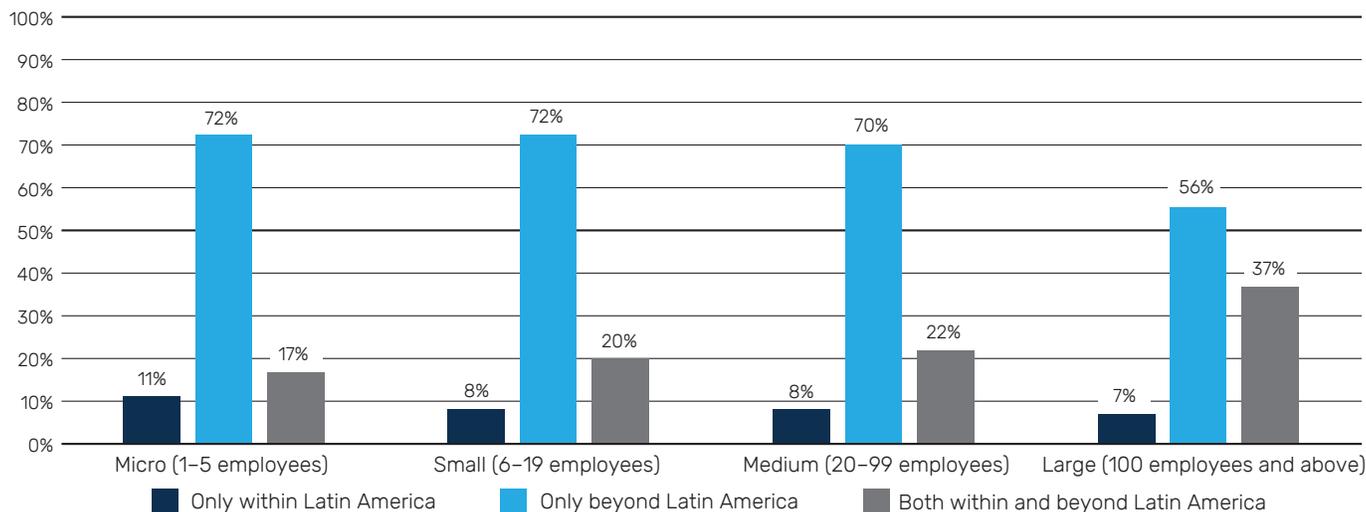


Figure 23. Import Origin by Firm Size (Trade Firms)



Note: Trade firms that did not know or preferred not to disclose their firm size are excluded from this figure. This cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

■ A greater share of men customs brokers provide exporting services for animal and vegetable products, beverages compared to the share of women customs brokers providing exporting services for these products (36 to 26 percent, respectively).³⁴ On the traders side, slightly more women-led trade firms export machinery, vehicles, and arms (24 percent of women traders, 21 percent of men traders) and mineral, plastic, and rubber products (18 percent of women traders, 15 percent of men traders). Regardless of gender, more trade firms and customs brokers export commodities from the following three categories: machinery, vehicles, and arms; mineral, plastic, and rubber products; and animal and vegetable products, beverages than the other HS categories. (see Figure 24)

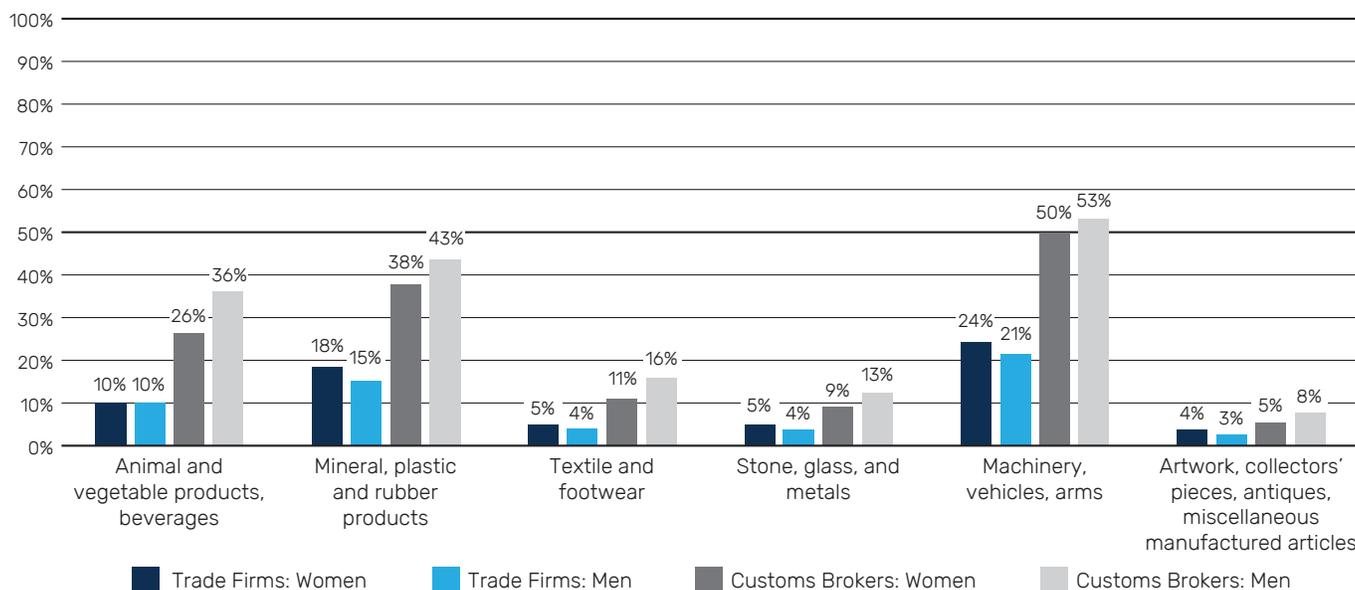
Box 3. Product Categories

Product groups are based on HS Sections:

- Animal and vegetable products, beverages (HS Sections 1–4)
- Mineral, plastic and rubber products (HS Sections 5–10)
- Textile and footwear (HS Sections 11–12)
- Stone, glass, and metals (HS Sections 13–15)
- Machinery, vehicles, arms (HS Sections 16–19)
- Artwork, collectors’ pieces, antiques, miscellaneous manufactured articles (HS Sections 20–21)

See HS Nomenclature 2017 edition for details on the types of products that fall into each HS category (Online at: <http://www.wcoomd.org/en/topics/nomenclature/instrument-and-tools/hs-nomenclature-2017-edition/hs-nomenclature-2017-edition.aspx>).

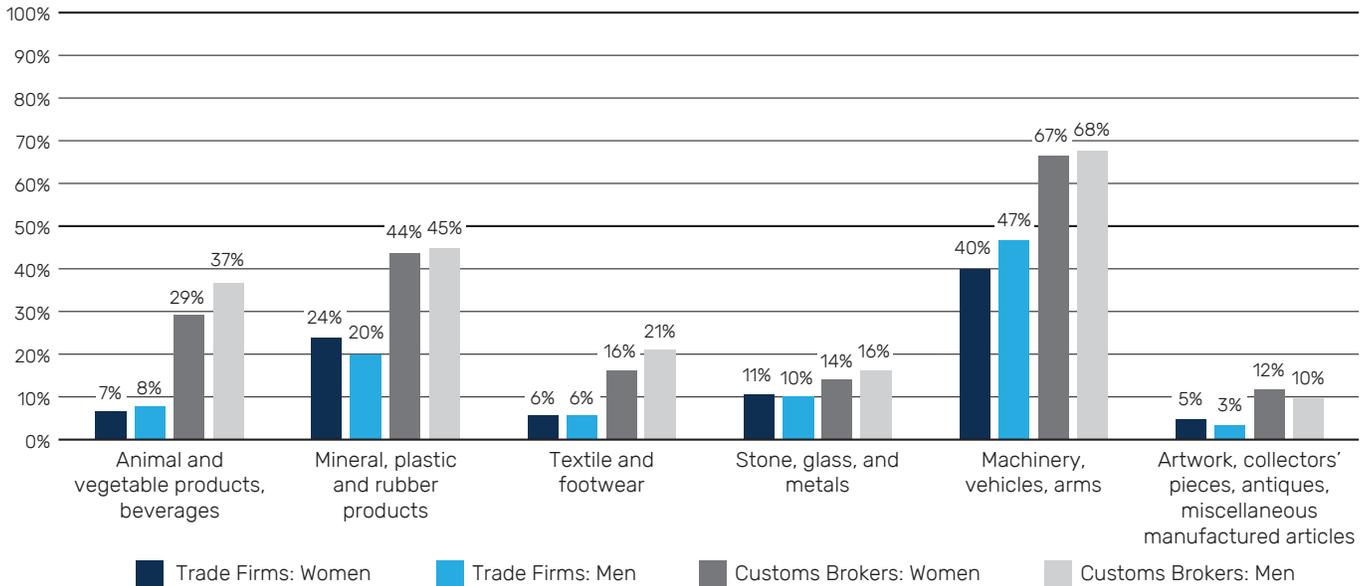
Figure 24. Main Commodities Exported



Note: Respondents could choose more than one product category, so totals may exceed 100 percent.

³⁴ This statement refers to number of firms surveyed that export within this HS category, not volume exported within this HS category.

Figure 25. Main Commodities Imported

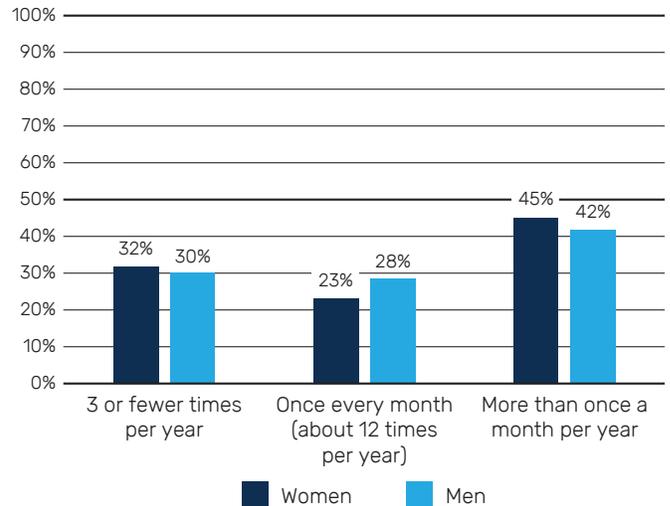


Note: Respondents could choose more than one product category, so totals may exceed 100 percent.

■ **More men-led firms import machinery, vehicles, and arms (40 percent of women traders, 47 percent of men traders), and slightly more women-led firms import mineral, plastic, and rubber products (24 percent of women traders, 20 percent of men traders).**³⁵ Regardless of gender, more trade firms import the following three commodity categories: machinery, vehicles, and arms; mineral, plastic, and rubber products; and stone, glass, and metals – compared to the other HS categories. More men customs brokers than women provide importing services in each commodity category except for artwork, collectors' pieces, antiques, miscellaneous manufactured articles, where slightly higher percentage of women provide importing services for these products (12 percent for women, 10 percent for men). (see Figure 25)

■ **Less than half of the firms trade across borders more than once a month per year (44 percent of traders).** Slightly more women than men-led firms trade more than once a month per year (45 percent of women traders and 42 percent of men traders), whereas more men traders trade only once every month (23 percent of women traders and 28 percent of men traders). (see Figure 26)

Figure 26. Frequency of Export/Import by Gender (Trade Firms)

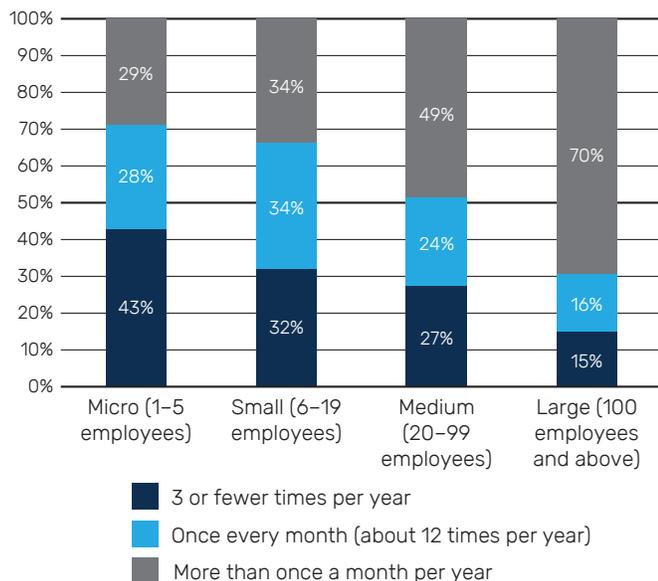


Note: This cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

³⁵ This statement refers to number of firms surveyed that import within this HS category, not volume imported within this HS category.

■ **The frequency of trade is associated with the firm size, with larger firms trading more frequently than smaller firms.** For example, 70 percent of large firms trade more than once a month compared to only 29 percent of micro firms. In contrast, more micro firms (43 percent) trade about three or fewer times per year compared to 32 percent of small firms, 27 percent of medium firms, and 15 percent of large firms. (see Figure 27)

Figure 27. Frequency of Export/Import by Firm Size (Trade Firms)



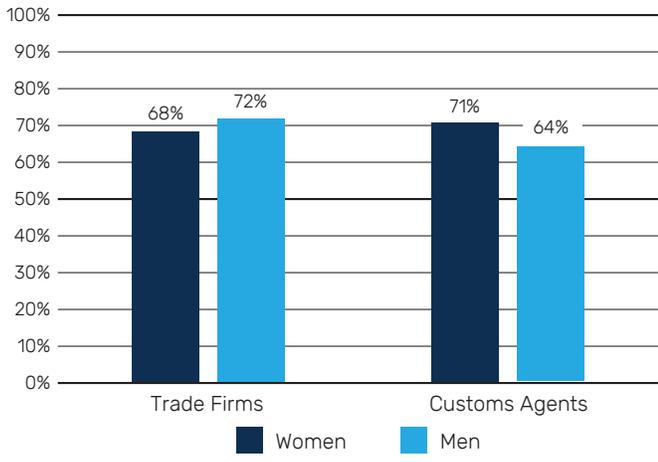
Note: Trade firms that did not know or preferred not to disclose their firm size are excluded from this figure. This cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

B. Challenges Caused by the COVID-19 Pandemic

In response to the COVID-19 pandemic, the Brazilian federal, state, and municipal governments implemented restrictions, lockdowns, and various containment measures that impacted businesses' ability to carry on with day-to-day activities. The government implemented some measures to keep trade flowing, such as temporary elimination of import licensing requirements on certain medical products and temporary simplification of requirements on the manufacture, import, and purchase of certain products identified as essential for use in healthcare services to fight COVID-19;³⁶ however, these measures were not applicable across all sectors. As such, certain sectors might have been impacted differently than other sectors by the pandemic. This section examines how the pandemic impacted trade firms' and customs brokers' ability to do business.

³⁶ World Trade Organization. n.d. COVID-19 and trade - Brazil. Accessed 2021. https://www.wto.org/english/tratop_e/covid19_e/covid_details_by_country_e.htm?country=BRA.

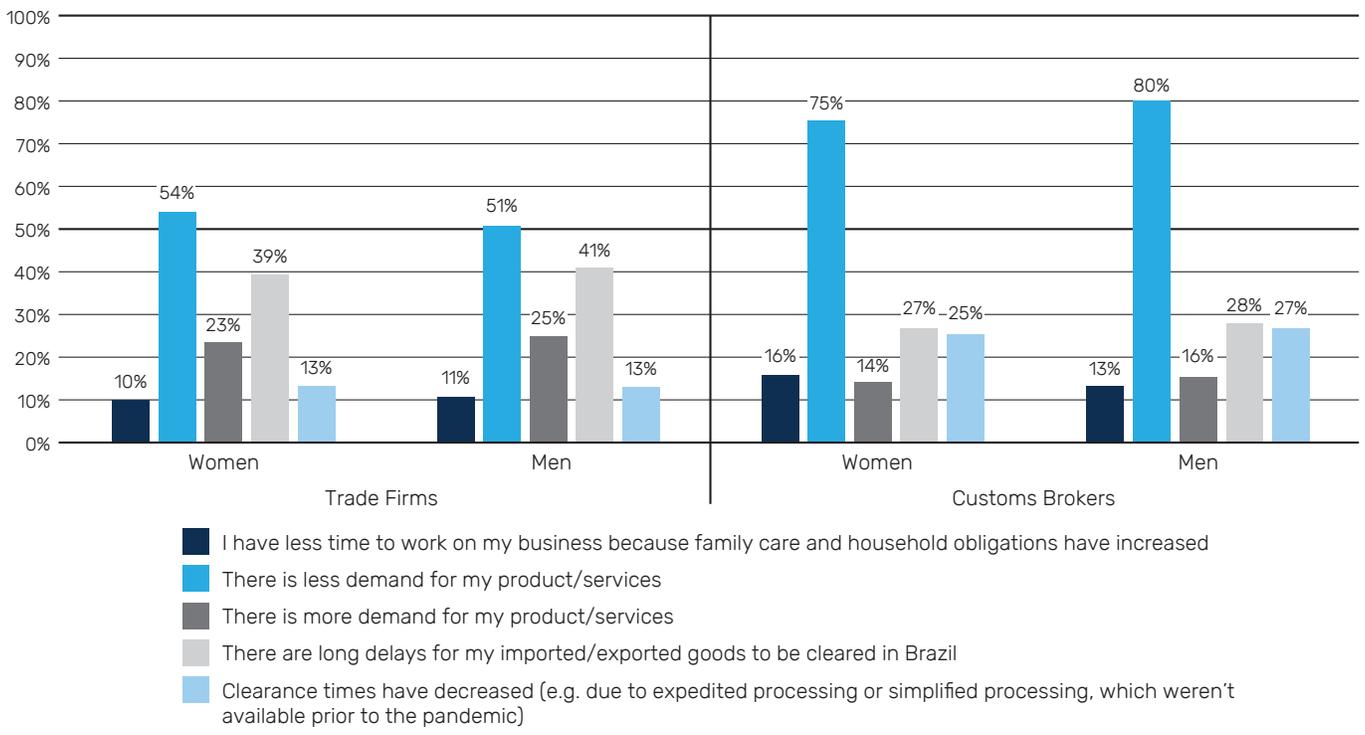
Figure 28. Proportion of Trade Firms and Customs Brokers Whose Ability to Undertake Cross-Border Trade has been Impacted by the COVID-19 Pandemic



The key survey findings include:

A majority of traders and customs brokers report that their businesses have been impacted by the pandemic, largely because of less demand for their products/services but also due to delays for goods to be cleared. For traders, 68 percent of women and 72 percent of men-led firms stated that their ability to conduct cross-border trade has been impacted. A higher share of women customs brokers (71 percent) than men customs brokers (64 percent) reported that their ability to undertake trade has been impacted by the pandemic (see Figure 28). Of those that reported being impacted, 78 percent of customs brokers and 52 percent of traders reported that the pandemic has resulted in less demand for their services/products. On the contrary, almost a quarter of traders and 15 percent of customs brokers reported an increased demand for their products/services. Forty percent of traders and 28 percent of customs brokers reported that the pandemic has impacted their ability to do business because of longer delays to clear goods in Brazil. Twenty-six percent of customs brokers and 13 percent of traders report shorter times to clear goods due to simplified procedures and expedited processing implemented during the pandemic. (see Figure 29)

Figure 29. Effects of the Pandemic on Cross-Border Trade/Customs Brokers Activities



■ **More traders and customs brokers reported that the number of hours devoted to complying with customs inspections and documentary requirements has not changed during the pandemic** (69 percent of women traders; 73 percent of men; 47 percent of women customs brokers; 54 percent of men customs brokers) than those that reported a change. A considerable share, nonetheless, reported that the time to comply with customs inspections and documentary requirements have increased (21 percent of women traders;

19 percent of men traders; 29 percent of women customs brokers; 25 percent of men customs brokers). A small percentage of traders (five percent of men and women each) reported that the time has decreased, while over 20 percent of customs brokers have seen the time reduced (24 percent of women customs brokers and 21 percent of men). These findings were reported across all sectors and there was no clear trend when breaking the responses down by type of import/export commodity of the trader and customs brokers. (see Figures 30–32)

Figure 30. Hours Spent Complying with Customs Inspection and Documentary Requirements

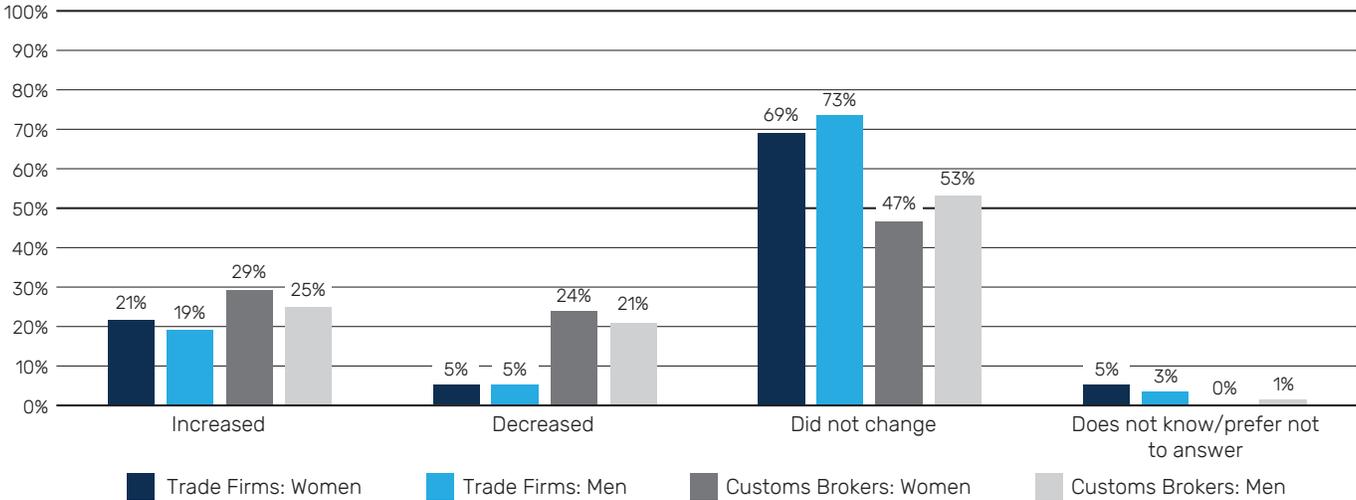


Figure 31. Percentage of Traders and Customs Brokers that Reported Changes to the Hours Devoted to Customs Inspection and Documentary Requirements by Products Exported

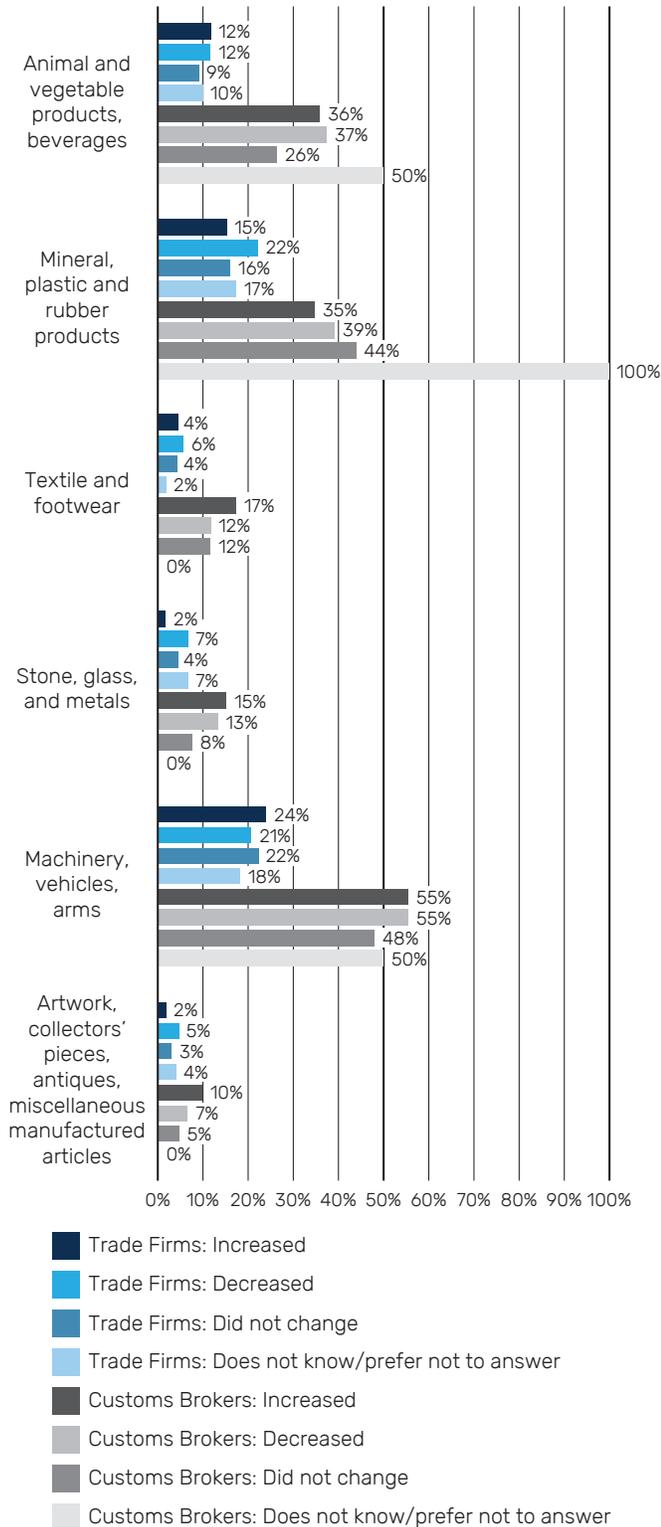
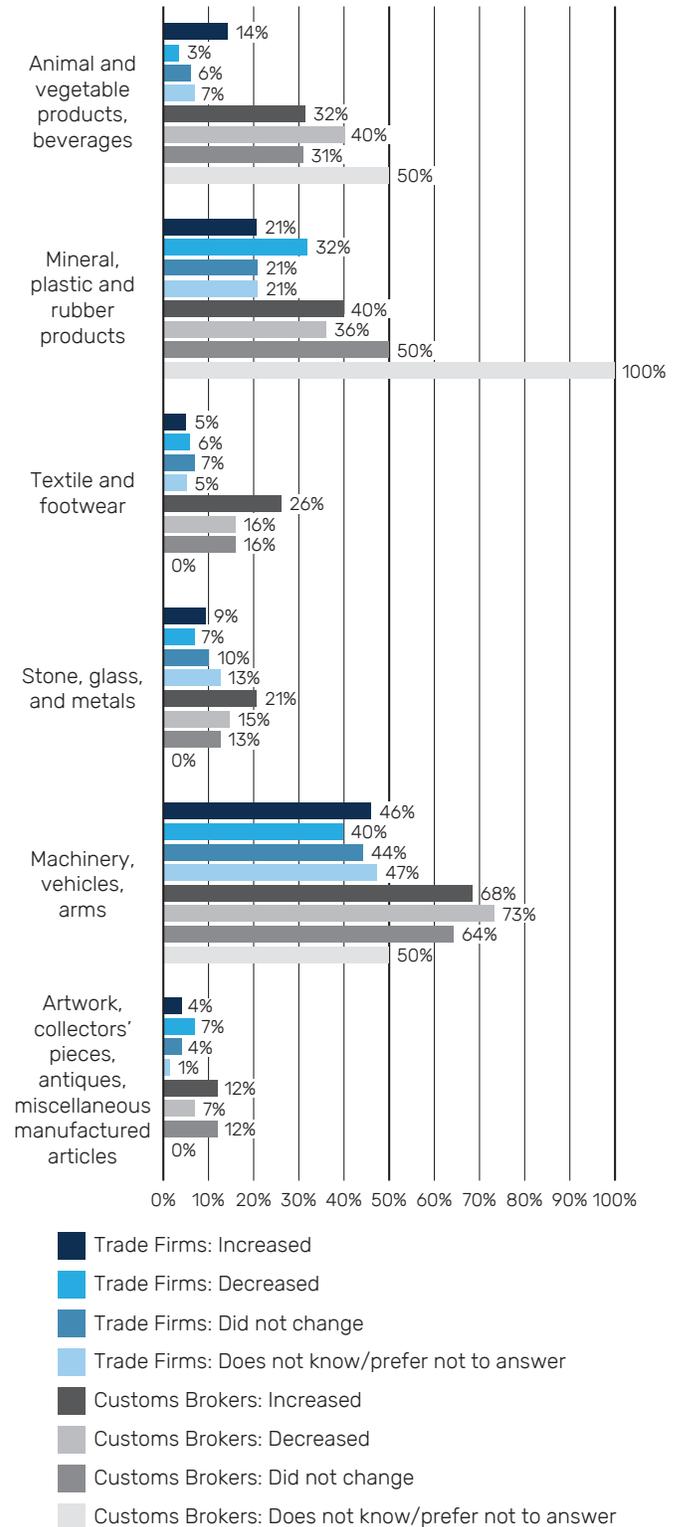


Figure 32. Percentage of Traders and Customs Brokers that Reported Changes to the Hours Devoted to Customs Inspection and Documentary Requirements by Products Imported



Note: Traders could choose more than one answer, so totals may exceed 100.

Note: Traders could choose more than one answer, so totals may exceed 100.

■ **Around one-third of customs brokers reported that the number of hours devoted to complying with inspections and documentary requirements of non-customs agencies have increased during the pandemic; just under 20 percent of traders also reported the same.**

The majority of traders and almost half of the customs brokers, however, reported that the number of hours has not changed – though there is a notable gap in the percentage of traders and customs brokers in this regard (70 percent of women traders and 74 percent of men traders compared to 46 percent of women customs brokers and 48 percent of men customs brokers. Few traders (less than six percent) have seen the time decrease, while almost 20 percent of

customs brokers reportedly spent less time in compliance with non-customs requirements. (see Figure 33)

■ As a response to the pandemic, Anvisa amended resolutions to adopt extraordinary and temporary procedures to speed up and simplify the importation of medical devices and drugs identified as priorities for use in health services. Resultantly, of those customs brokers who have reported a decrease in hours devoted to inspection and satisfying documentary requirements by other border agencies, a majority (73 percent) provided services for imports of machinery, vehicles, arms, followed by animal and vegetable products, beverages (42 percent), and mineral, plastic, and rubber products (42 percent). (see Figure 34)

Figure 33. Hours Spent Complying with Inspection and Document Requirement of Other Border Agencies

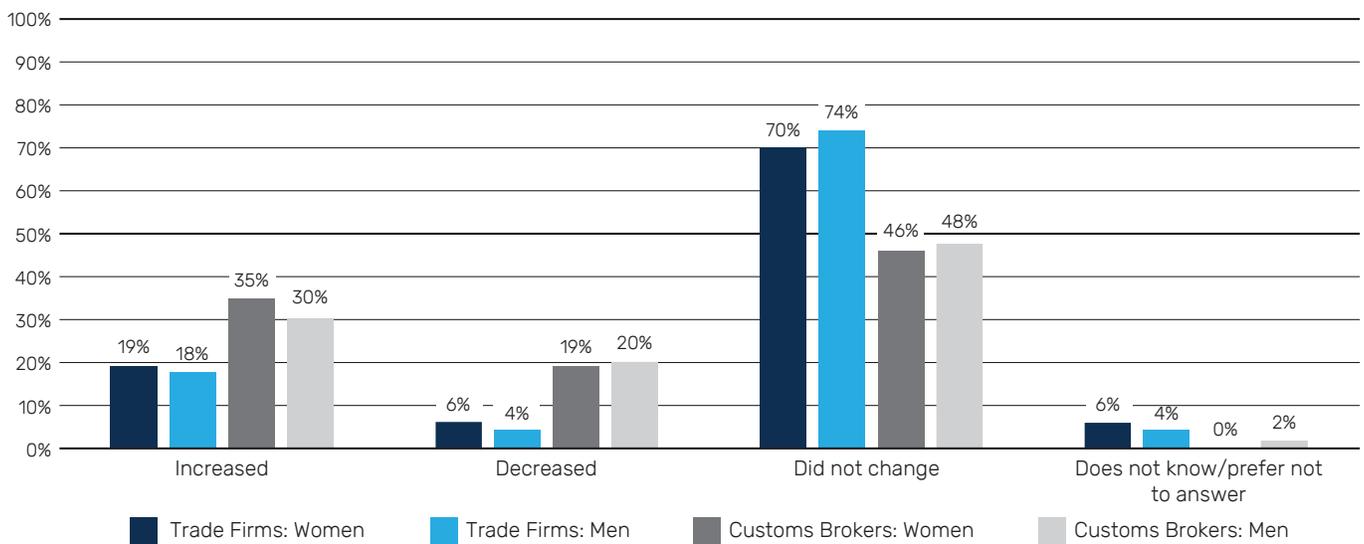
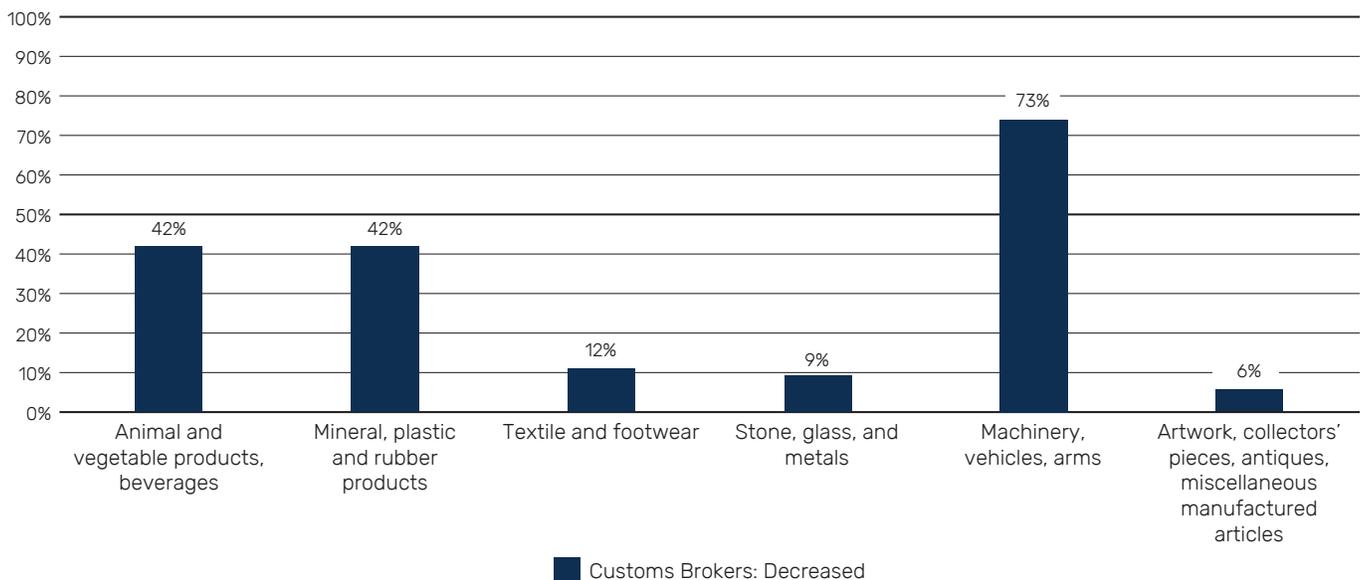
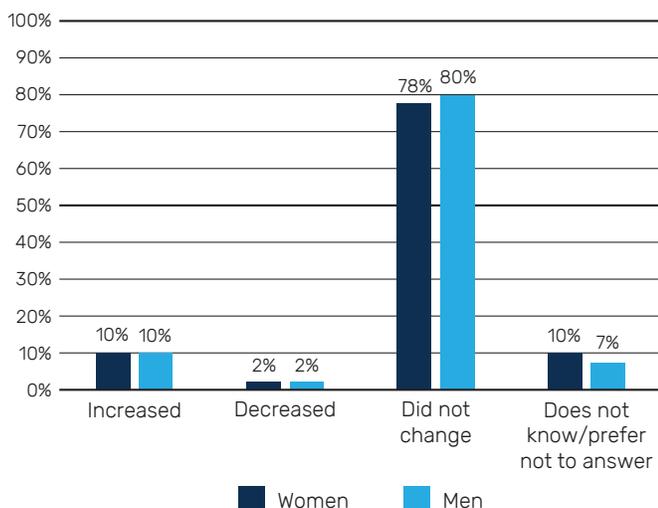


Figure 34. Decreased Hours Devoted to Inspection and Documentary Requirements of Other Border Agencies by Products Imported



■ There is hardly any difference in the number of hours that women and men traders spend in complying with product standards as a result of the pandemic.³⁷ Around 80 percent of traders reported no change, while 10 percent reported an increase. Only two percent reported a decrease in time devoted to complying with product standards. (see Figure 35)

Figure 35. Hours Spent Complying with Product Standards (Trade Firms)

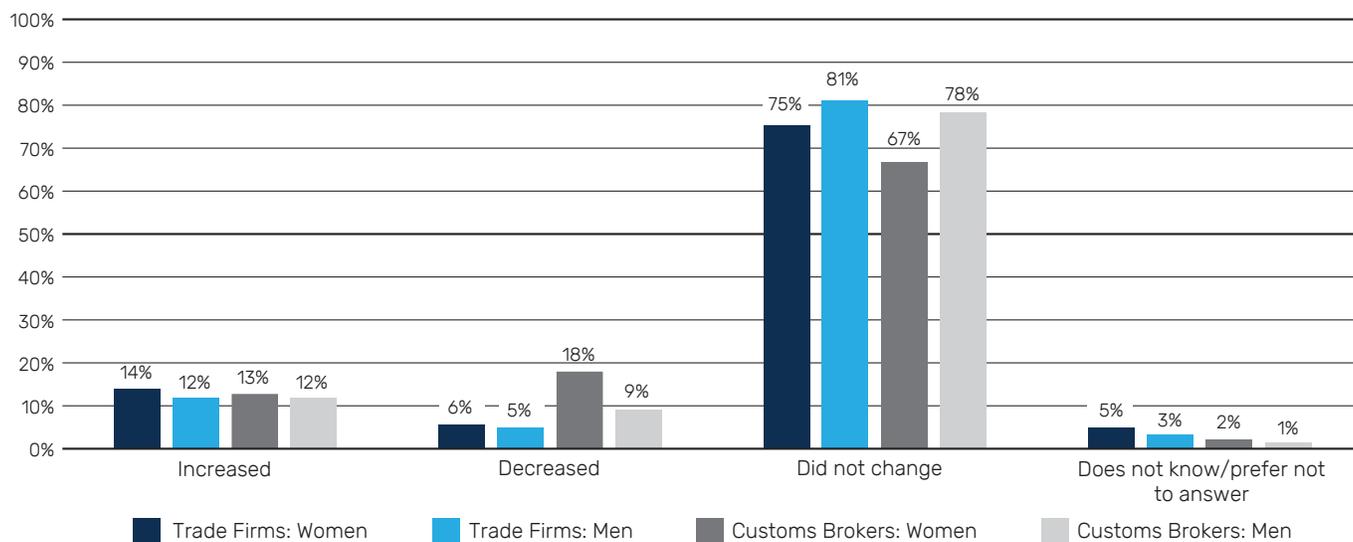


Note: This data was not collected from the customs brokers sample population.

■ The majority of traders and customs brokers reported that the time devoted to payment of official fees during the pandemic did not change (75 percent of women traders, 81 percent of men traders, 67 percent of women customs brokers, and 78 percent of men customs brokers). Around 13 percent of all traders and customs brokers, however, reported that they spend more time on payment of official fees as a result of the pandemic. Twice as many women than men customs brokers reported that the time has decreased (18 percent of women versus nine percent of men customs brokers). (see Figure 36)

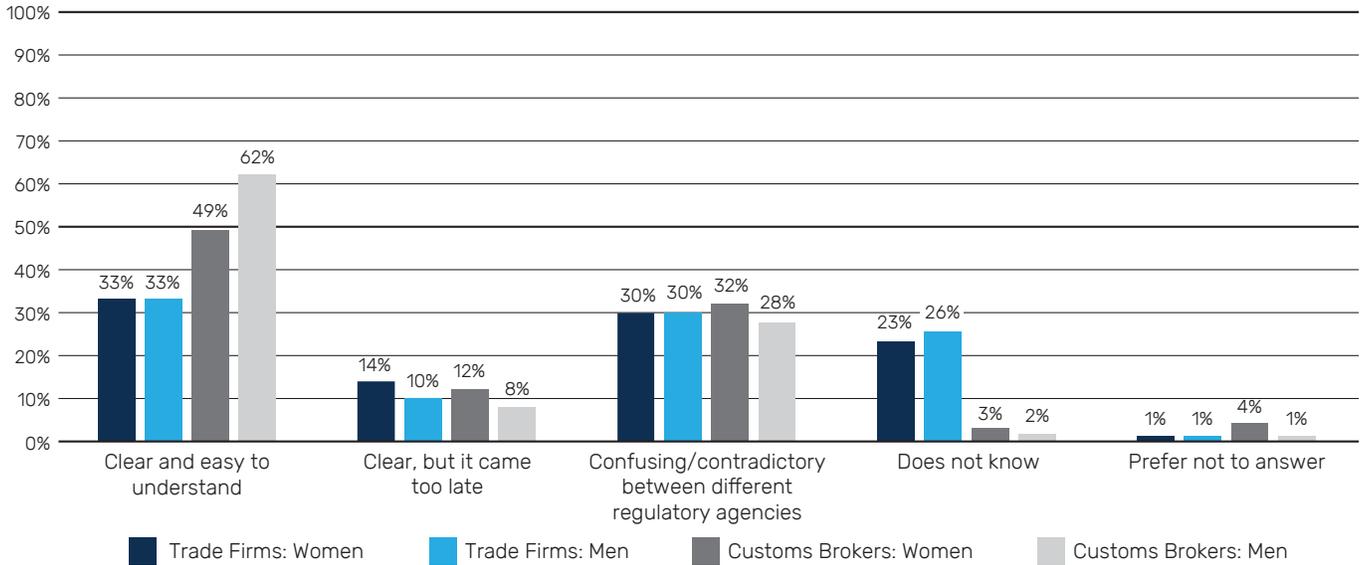
■ Almost one-third of traders and customs brokers reported that information on changes to border processes and procedures caused by the pandemic has been confusing and/or contradictory between different border agencies. One-third of traders, however, did find the information overall to be clear and easy to understand, but there is a clear gender gap between women and men customs brokers that have this perception (49 percent women versus 62 percent men). Around 10 percent of traders and customs brokers found the information to be clear but reported that it came too late. A considerable share of traders also reported that they do not know/have any opinion about the information received (around 25 percent). (see Figure 37)

Figure 36. Hours Spent on Payment of Official Fees for Import/Export



³⁷ The question related to the National Institute of Metrology, Standardization, and Industrial Quality (INMETRO).

Figure 37. Perception of Information Received from the Government on Changes to Border Processes and Procedures Caused by the Pandemic



Note: Due to rounding, sum of totals may exceed 100 percent.

C. Main Challenges to Expanding Business

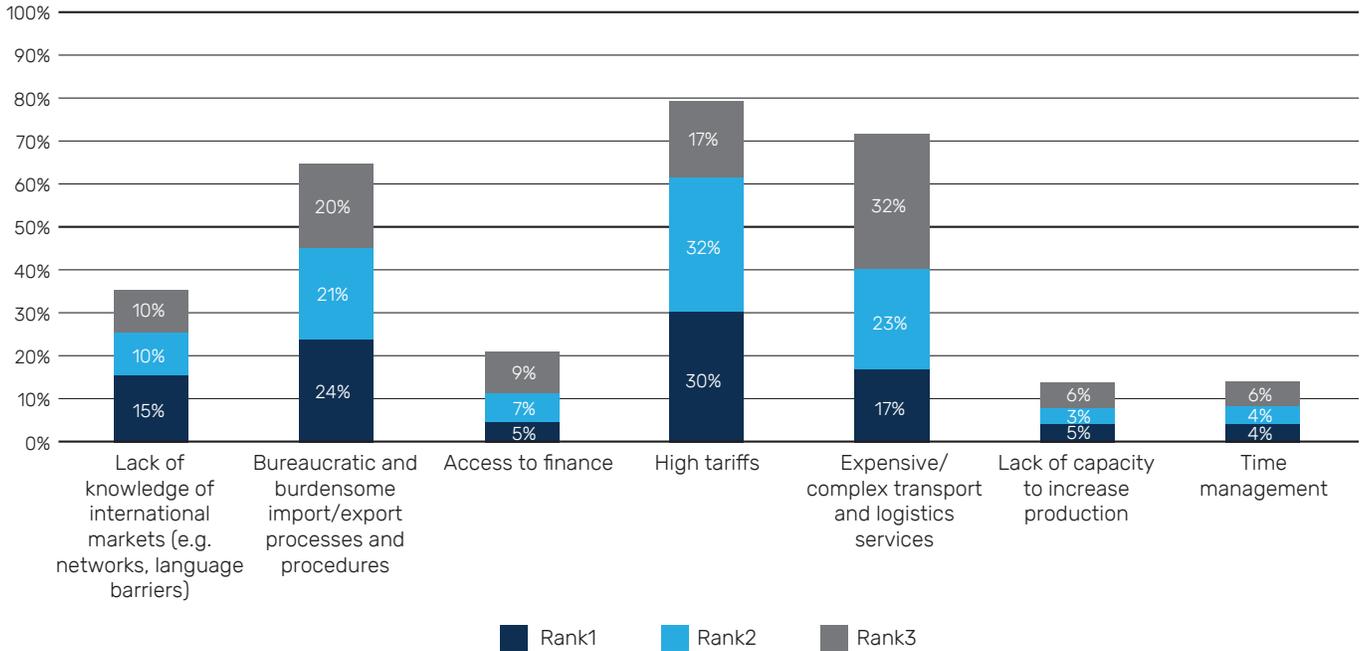
The survey asked respondents to rank the top three barriers that pose a challenge to their firm’s ability to expand to international markets.³⁸ The findings in this section shed light on the broad areas that should be prioritized for reform actions in order to improve the overall cross-border trade environment in the country, which is especially important to take into consideration as the country looks toward economic recovery from the COVID-19 pandemic.

Related survey finding:

- **Regardless of gender, the top three barriers cumulatively to expanding internationally are high trade tariffs, bureaucratic and burdensome import/export processes and procedures, and expensive/complex transport and logistic services.** Very similar and only slightly different shares of women and men traders ranked high tariffs (30 percent of women and 29 percent of men) and bureaucratic and burdensome import/export processes and procedures (24 percent of women and 23 percent of men) as their first biggest challenge to expanding to international markets. Slightly more women traders (17 percent) ranked expensive and complex transport and logistics services as the first biggest compared to men traders (13 percent). In contrast, more men traders ranked access to finance as their first biggest barrier (13 percent of men and five percent of women). (see Figures 38 and 39)

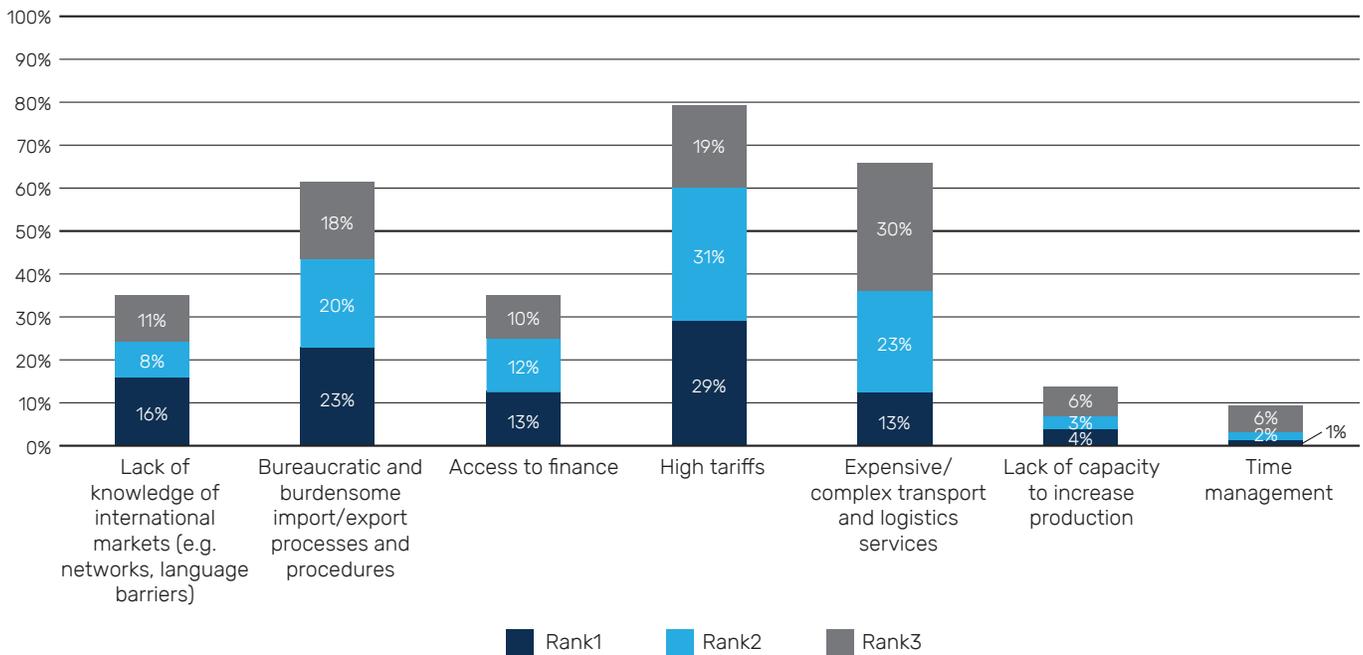
³⁸ Respondents were asked to rank their top three challenges from multiple choices and could also provide a fill-in response if their challenge was not listed.

Figure 38. Barriers to International Markets for Women Trade Firms



Note: The percentages are based on the number of respondents that have ranked each issue area as either their first, second, or third most challenging barrier to expanding their business.

Figure 39. Barriers to International Markets for Men Trade Firms



Note: The percentages are based on the number of respondents that have ranked each issue area as either their first, second, or third most challenging barrier to expanding their business.

D. Trade Facilitation-Specific and Other Related Key Findings

The findings in part C highlighted that one of the top three barriers preventing firms from expanding internationally is bureaucratic and burdensome import/export processes and procedures. This section further investigates the experiences of traders and customs brokers with the cross-border trade processes and procedures in Brazil, including whether there are gendered differences in their experiences.

Airport, Seaport, and Land Border Working Hours

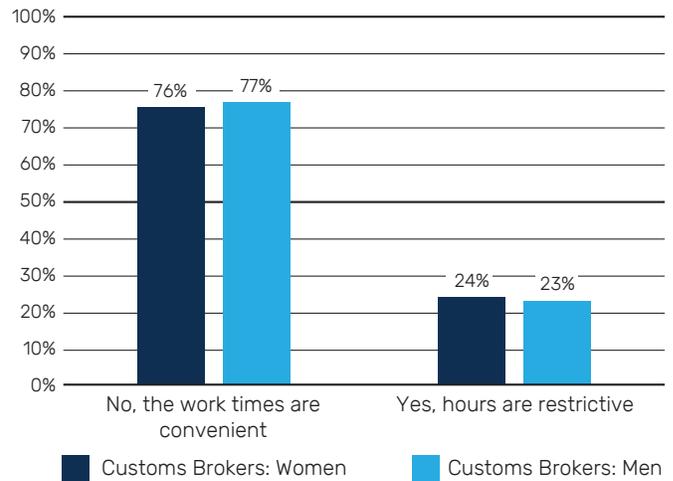
Restrictive working hours can have a negative impact on international trade and on supply chains. If goods are delayed at borders awaiting physical inspection and clearance, the increased time to clear goods could adversely affect the cost of doing business and increase trade costs. Additionally, there can be an increased risk of theft and spoilage if goods are not adequately secured or stored while waiting for border clearance.

- **The majority of traders and customs brokers respondents use seaports**, followed by airports, whereas only a few use land border posts. (see Figure 40)
- **Almost a quarter of customs brokers believe the working hours of the ports, airports, or land border posts they use restrict their ability to provide their services.** (see Figure 41)

Figure 40. Main Types of Border Posts Used by Trade Firms and Customs Brokers



Figure 41. Perception of Whether the Working Hours of Ports, Airports, or Land Border Posts Restrict Ability to Trade



Note: This question was only asked in the survey of customs brokers because traders do not typically have to go to the border posts, rather customs brokers usually go on their behalf. Totals may not add to 100 percent due to rounding.

Use of Customs Brokers and Other Agents

Customs brokers, freight forwarders, and other agents help facilitate customs clearance and other import/export processes and procedures for traders. These service providers are known to be knowledgeable of trade regulations and have experience with trade supply chains. WTO TFA Article 10.6 stipulates that measures mandating the use of customs brokers shall not be introduced after February 22, 2017 (the date of the agreement's entry into force). The use of customs brokers is not mandatory in Brazil.

Related survey finding(s):

- **A large majority of traders (96 percent) use customs brokers and/or other agents to facilitate import and export processes and procedures.**

- Women and men traders responded similarly (with very slight differences) in their reasoning for using customs brokers. The top three reasons chosen by respondents were that customs brokers (i) handle transport, (ii) organize and present paperwork, and (iii) handle payment of official fees. Notably, slightly more than one-third of traders believe it is mandatory by law to use an agent, and more than half of traders hire agents to avoid safety issues at the border posts. (see Figure 42)

- **Of the firms that do not hire customs brokers, the majority have in-house staff that provide the necessary expertise.** More women traders (73 percent) than men traders (62 percent) have in-house expertise, and more women traders (22 percent) than men traders (eight percent) find it too costly to hire customs brokers. Six percent of men traders report that they do not use customs brokers as they do not have any confidence in them. Six percent of women traders claim that customs broker services are not available locally to them. (see Figure 43)

Figure 43. Reasons for Not Using Customs Brokers and Other Agents by Gender

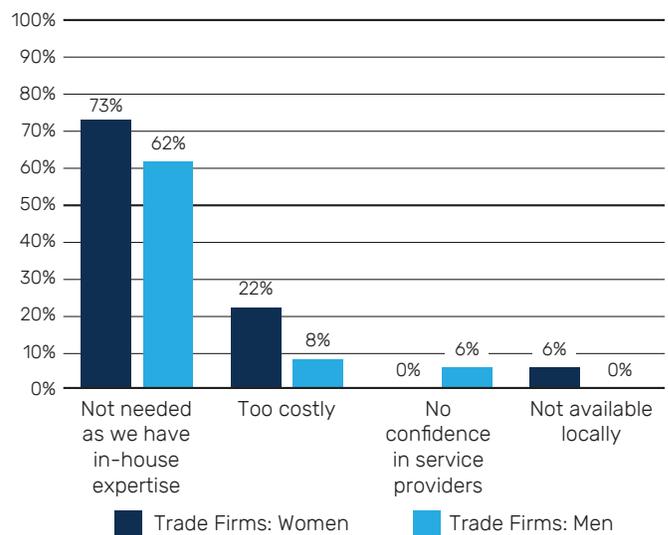
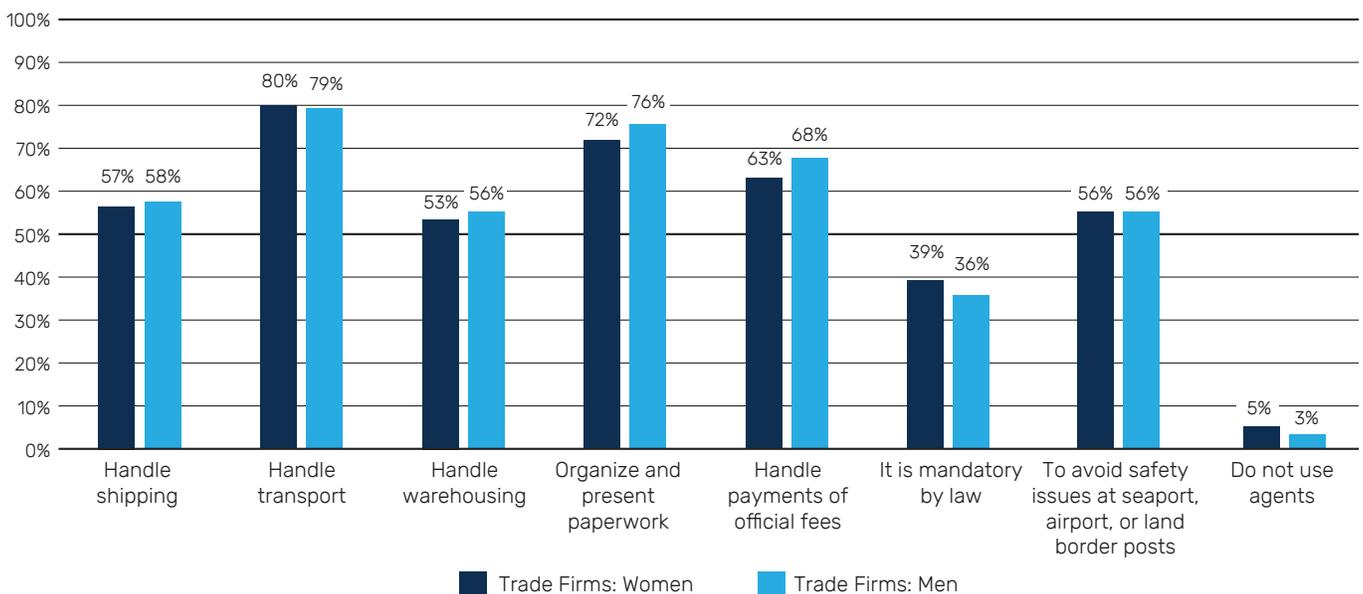


Figure 42. Reasons for Using Customs Brokers and Other Agents by Gender (Trade Firms)



Note: This question was only asked to the trade firm sample population. Traders could choose more than one answer, so totals may exceed 100.

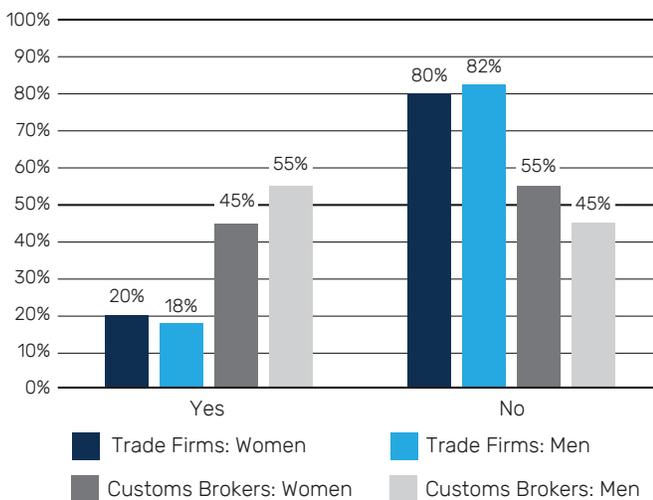
National Trade Facilitation Committee (NTFC)

WTO TFA Article 23 stipulates that each WTO Member should establish and/or maintain a national committee on trade facilitation or designate an existing mechanism to facilitate domestic coordination and implementation of the WTO TFA. Brazil established its National Trade Facilitation Committee (Comitê Nacional de Facilitação de Comércio - CONFAC) in September 2016,³⁹ and it was later re-created in 2020 within the Foreign Trade Chamber (Camex) of the Ministry of Economy.⁴⁰ CONFAC serves as the consultative and executive body to implement trade facilitation policies and guidelines in Brazil.

Related survey finding(s):

- Only around half of the customs brokers and less than a quarter of traders are aware of the NTFC's existence.** More men customs brokers are aware of the NTFC compared to their women counterparts (55 percent and 45 percent respectively), and there is only a slight difference in the percentage of women and men traders that are aware of its existence (20 percent and 18 percent respectively) (see Figure 44). Furthermore, the awareness of the NTFC's existence appears to marginally increase with firm size, with 26 percent of large firms, 19 percent of medium firms, 18 percent of small firms, and 15 percent of micro firms being aware (see Figure 45). Of the traders that identified as belonging to an ethnic minority group, the majority are not aware of the NTFC (83 percent). (see Figure 46)

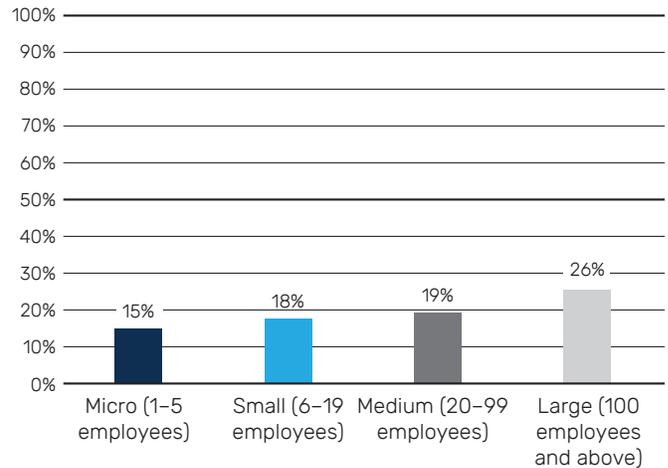
Figure 44. Proportion of Trade Firms and Customs Brokers that are Aware of the NTFC's Existence



³⁹ Through Decree n. 8.807/2016.

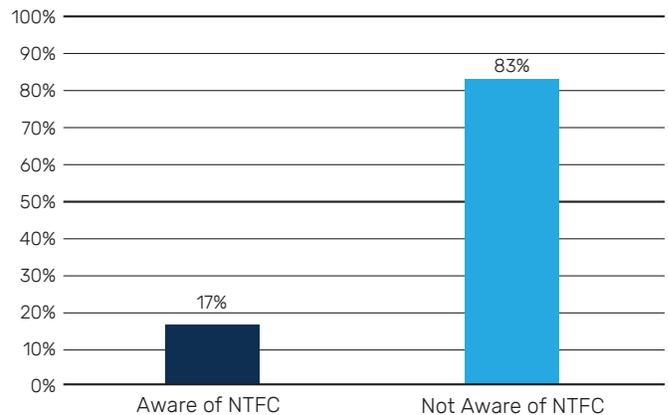
⁴⁰ Through Decree n. 10.373/2020.

Figure 45. Proportion of Trade Firms that are Aware of the NTFC by Firm Size



Note: Trade firms that did not know or preferred not to disclose their firm size are excluded from this figure.

Figure 46. Proportion of Trade Firm Respondents that Identify as Belonging to an Ethnic Minority Group that are Aware of the NTFC



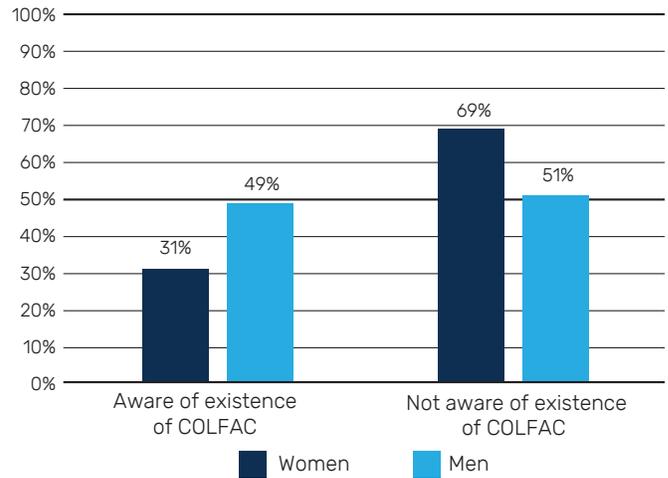
Local Trade Facilitation Commissions (COLFACs)

In Brazil, international trade is largely regulated by the federal government, but traders and customs brokers also need to comply with state and local requirements. A main challenge is to ensure harmonization of processes and procedures at and between the various seaports, airports, and land borders throughout the country. The respective border agencies at the various seaports, airports, and land borders may face unique challenges and constraints that demand specific solutions.

National policies and regulations are mainly handled by the NTFC, but the committee recognizes the existence of specific local challenges and the importance of establishing local commissions to enhance communication and identify common opportunities for further development. Therefore, local commissions for trade facilitation (COLFACs) have been established at 29 main Brazilian customs units with the objective of sharing views and enabling interaction and cooperation of border authorities to solve local problems that impact import and export activities. The COLFACs are part of the organizational structure of NTFC and include representatives from the Revenue Service, the Secretariat of Agricultural Defense of the Ministry of Agriculture, Livestock and Supply, and the National Health Surveillance Agency, and representatives of the public and private sectors. Representatives of importers and exporters and of the premises in which customs clearance is carried out are permanently invited.

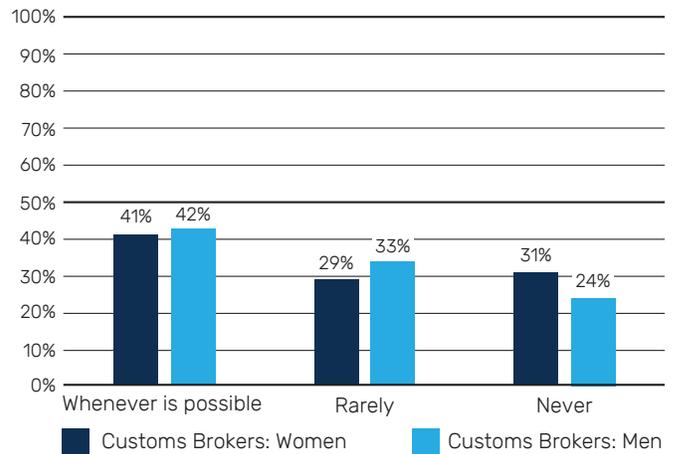
■ **Almost half of the men customs brokers are aware of COLFACs' existence compared to slightly less than one-third of women customs brokers.** Only 41 percent of women customs brokers and 42 percent of men customs brokers attend COLFAC meetings whenever possible. Twenty-nine percent of women customs brokers and 33 percent of men customs brokers rarely attend, and 31 percent of women customs brokers and 24 percent men customs brokers never attend. Awareness of COLFACs and participation in COLFAC meetings may depend on the customs brokers' locations because the system was not available in all 29 customs offices in the country until October 1, 2021. (see Figures 47 and 48)

Figure 47. Awareness of the COLFACs' Existence by Gender of Customs Broker



Note: This question was only asked to the customs brokers sample population.

Figure 48. Frequency of Attendance of COLFAC Meetings



Note: This question was only asked to the customs brokers sample population.

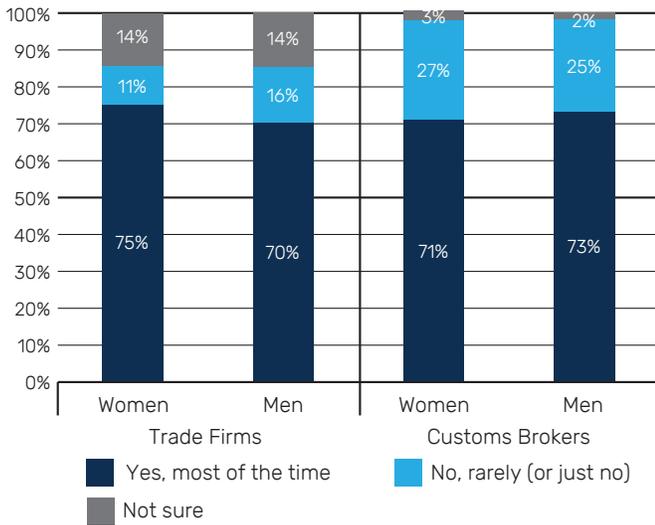
Consistency in Implementation of Border Processes and Procedures

The consistent application of border procedures provides predictability and certainty for businesses engaging in cross-border trade. If border procedures are inconsistently implemented, traders may face additional costs of complying with regulation and thereby contributing to increased time and costs of international trade.

Related survey finding(s):

■ **Over one-quarter of traders and customs brokers do not think or are not sure whether border processes are consistently implemented by border officials.** Of those that believe implementation is consistent, over 70 percent of respondents (and higher for women traders at 75 percent than men traders at 70 percent) think that procedures are implemented consistently. (see Figure 49)

Figure 49. Perception that Border Process are Consistently Implemented by Border Officials by Gender



Access to and Understanding of Information

Accessing and understanding official regulations and procedures is important for transparency, compliance, and predictability of the trading environment. The publication and dissemination of changes to relevant laws and regulations must be done with sufficient advance notice and in easy-to-understand language. If traders are unaware of new customs rules and regulations, or if they cannot understand them, they may face additional compliance burdens and costs for not properly meeting requirements. WTO TFA Article 1 covers publication and availability of information, including the prompt publication of general trade-related information in a non-discriminatory and easily accessible manner, as well as publication of practical guides, forms and documents, relevant trade laws, and enquiry contact points on the internet.

Related survey finding(s):

■ **More women customs brokers have difficulties when looking for information on official regulations and procedures compared to men customs brokers; however, slightly more men traders than women traders have difficulties.** By firm size, the proportion of firms facing difficulties marginally decreases as the firms become larger (for example, 46 percent of micro firms compared to 45 percent of small firms, 38 percent of medium firms, and 36 percent of large firms). (see Figures 50 and 51)

Figure 50. Proportion of Trade Firms and Customs Brokers That Face Difficulties When Looking for Information on Official Regulations and Procedures

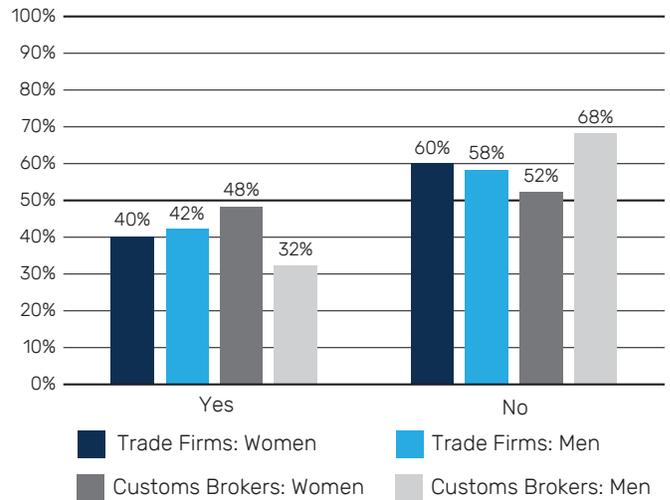
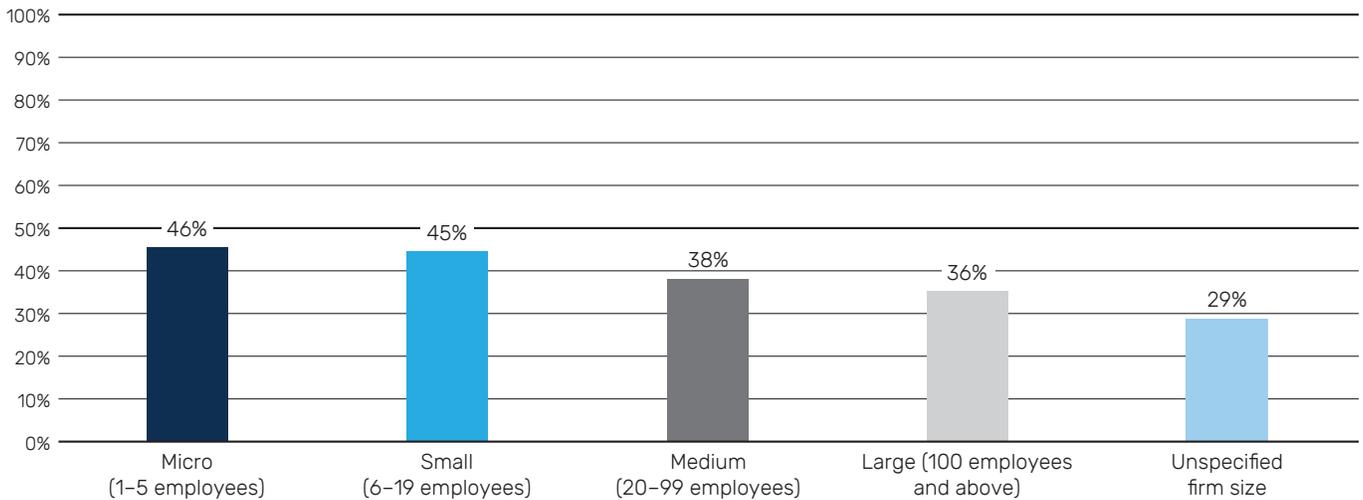


Figure 51. Proportion of Trade Firms That Face Difficulties When Accessing Official Information by Firm Size

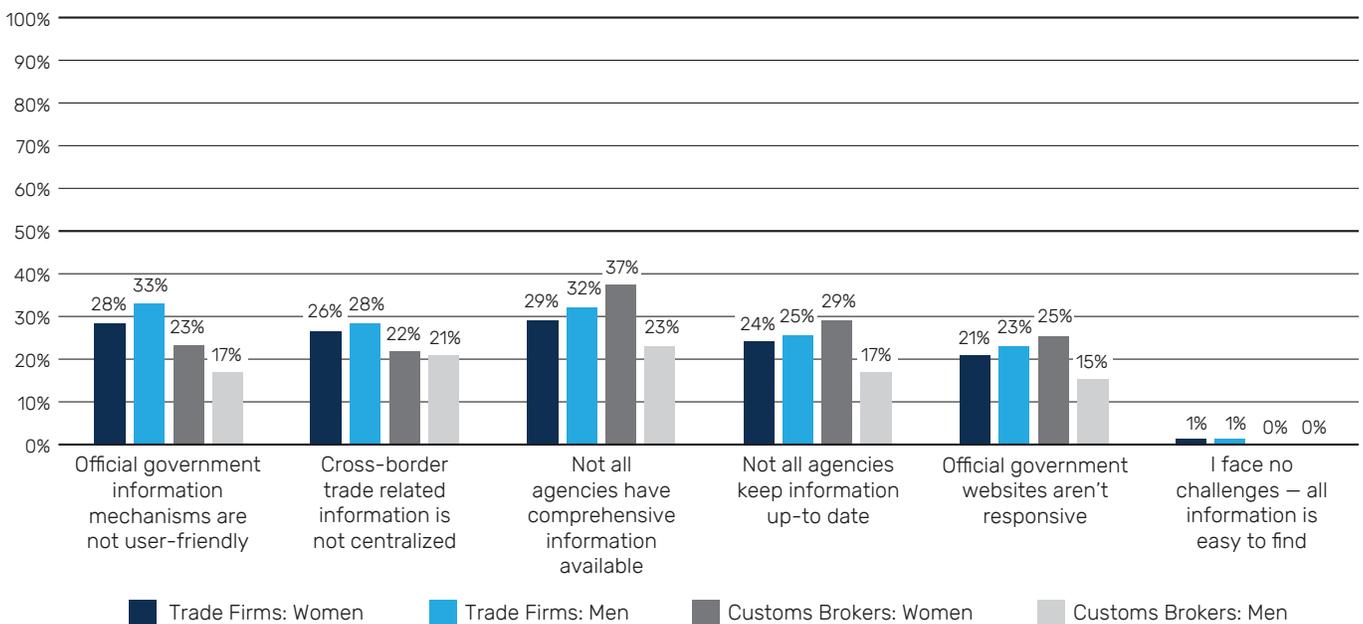


Note: This cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

■ **The more common challenges that both traders and customs broker face when looking for information on official regulations and procedures are 1) not all agencies have comprehensive information available and 2) cross-border trade-related information is not centralized.** Almost a third of trade firms also reported that official government information mechanisms are not user-friendly compared to

20 percent of customs brokers. Across the board but in varying degrees, more women customs brokers than men customs brokers face challenges in the types of challenges presented to them during the interview (see Figure 52 for details on the answer choices that were provided to the respondents). The opposite is true for men-led and women-led trade firms. (see Figure 52)

Figure 52. Challenges Faced in When Looking for Information on Official Regulations and Procedures by Gender



■ **Industry associations are generally conduits for information outside of government sources, and in Brazil, around a quarter of customs brokers use the trade community/industry associations as a source for information while a smaller share of trade firms does the same.** Of the traders that are members of associations, only 12 percent use the trade community/industry associations as a source of information

(see Figure 53). Of the customs brokers that are members of the trade associations, 26 percent use the trade community/industry associations as a source of information (see Figure 54). The proportion of trade firms using the trade community/trade associations for information may be smaller because they prefer to go to personal networks/agents/brokers/freight forwarders for information (see Figure 56).

Figure 53. Preferred Sources of Information for Trade Firms by Whether They are Members of Associations

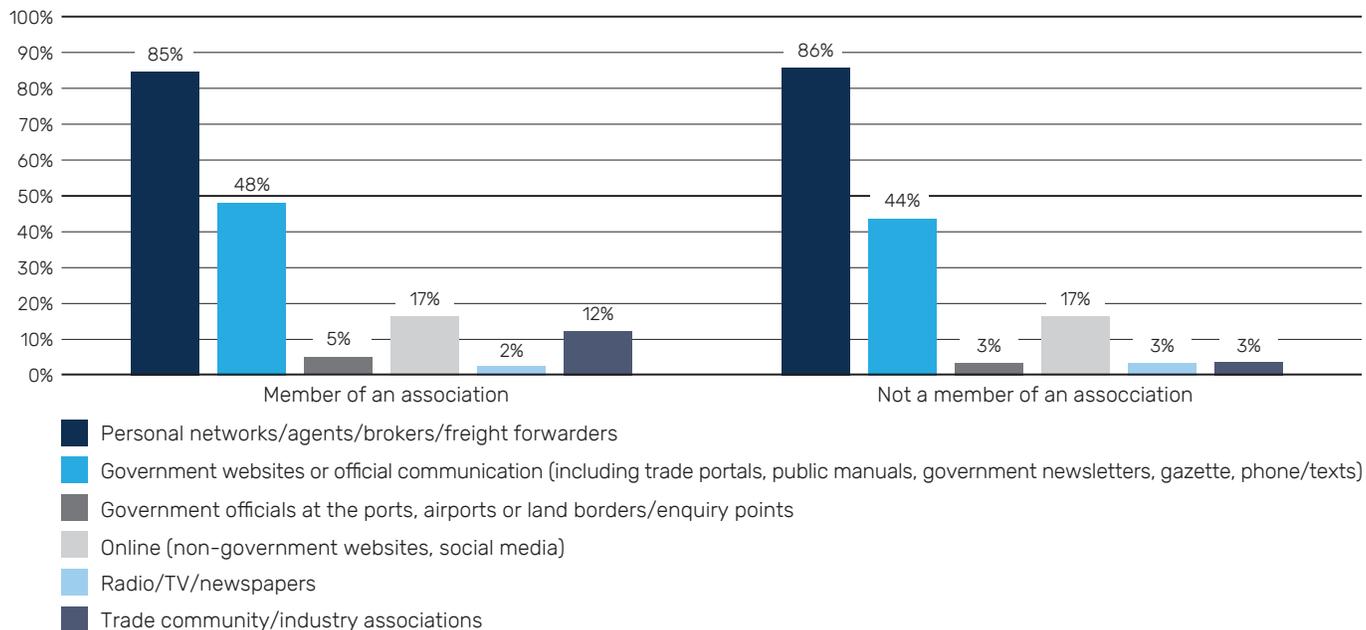
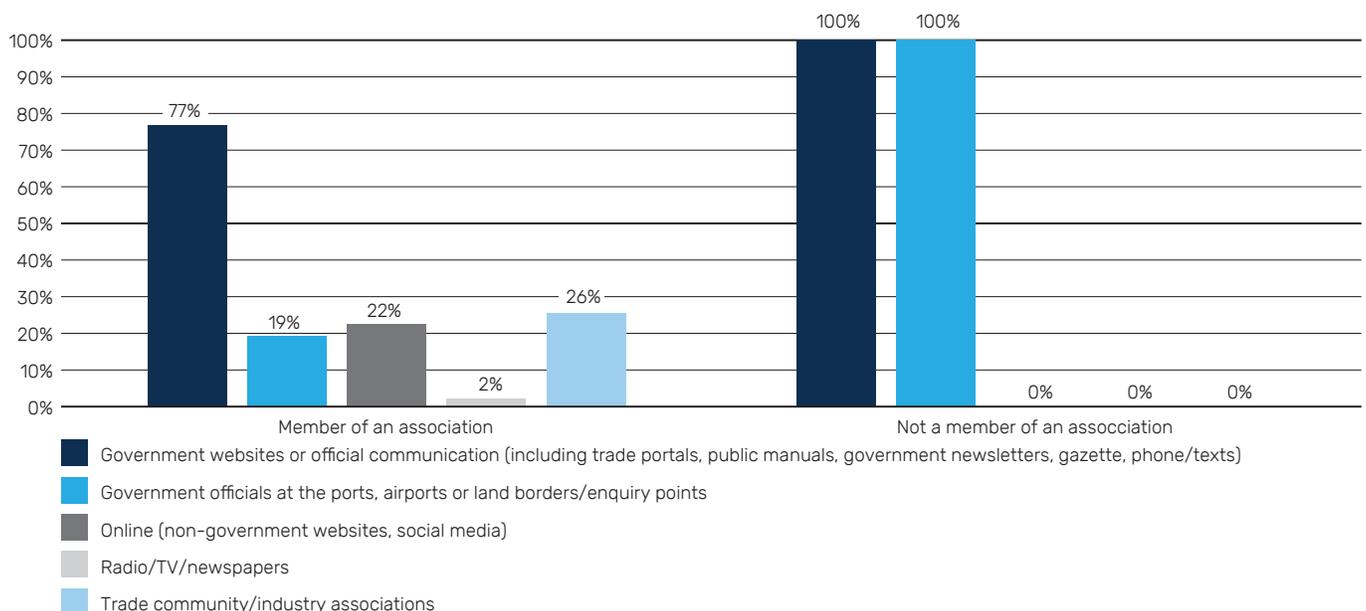


Figure 54. Preferred Sources of Information for Customs Brokers by Whether They are Members of Associations



Note: Respondents could choose more than one answer, so totals may not sum to 100 percent.

■ Related to the preceding finding, of the trade firms that are *not* members of associations, one-third of them reported that they can access the needed information elsewhere and thus see no reason for joining associations. (see Figure 55)

■ **The majority of traders rely on personal networks/agents/brokers/freight forwarders for information while the majority of customs brokers rely on government websites or official communications (including from trade portals, public manuals, government newsletters, gazette, phone/texts).** Comparing by information source type and gender, more women traders use government websites or official communications than men traders. Slightly more men traders than women traders prefer to use online non-government website/social media. More women customs brokers use government websites or official communications and the trade community/industry associations than men customs brokers. (see Figures 56 and 57)

Figure 55. Reasons for Not Joining Associations (Trade Firms)

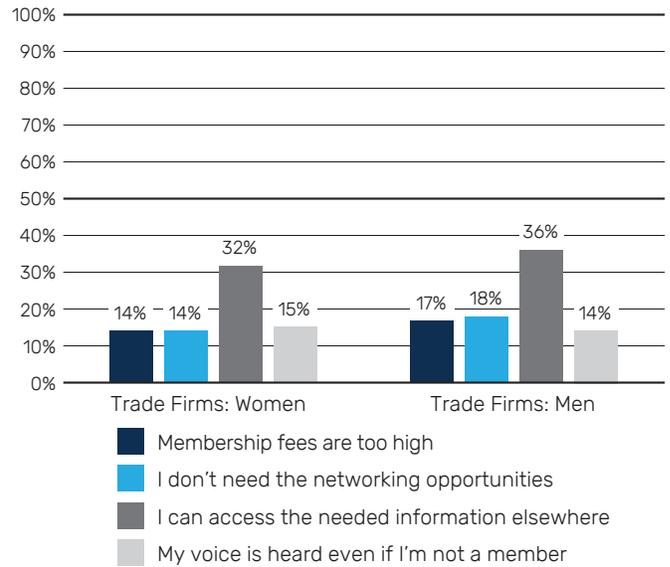


Figure 56. Preferred Sources of Information for Trade Firms by Gender

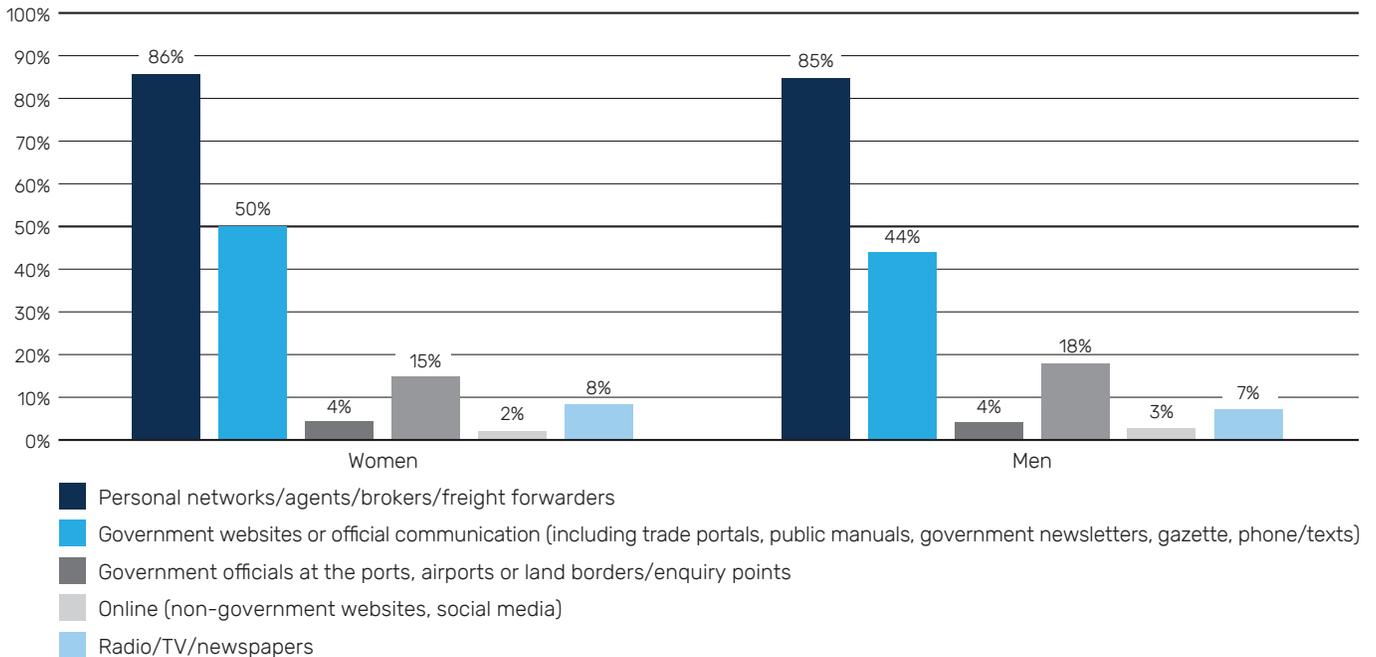
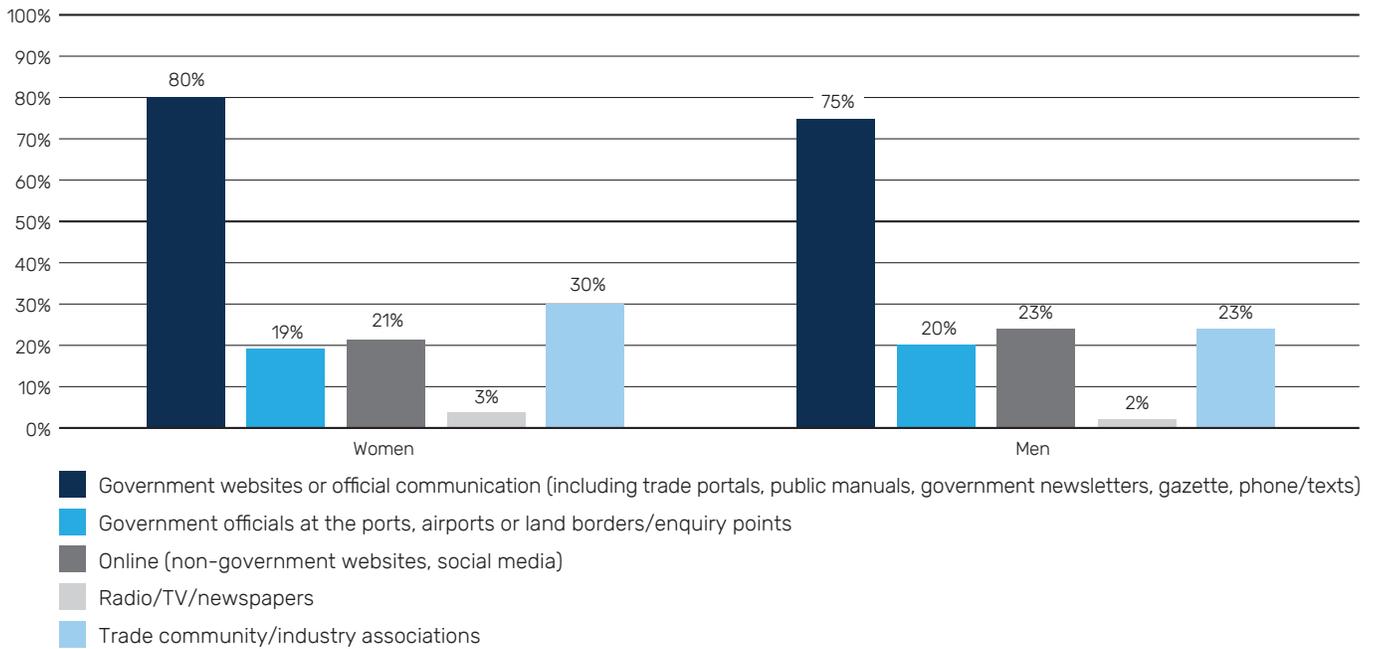


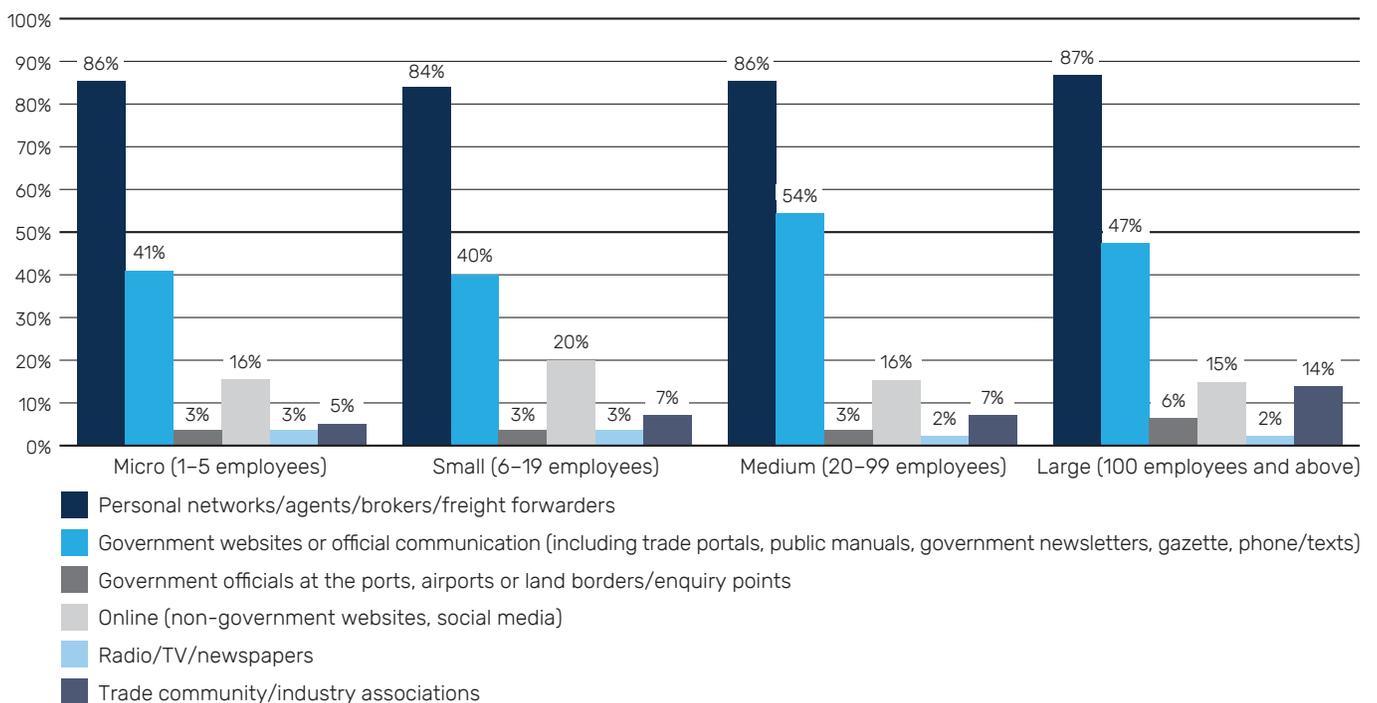
Figure 57. Preferred Sources of Information for Customs Brokers by Gender



■ **The majority of traders also rely on personal networks/agents/brokers/freight forwarders regardless of firm size.** Usage of the other sources is similarly proportioned across the firm sizes, with the exceptions of slightly

more large firms using government officials at the ports, airports or land borders/enquiry points and more using the trade community/industry associations than smaller sized firms. (see Figure 58)

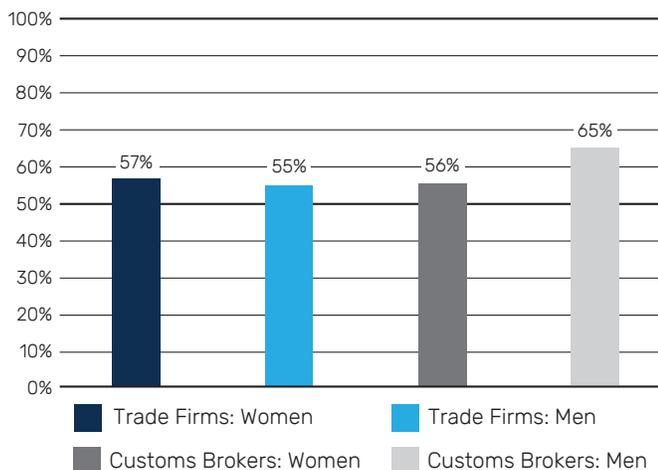
Figure 58. Source of Information for Trade Firms by Firm Size



Note: Trade firms that did not know or preferred not to disclose their firm sizes are not included in this figure.

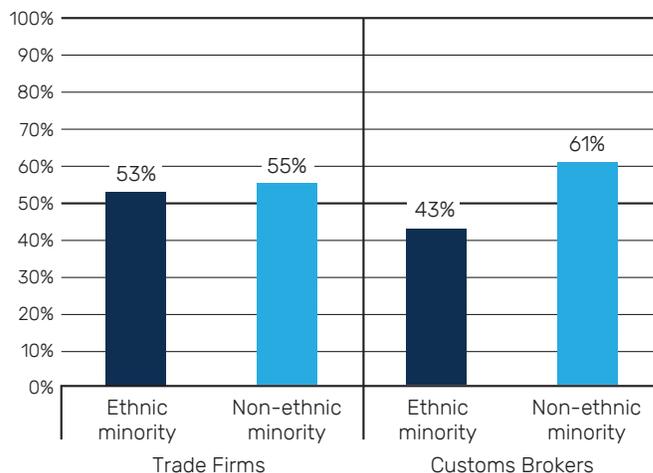
■ Over one-third of customs brokers and slightly less than half of the traders reported that official regulations and processes are usually not easy to understand. By gender, fewer women customs brokers than men customs brokers (56 percent and 65 percent respectively) find information easy to understand. Slightly more women traders than men traders find information easy to understand (57 percent and 55 percent respectively). (see Figure 59)

Figure 59. Proportion of Trade Firms and Customs Brokers that Perceive Regulations and Processes are Easy to Understand by Gender



■ Forty-three percent of customs brokers who self-identified as belonging to an ethnic minority group reported that official regulations and processes are easy to understand compared to 61 percent of customs brokers who did not self-identify as an ethnic minority. (see Figure 60)

Figure 60. Proportion of Trade Firms and Customs Brokers that Perceive Regulations and Processes are Easy to Understand by Ethnic Groups



Note: Respondents who preferred not to disclose their belonging to ethnic minority groups are excluded from this graph.

Consultative Mechanisms

A mechanism whereby stakeholders are consulted on any changes to official border processes and procedures can alleviate misinformation regarding planned changes related to their cross-border trade activities and can improve compliance. Equally important is a consultation mechanism that takes into consideration the feedback provided by stakeholders before any changes are implemented. Article 2.2 of the WTO TFA calls for regular consultations between border agencies, traders, and other stakeholders. Article 2.1 states that stakeholders must be given an opportunity and time to comment on proposals for new or amendments to trade-related regulations and customs law.

Related survey finding(s):

- Eighty-seven percent of traders and seventy percent of customs brokers say they have never been or are not regularly consulted on changes to processes and procedures related to trade.** While 29 percent of customs brokers reported being regularly consulted, only seven percent of traders reported the same. Some firms are consulted, though not regularly (14 percent of traders and 25 percent of customs brokers). (see Figure 61)

- By gender, more men than women traders report that they are never or are not regularly consulted (89 percent of men versus 83 percent of women). For customs brokers, slightly more women than men customs brokers are reportedly never or not regularly consulted (72 percent of women versus 68 percent of men). However, there is a gap in that twenty-seven percent of women customs brokers are regularly consulted versus a greater proportion of men (32 percent). Less than 10 percent of men and women traders are regularly consulted. (see Figure 62)

Figure 61. Respondents are Regularly Consulted on Changes to Trade Processes/Procedures

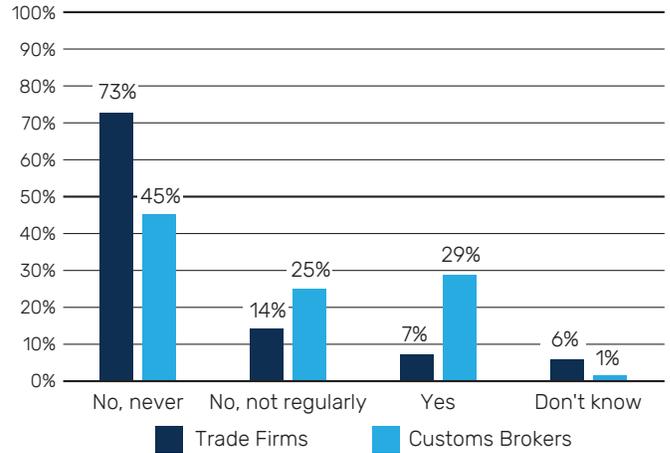
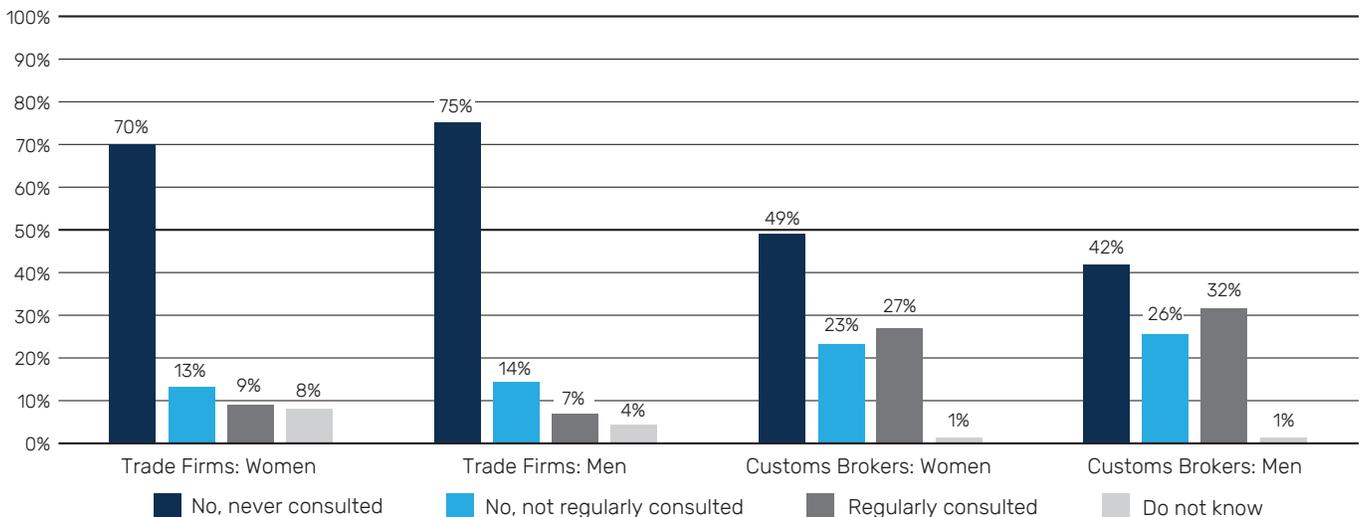


Figure 62. Proportion of Trade Firms and Customs Brokers that are Regularly Consulted on Legislative Changes to Cross-Border Procedures and Processes by Gender



■ **A bigger proportion of larger companies are consulted regularly than smaller companies.** While 14 percent of larger companies are regularly consulted, only five percent of micro companies, six percent of small, and seven percent of medium companies are regularly consulted. Similarly, 83 percent of micro companies are never consulted while 60 percent of larger companies are never consulted. (see Figure 63)

■ **Of the traders that are regularly consulted,⁴¹ the more common way this is done is through agents such as customs brokers and other clearance agents (58 percent of women**

and 54 percent of men). The more common way consultations are undertaken for customs brokers, however, is through the trade community/industry associations.⁴² More women than men traders (48 percent versus 31 percent) use general government managed public consultation (notice-and-comment mechanisms). More men (48 percent) than women traders (39 percent) are consulted through trade/industry associations. Forty-three percent of customs brokers provide their feedback and comments through government managed public consultation mechanisms, and around 20 percent are consulted through other customs clearance agents. (see Figure 64)

Figure 63. Proportion of Respondents that are Regularly Consulted on Changes to Trade Process/Procedures by Firm Size

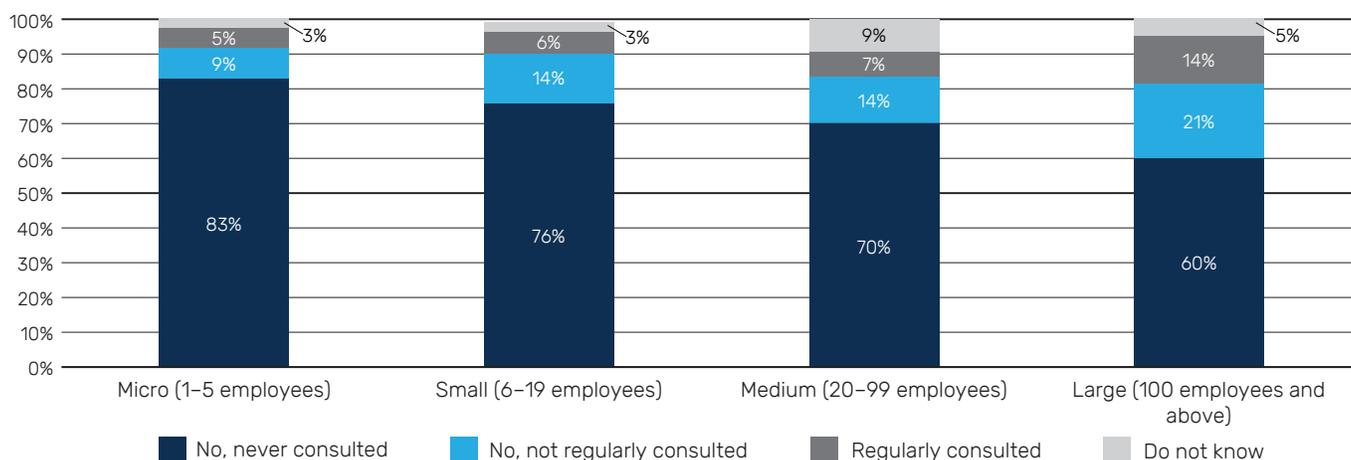
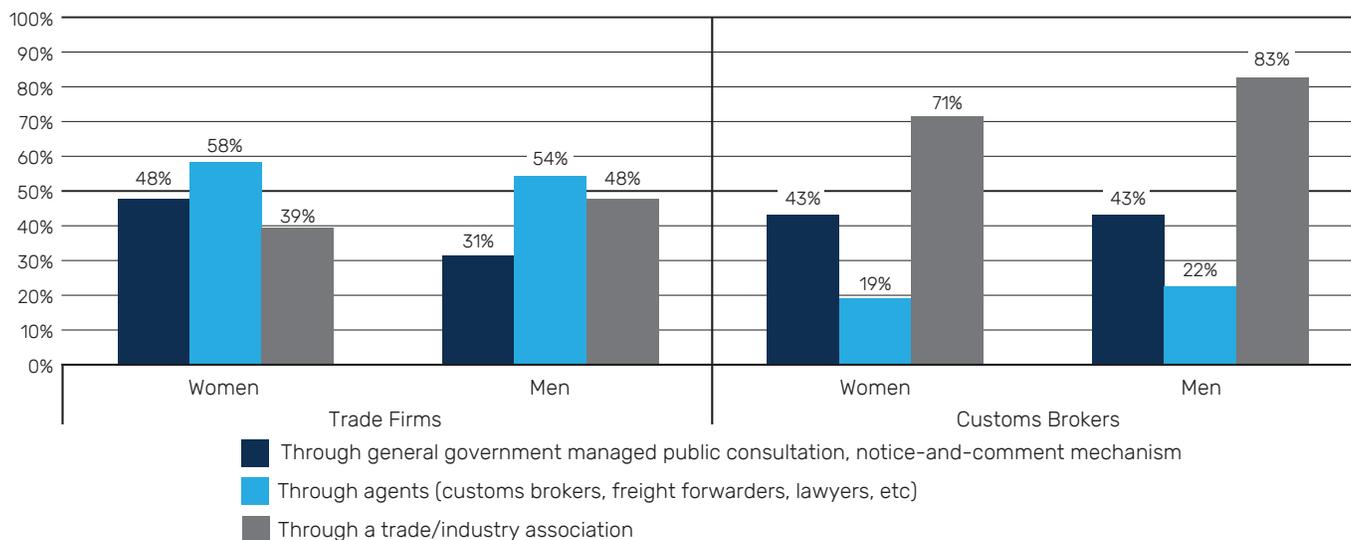


Figure 64. Sources of Consultations on Changes to Official Trade Processes



Note: Respondents could choose more than one answer, so totals may not sum to 100 percent.

⁴¹ Seven percent of traders reported being regularly consulted.

⁴² This is out of the twenty-nine percent of customs brokers that are regularly consulted.

■ There appears to be a relatively strong perception among respondents that their feedback is taken into consideration by the government. Sixty-eight percent of traders and 71 percent of customs believe their feedback is taken into consideration. Thirty-two percent of traders, however, and 29 percent of customs brokers do not believe their feedback is taken into consideration or are not sure if it is taken into consideration. (see Figure 65)

■ The perception that feedback is taken into consideration is much lower among men traders (60 percent) than women traders (79 percent). With regards to customs brokers, however, more men (74 percent) than women (67 percent) believe their feedback is taken into consideration. No major differences by the trade firm size were observed in this question. (see Figure 66)

Figure 65. Perception that Feedback is Taken into Consideration

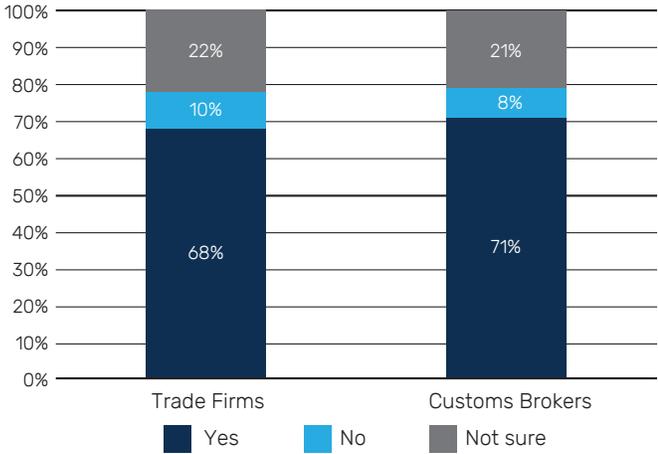


Figure 66. Perception of Whether Feedback is Taken into Consideration by Gender



Electronic Declarations

The ability to submit import and export declarations through a Single Window, or other electronic system, reduces time to comply with documentary requirements by functioning as a single point of entry/exit for all regulatory documentation for internationally traded goods. This facilitates trade and reduces costs. Benefits to traders include faster clearance times, transparent and predictable processes, and less bureaucracy. Studies have shown that in the presence of Single Windows, bilateral trade increases by about 37 percent.⁴³ Article 10.4 of the WTO TFA stipulates that WTO Members shall endeavor to establish or maintain a Single Window and to the extent possible, use information technology to support the Single Window.

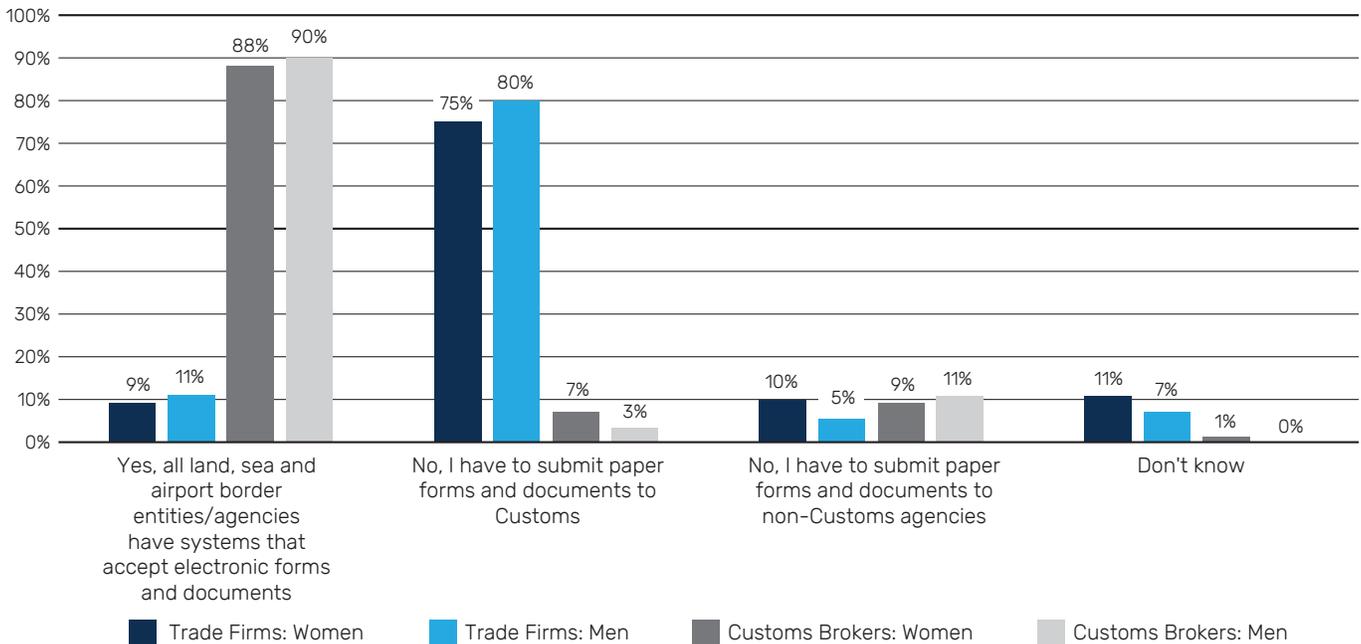
Currently, there are two import procedures in Brazil. The older system requires that import declarations be registered in SISCOMEX, which covers most operations. SISCOMEX has the participation of 22 agencies, and it contains all the regulations, formalities, and requirements related to imports and exports. SISCOMEX allows for the submission of all information required to trade electronically to the 22 participating agencies.⁴⁴ There

is also a newer import process through a single import declaration (DUIMP) in the Single Window, which is being rolled out gradually and progressively.

Related survey finding(s):

■ **Only 10 percent of traders compared to 89 percent of customs brokers think that all land, sea, and airport border entities/agencies have systems that accept electronic forms and documents.** More men than women traders think they have to submit paper forms and documents to customs (80 percent versus 75 percent, respectively). In contrast, more women compared to men traders think they have to submit paper forms and documents to non-customs agencies (10 percent versus five percent, respectively). Slightly more women traders also seem to not know whether all trade documents can be submitted electronically (11 percent women and seven percent men) (see Figure 67). Traders may not be as familiar with the electronic system for submission of documentary requirements because a majority of traders hire agents to organize and present paperwork on their behalf (see Figure 42).

Figure 67. Perception on Whether All Trade Documents can be Submitted Electronically



⁴³ Chelala and Martínez-Zarzoso. 2021. "The impact of single windows on trade." *The World Economy* Volume 43, Issue 10 (*The World Economy*) 2549–2573.

⁴⁴ WTO Trade Facilitation Database. n.d. Brazil: Operation of the single window. Accessed 2021. <https://tfadatabase.org/members/brazil/article-10-4-3>.

Electronic Payments

WTO TFA measure 7.2 states that an electronic option – to the extent practicable – should be adopted or maintained for the payment of duties, taxes, fees, and charges collected by customs incurred upon importation and exportation.

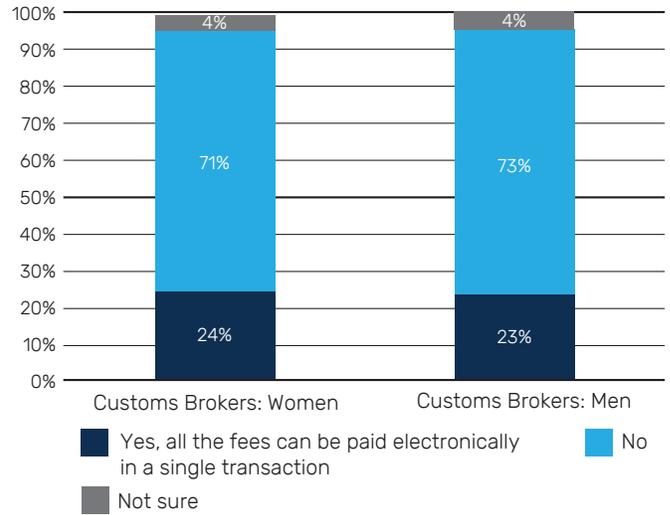
In Brazil, federal taxes due to customs for importation are paid electronically through automatic debit of the importer’s current account when the import declaration is registered in SISCOMEX. The payment of state tax (ICMS), however, is still made separately using the means provided by the banking network. Fees and charges collected by other border regulatory agencies are also paid through the electronic banking solutions. A new import process, however, is being rolled out via a Single Window, whose operability is being gradually expanded to enable differentiated solutions in relation to the current import process. It includes, among other features the centralized payment of all taxes and charges. For exports, payments of taxes are not made electronically but through a banking institution to the Federal Collection Document (DARF). This is because the occurrence of export operations with tax payment is minimal.

Related survey finding(s):

■ **With the Single Window still being expanded and rolled out, the majority of customs brokers (72 percent) reported that official fees for cross-border trade cannot be paid electronically in one single payment.** A further four percent are not sure. Only twenty-four percent of customs brokers believe that a single payment for all official fees can be made electronically. (see Figure 68)

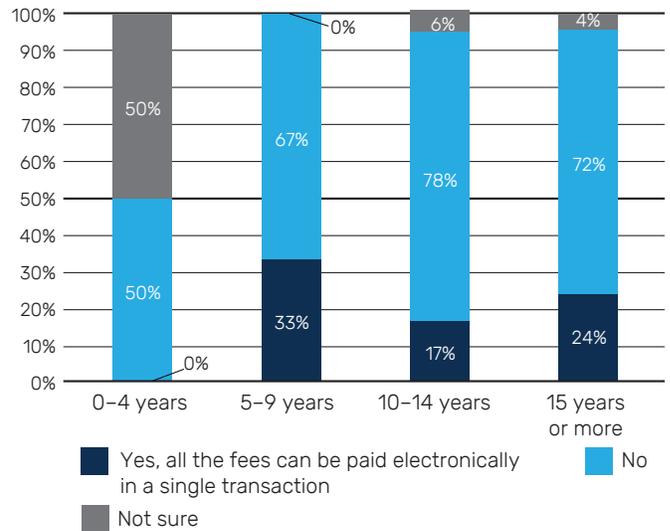
■ Awareness that official fees can be paid electronically in one single payment is mixed across the customs brokers’ years of experience working in cross-border trade. All of the customs brokers with 0–4 years do not believe it is possible or are not sure, 67 percent of those with 5–9 years of experience do not believe it is possible, 83 percent of those with 10–14 years of experience do not believe it is possible or are not sure, and 76 percent of those with 15+ years of experience believe it is not possible or are not sure. (see Figure 69)

Figure 68. Perception that Official Fees for Cross-Border Trade can be Paid Electronically in One Single Payment by Gender (Customs Brokers)



Note: This question was only asked to the customs brokers sample population. Totals may not sum to 100 percent due to rounding.

Figure 69. Perception that Official Fees for Cross-Border Trade can be Paid Electronically in One Single Payment by Years of Experience (Customs Brokers)



Note: This question was only asked to the customs brokers sample population. Totals may exceed 100 percent due to rounding.

Unofficial Payments

Cross-border trade management and processing could present various pre-conditions for corruption or emergence of integrity breaches, both in the relationships with governmental officials and with private sector entities providing logistics or transport services. Fighting corruption and enhancing integrity are subjects of continuous efforts and attention from border management authorities and the trade community in almost all countries.⁴⁵

Related survey finding(s):

- Very few traders and customs brokers reported payment of speed money or unofficial fees to government officials in the last year to facilitate the processing of goods.⁴⁶ Two percent of women traders and one percent of men traders reported payment of unofficial fees while one percent of women customs brokers and no men customs brokers did the same (see Figure 70). Of the few traders that have paid unofficial fees, the majority paid it less than half the time (94 percent of women traders and 69 percent of men traders). Of the few customs brokers that paid unofficial fees in the last year, they all paid it more than half the time. Nineteen percent of men traders and six percent of women traders that paid unofficial fees in the last year, reported paying it every time. (see Figure 71)

Figure 70. Proportion of Trade Firms and Customs Brokers that have Paid Speed Money or Unofficial Fees to Government Officials

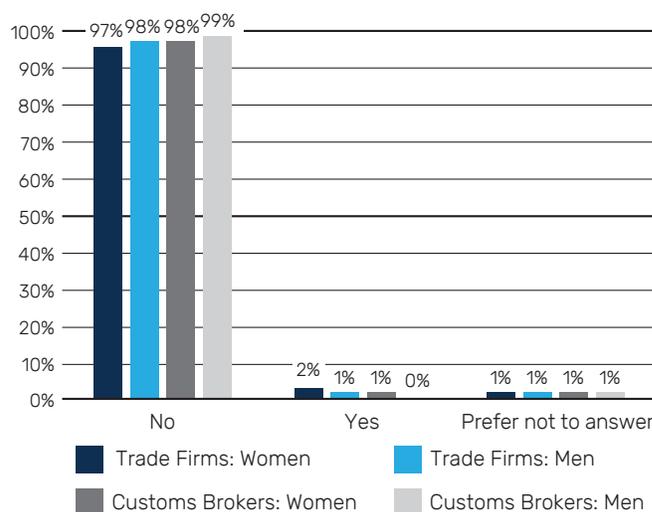
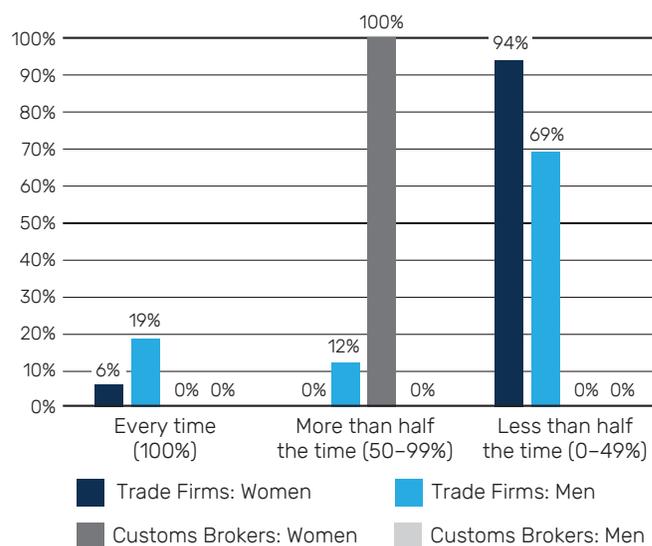


Figure 71. Frequency of Paying Speed Money or Unofficial Fees to Government Officials in the Past Year



⁴⁵ The World Bank. 2011. *Border Management Modernization*. Washington DC: The World Bank.

⁴⁶ An earlier finding indicated that of the traders that have had grievances about their shipments, all believe unofficial methods are faster in resolving their concerns. While not possible to verify the reason for their selection of this response through the existing survey responses, this suggests that traders may have been more comfortable in selecting "unofficial methods are faster" in a question that does not directly ask about payment of unofficial fees.

■ **Slightly more customs brokers and traders paid unofficial fees and speed money to private entities⁴⁷ in the past year to facilitate processing of goods than they paid to government officials.** Four percent of women traders paid speed money to private entities compared to six percent of men. Three percent of women customs brokers paid speed money to private entities compared to two percent of men customs brokers (see Figure 72). Traders and customs brokers had to pay speed money to private entities in varied frequency in the past year. Of the traders that paid speed money, around one-third of traders paid every time, six percent of women and 14 percent of men paid more than half the time, and 60 percent of women and 52 percent of men traders paid less than half the time. Of the customs brokers that paid speed money, no customs brokers had to pay every time, but 60 percent of women customs brokers and all of the men customs brokers paid more than half the time. Forty percent of women customs brokers paid less than half the time while no men customs brokers paid in this same frequency. (see Figure 73)

Figure 72. Proportion of Trade Firms and Customs Brokers that have Paid Speed Money or Unofficial Fees to Private Entities

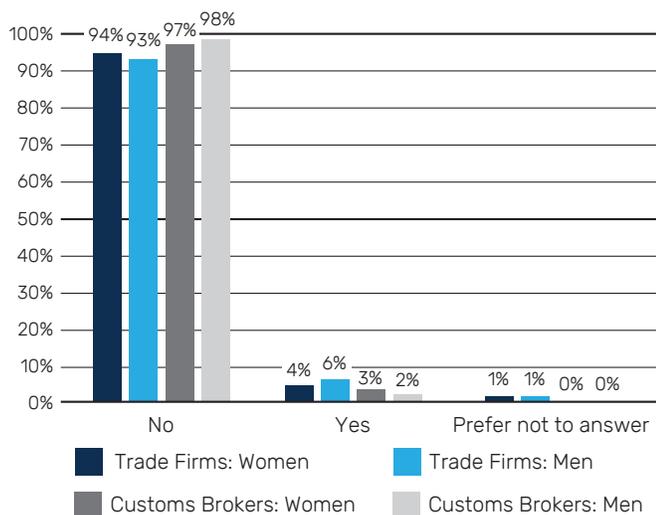
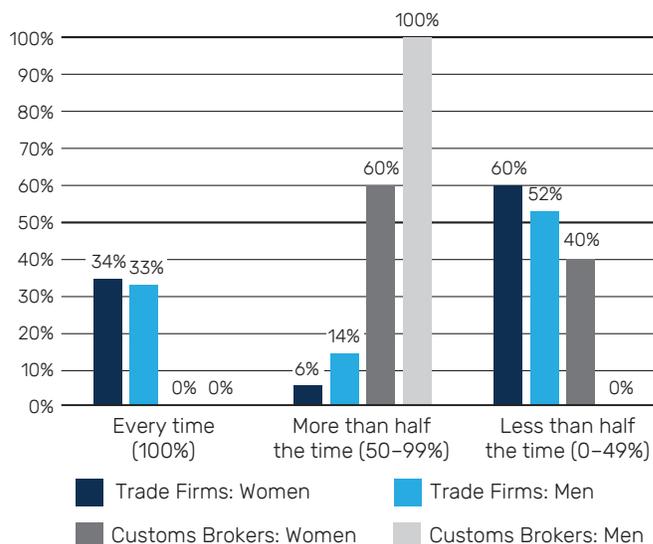


Figure 73. Frequency of Paying Speed Money or Unofficial Fees to Private Entities in the Past Year



Detention of Consignments

Customs has the power to search imports and exports and exclude, detain and/or seize, and destroy counterfeit and infringing products. To avoid time and financial loss to traders, best practice is for customs to promptly inform traders that goods have been detained for inspection, which is covered in Article 5.2 of the WTO TFA.

Related survey finding(s):

■ **The majority of trade firms and customs brokers have not had goods detained without being promptly informed.** There is only a slight gender disparity, with slightly more men traders and customs brokers having goods detained without being promptly informed compared to their women counterparts (two percentage points difference). By firm size, a slightly higher proportion of smaller firms have had goods detained without being promptly informed compared to bigger firms (15 percent of micro and small firms each and 11 percent of medium and large-sized firms each). (see Figures 74 and 75)

⁴⁷ Includes brokers, carriers, and other private entities.

Figure 74. Proportion of Respondents that have had Goods Detained Without Being Promptly Informed

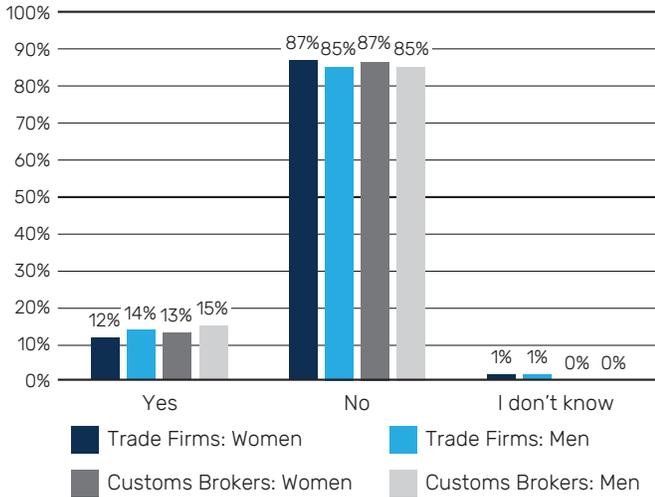
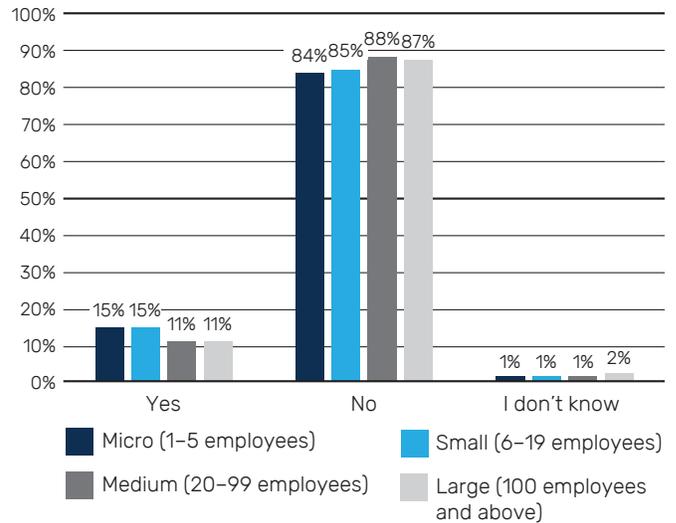


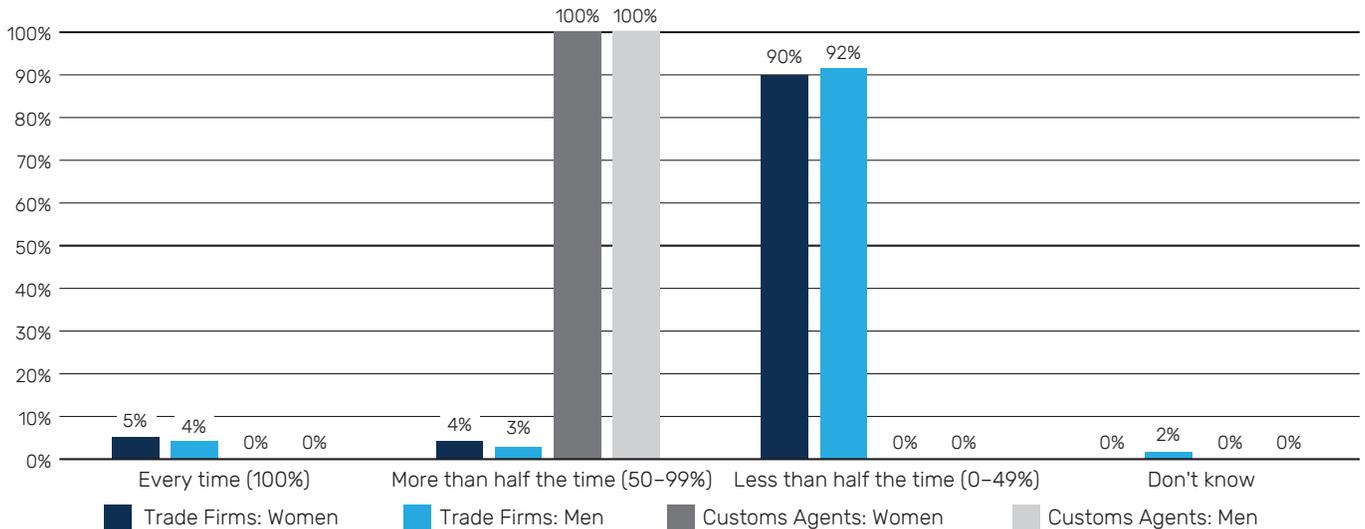
Figure 75. Proportion of Trade Firms that had Goods Detained Without Being Promptly Informed by Trade Firm Size



Note: Trade firms that did not know or preferred not to disclose their firm size are excluded from this figure. Additionally, this cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

■ **Of the customs brokers that have had their goods detained without being promptly informed, all of them reported that this occurred more than half of the time. Almost all of the trade firms that have had their goods detained reported that their goods were detained less than half the time.** (see Figure 76)

Figure 76. Frequency of Goods Being Detained Without Being Promptly Informed by Gender



■ **Regardless of gender, the two most common reasons for goods being detained for trade firms and customs brokers are problems with customs declaration, classification, valuation, and problems with other entities or other reasons.** A higher share of women customers brokers compared to men customs brokers reported problems with Anvisa (19 percent of women, 14 percent of men) and Vigiafro (19 percent of women, 11 percent of men) as reasons for detention of goods.⁴⁸ (see Figure 77)

■ **By firm size, more micro, small, and medium-sized firms cited problems with customs declaration, classification, valuation as the reason for goods detention compared to large firms.** In contrast, more large firms stated that goods have been detained due to the problems with other entities or other reasons than micro and small-sized firms. Slightly more micro firms also reported problems with import trading license and problems with Anvisa compared to firms of all other sizes. (see Figure 78)

Figure 77. Reasons for Goods Being Detained as Reported by Gender

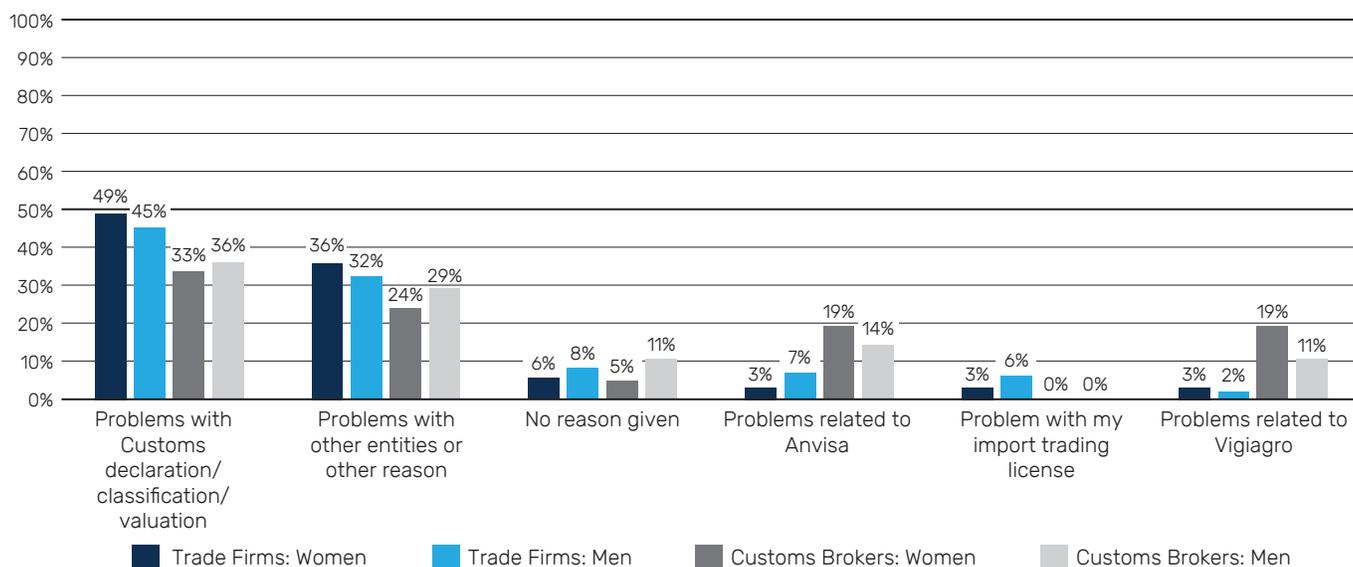
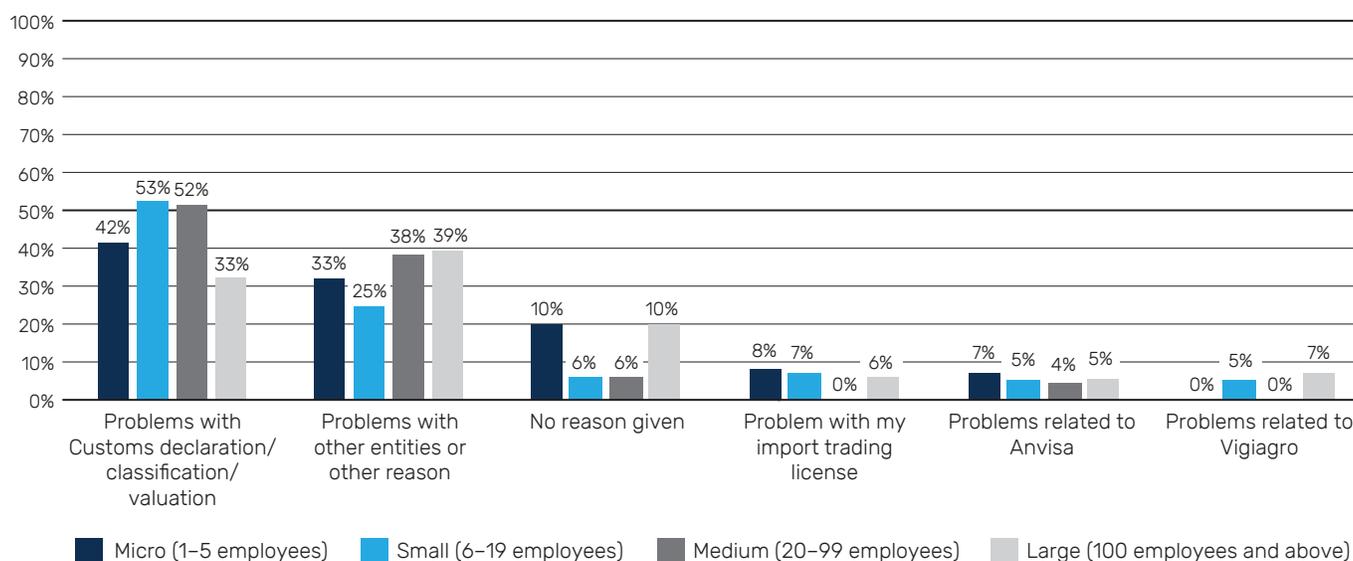


Figure 78. Reasons for Goods Being Detained as Reported by Trade Firm Size



Note: Trade firms that did not know their firm size are excluded from this figure. Additionally, this cross-analysis is not available for customs brokers because customs brokers were interviewed at the individual level, not at the firm level.

⁴⁸ See footnote 22.

Grievance and Appeals Procedures and Processes

An official grievances mechanism is important to enable traders to contest and appeal against border agencies' decisions regarding a detained shipment or non-compliance. Article 4 of the WTO TFA aims to ensure that concerned parties have the right to administrative appeals or review, as well as judicial appeal or review, of administrative decisions issued by customs.

In Brazil, the rights to administrative appeal are set out in a general law on administrative procedures that is applicable to all federal authorities, customs, and other operators. In addition, laws by particular authorities provide for appeal procedures on specific matters such as appeals against notices of infraction. In the case of customs, there are two different appeal processes depending on the nature of the sanction. For the assessments and decisions related to tax penalties and sanctions imposed by customs, the taxpayer is notified of the reasons by an assessment notice and may submit an appeal to an independent appeal authority within the RFB, and if the taxpayer disagrees with this decision, a new appeal may be filed with a second independent authority located in the Ministry of Economy. For administrative sanctions (notification, suspension, and cancel-

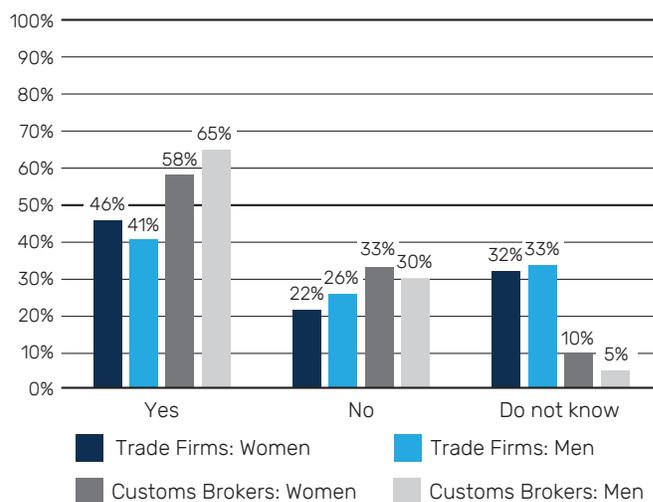
lation of authorizations for operations) and for seizure of goods, the appeal may be submitted to a higher hierarchy authority for review, independently of the possibility of a judicial appeal.

Related survey finding(s):

- **Less than half of the traders believe that guidance on how to make an official appeal is clear and easy to access across government entities** (46 percent of women traders and 41 percent of men traders). The proportion of customs brokers that believe the information on how to make an official appeal is clear and easy to access is higher (58 percent of women customs brokers and 65 percent of men customs brokers).⁴⁹ (see Figure 79)

- **No traders and less than a quarter of customs brokers believe that official appeals procedures are effective and leads to reforms when they use them.** All of the traders that have had grievances believe unofficial methods are faster, and more women than men customs brokers believe unofficial methods are faster (49 percent of women and 33 percent of men). A further 26 percent of women customs brokers and 36 percent of men customs brokers believe nothing changes. (see Figure 80)

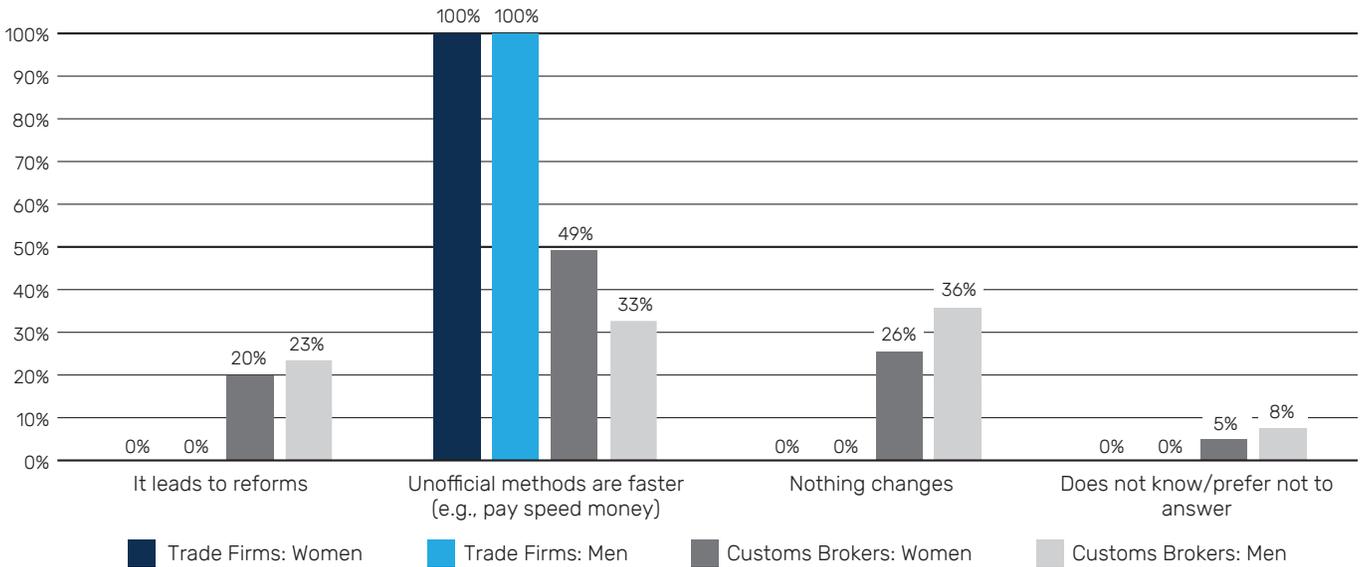
Figure 79. Perception that Guidance on How to Make an Official Appeal is Clear and Easy to Access Across Government Entities



Note: Totals may exceed 100 percent due to rounding.

⁴⁹ The TFA Gap Assessment found that while practical guides for administrative appeal procedures with RFB and Anvisa are published on their respective websites, it was not possible to find similar guides published by Vigiagro on its website.

Figure 80. Perception of Whether Official Appeals Processes are Effective in Addressing Concerns



Safety and Security

Safety and security issues at the border can arise from unwelcome attention, requests for favors, and other verbal or physical conduct by both officials and non-officials. These behaviors create and foster hostile or offensive environments that may impact a trader’s ability or desire to undertake trade.

Related survey finding(s):

- Over half (54 percent) of the customs brokers regularly visit the port, airport, or land border post to undertake import and export processes and procedures related to their businesses (49 percent of women and 58 percent of men customs brokers). Ten percent of women traders compared to 14 percent of men traders regularly visit the port, airport, or land border posts. (see Figure 81)
- Of the traders and customs brokers that regularly visit the airports, seaports, and land border posts, the majority did not experience negative behavior. Some do face negative behavior, however, and more men than women traders reported experiencing verbal harassments or threats as well as intimidation, and slightly more men than women traders reported experiencing theft. Slightly more women customs brokers than men customs brokers reported experiencing sexual harassment (four percent and zero percent respectively), and slightly more men customs brokers than women customs brokers reported experiencing verbal harassment or threats, intimidation, and theft. (see Figure 82)

Figure 81. Proportion of Trade Firms and Customs Brokers that Regularly Visit Border Points by Gender

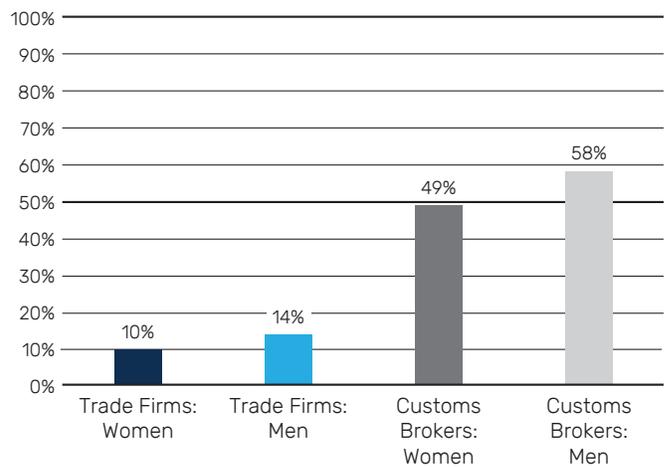
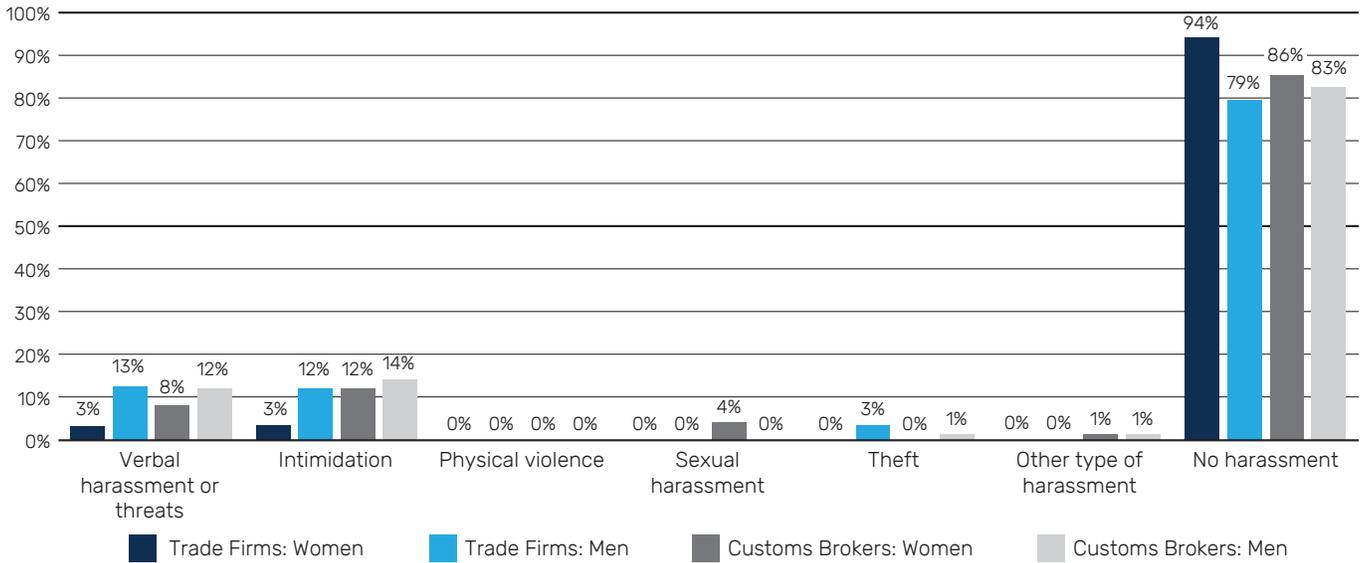


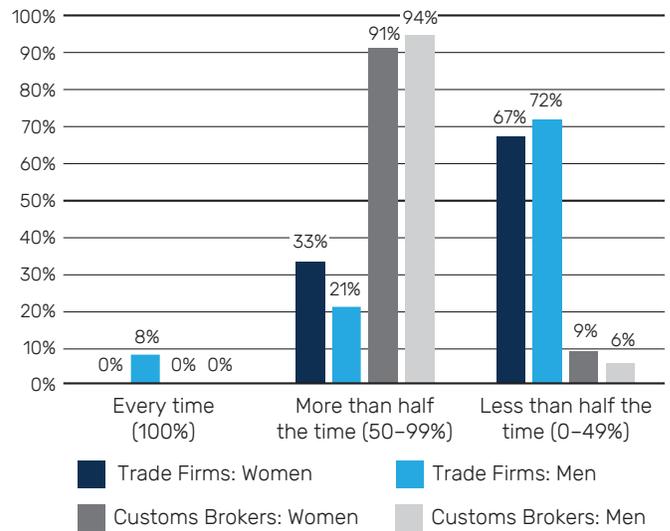
Figure 82. Negative Behaviors Experienced at the Airport, Seaport, or Land Border Post by Gender



Note: Respondents could choose more than one answer, so totals may not sum to 100 percent.

■ Among those that have had negative experiences, the majority of traders experienced the negative behaviors less than half the time while the majority of customs brokers experienced the negative behaviors more than half the time. There are some traders that experience negative behaviors more than half the time, and more women traders than men traders experience it in this frequency (33 percent and 21 percent respectively). (see Figure 83)

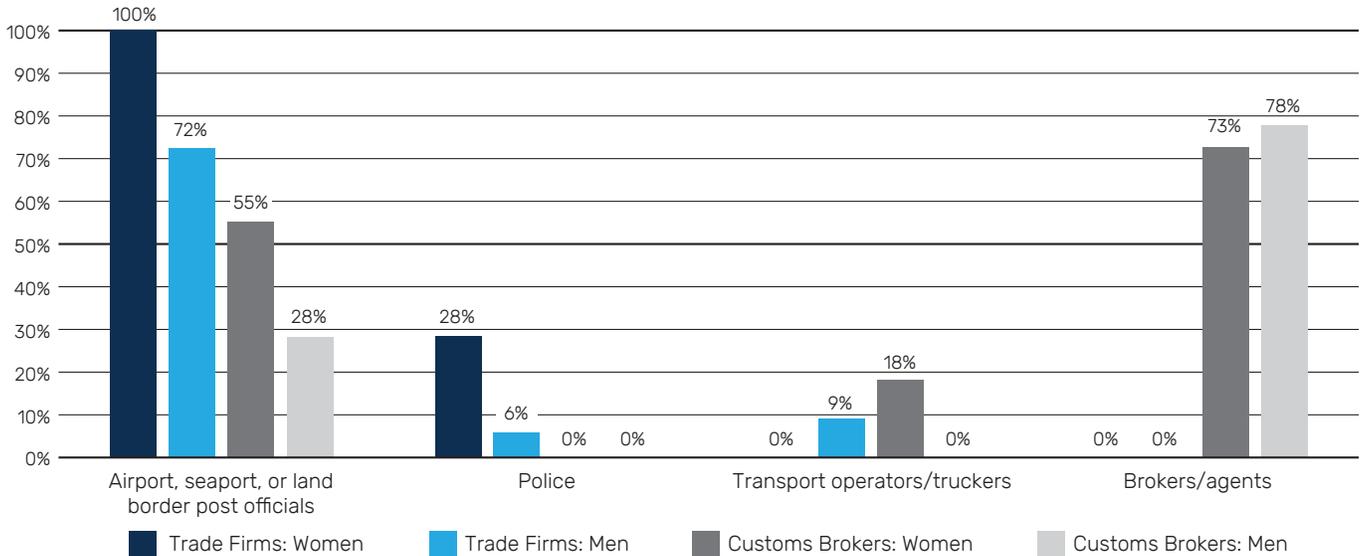
Figure 83. Frequency of Experiencing Negative Behavior by Gender



■ **The majority of traders reported that the negative behavior comes from airport, seaport, or land border post officials, and the majority of customs brokers reported that the behavior comes from other brokers or agents.** All of the women traders reported that the negative behavior comes from airport, seaport, or land border post officials while fewer men traders reported the same (72 per-

cent). Additionally, 28 percent of women traders compared to six percent men traders reported experiencing the negative behavior from the police. Similarly, some customs brokers also reported experiencing behavior from airport, seaport, and land border post officials; and more women customs brokers reported this than men customs brokers (55 percent compared to 28 percent). (see Figure 84)

Figure 84. Sources of Negative Behavior by Gender



Note: Respondents could choose more than one answer, so totals may not sum to 100 percent.



Central business district, São Paulo, Brazil
© Bruno Manc/Pexels

4 Recommendations Based on Survey Responses

The analysis of the survey responses did not find many major differences between women and men respondents in terms of their experiences with cross-border trade processes and procedures, though some gaps do exist. The survey findings in Brazil demonstrate that there is an opportunity for the government to create policies and initiatives that are conducive to enhancing the environment in which cross-border trade firms and customs brokers operate in general. Importantly, bureaucratic and burdensome import and export processes and procedures were ranked by almost a quarter of traders as one of the top challenges to expanding their businesses. Considerations should be made to improve trade

facilitation in Brazil to further simplify, modernize, and harmonize import and export processes and procedures for cross-border trade.

This section provides recommendations by trade and trade facilitation-related topic to help address the most pressing issues identified in this survey, including those impacting all traders and customs brokers and those where gender gaps (with differences of at least five percent) were identified. Box 4 highlights and summarizes the gender-specific recommendations made to address the disproportionate challenges faced by women and men traders and customs brokers.

Box 4 . Gender-Specific Recommendations

While the findings confirmed that the challenges to undertaking cross-border trade processes and procedures in Brazil are fairly similar across genders, gender gaps could be seen particularly in the following areas:

■ Awareness of NTFC/COLFAC existence

Fewer women customs brokers are aware of the existence of the NTFC, and fewer women customs brokers are aware of the existence of COLFACs. To increase awareness of these policy setting, decision making, and consultation mechanisms among women customs brokers, the action plans and communications strategies of the NTFC and COLFACs should specifically target women.

■ Access to and understanding of official regulations to border processes and procedures

More women customs brokers have difficulties in finding information on official regulations and procedures compared to men customs brokers. Additionally, fewer of the surveyed women customs brokers than men customs brokers find information easy to understand. Enhancement of the SISCOEX website to ensure that regulations and processes are easy to identify and written in clear and simple language is critical. Information should be available in a consolidated format with uniform language for the entire government. Corresponding monitoring mechanisms on the dissemination and understanding of information should be implemented for the entire trader and customs brokers population. Information sessions, workshops, and

virtual/in-person training sessions should be made available to traders and customs brokers on trade-related information, and women customs brokers should be particularly encouraged to participate in these.

■ Consistent implementation of border processes by border officials

Fewer men than women traders believe that border processes are consistently implemented by border officials. Reasons behind the inconsistent implementation of processes should be investigated to uncover whether there are biases (whether conscious or unconscious) that impact border officials' objectivity. Trainings should be offered to highlight the need for consistent implementation of common customs and other border agencies procedures and uniform documentation requirements regardless of one's gender or identification with vulnerable groups.

■ Safety and security issues

Of the traders that go to the airport, seaport, and land border posts, more men than women have experienced verbal harassment or threats and intimidation. Anti-harassment training should be offered and made mandatory for officials to deter officials from acting negatively towards clients. Each border point should have a physical or virtual office or response unit to which traders and customs brokers can safely report incidents of harassment, and reports need to be followed up with clear actions.

Recommendation 1. Expedite the full and effective implementation of the WTO TFA, including by concluding Trade Single Window and AEO program.

Many traders cite bureaucratic and burdensome border processes and procedures as one of the top obstacles for growing their businesses. Furthermore, a majority of traders and customs brokers reported that their businesses have been impacted by the pandemic, largely because there is less demand for their products/services but also due to delays for goods to be cleared for release. Implementation of the WTO TFA provides a unique opportunity to make cross-border trade easier, quicker, and less costly. Full and effective implementation of the WTO TFA should be expedited, particularly through conclusion of ongoing projects and initiatives, such as the Trade Single Window and the Single-Government AEO program. Any existing delays caused by the trade-restrictive measures introduced during the pandemic should also be assessed and considered for removal while maintaining proper COVID-19 prevention health and safety protocols.

Recommendation 2. Promote the National Trade Facilitation Committee (NTFC) and Local Trade Facilitation Commissions (COLFACs) (WTO TFA Article 23 on Institutional Arrangements).

Less than a quarter of traders are aware of the NTFC's existence, and of the traders that identify as belonging to an ethnic minority group, the majority is not aware of the NTFC. Furthermore, less than half of the surveyed customs brokers are aware of the existence of COLFACs. Efforts should be made to promote the visibility of these entities as they play a vital role in planning and implementing trade facilitation reforms.

Specific recommendations include:

- i. The NTFC should operate according to international standards as a mechanism to promote TF issues and implement TF reforms at the federal level.** It can be better leveraged to serve many functions nationally, including (a) by expanding and improving upon the existing communication strategies to disseminate trade-related information to stakeholders and (b) providing a robust mechanism for consultations with the private sector. The NTFC should serve as the main mechanism for domestic coordination and stakeholder (public and private) engagement across the nation, helping ensure buy-in and consensus on reform implementation priorities.
- ii. Enhance the NTFC's action plan to include a detailed communications strategy to raise awareness of the NTFC's existence.** Both the action plan and the communications strategy should specifically target women traders, customs brokers, and those who identify as belonging to an ethnic minority group. Given that the majority of traders rely on personal networks/agents/brokers/freight forwarders for information, these chan-

nels should be utilized to promote the visibility of the NTFC, and the government should explore ways to improve proactive communication with traders nationally for both dissemination of information and consultations.

iii. Encourage more representation of women and ethnic minorities in workshops and consultations held by the NTFC through outreach to trade/industry associations that focus on women and ethnic minority entrepreneurship.

iv. Raise awareness of COLFACs, especially among women customs brokers, as a mechanism to promote trade facilitation issues *locally*.

Recommendation 3. Improve access to and understanding of official border regulations and procedures among traders and customs brokers (WTO TFA measures 1.1 on Publication, 1.2 on Information Available Through Internet, 1.3 on Enquiry Points).

The survey found that more women customs brokers have difficulties when looking for information on official regulations and procedures compared to men customs brokers. Smaller-sized trade firms also have slightly more difficulties than their larger counterparts in looking for official information. Further probing revealed that the more common challenges that both traders and customs broker face are that not all agencies have **comprehensive information** available and cross-border trade-related information is not **centralized**, while almost a third of trade firms also reported that official government information mechanisms are not **user-friendly**. Furthermore, the majority of traders rely on personal networks/agents/brokers/freight forwarders for information.

The TFA Gap Assessment – a separate study undertaken by the WBG in Brazil – found that although the government intends to develop the SISCOMEX Portal (Integrated Foreign Trade System and Trade Single Window) as the main vehicle for the information, the website does not have a significant amount of content yet to become a Trade Information Portal. The website lists legal acts and redirects users to the government legislation portal to view the actual text. Given these challenges, the government could improve access to information and understanding of official processes and regulations, focusing on improving the dissemination of information on regulations and procedures to traders and customs brokers.

Specific recommendations include:

- i. Enhance the SISCOMEX website to more promptly and efficiently publish and disseminate information required to import and/or export goods.** The NTFC should take the lead in ensuring that the SISCOMEX website centralizes information, reducing time to trade

by making information, forms, and applications from all border agencies easily accessible in one place.⁵⁰ Almost one-third of traders and customs brokers reported that information on changes to border processes and procedures in response to the pandemic has been confusing and/or contradictory between different border agencies. Ensuring information from different border agencies is consistent and can be accessed in one place will be critical as the country moves towards recovery and in future crises.

ii. Keep the SISCOMEX website up-to-date at all times across all agencies. Around 10 percent of traders and customs brokers believed that information received from the government on changes to border processes and procedures in response to the pandemic was clear but the information came too late. Official websites should include the most recent detailed information on the trading process, regulations, and fees, including valid contact information for various border agencies and enquiry points to respond to questions and requests for required forms and documents.

iii. Make sure official regulations and legislation are easy to understand. Over one-third of customs brokers and slightly less than half of the traders reported that official regulations and legislation are usually not easy to understand, with fewer women customs brokers than men customs brokers finding information easy to understand. Less than half of the customs brokers that belong to ethnic minority groups also reported information is easy to understand compared to customs brokers that did not identify as belonging to ethnic minority groups. This indicates that improvements can be made in the way information is presented to stakeholders. For example, slightly over a third of traders believe that the use of customs brokers or other agents to carry out their trade activities is mandatory when in reality it is not required by law. Making sure official regulations and legislation are written in clear and simple language, ideally also in a consolidated format and uniform language for the entire government, is important to avoid additional costs and time to trade for firms and to raise overall compliance with regulations and legislation. Both the language used and the communications strategy should consider the specific needs of ethnic minorities living in the country in order to reduce the gap identified.

⁵⁰ The TFA Gap Assessment found that the ease of access to information varies between border agencies. For example, information on import and export requirements is more detailed and easily found on the Receita Federal (RFB) website than on the websites of the Ministry of Agriculture, Livestock and Food Supply (MAPA) and Anvisa. Information that appears to be particularly difficult to access (except for legislation research) are information on fees charged by border authorities, appeal procedures (except for RFB and Anvisa), and penalties for violation of import, export, or transit formalities (except for RFB).

Corresponding monitoring mechanisms on the dissemination and understanding of information should be implemented for the entire trader and customs brokers population.

iv. Offer targeted information sessions, workshops, and virtual/in-person training sessions for traders and customs brokers on trade-related information. Women customs brokers and ethnic minorities should be particularly encouraged to participate in information sessions.

Recommendation 4. Enhance formal and regular trade consultations between the government and the private sector (WTO TFA measures 2.1 Opportunity to Comment and Information Before Entry Into Force, 2.2 on Consultations).

The majority of traders and almost half of the customs brokers have **never** been consulted or have had the opportunity to comment on public consultations regarding changes to legislation or official trade processes and procedures related to foreign trade. A bigger proportion of larger companies are consulted regularly than smaller companies. Furthermore, there is an opportunity for the government to enhance its consultative mechanisms given that almost one-third of respondents (32 percent of traders and 29 percent of customs brokers) either do not believe their feedback is taken into consideration or are not sure if their feedback is considered. Establishing a mechanism whereby stakeholders are regularly consulted on changes to official border processes and procedures can also alleviate misinformation regarding planned changes related to their cross-border trade activities and can improve compliance.

Specific recommendations include:

i. Enhance communications strategies around proposed changes to regulations and legislation. Stakeholders should be provided sufficient time to read and understand new legislations or amendments in order to provide comments. Moreover, the consultation mechanism should be accompanied by an efficient communication strategy to ensure the entire trade community and all customs brokers become aware of the presented proposals. This may happen through partnerships with associations, through social media platforms, specific communications at local border stations, or even through direct messaging to stakeholders. Where and when appropriate, meetings or roundtables should also be held for stakeholders to present their comments in-person to the relevant authorities.

i. Demonstrate better how the government takes feedback from the private sector into consideration by arranging meaningful two-way communication and

disclosing minutes/comments from such interactions through official sources.

ii. Institutionalize regular consultations. While consulting with stakeholders *prior* to the promulgation of new procedures and regulations is critical, a mechanism for *regular* consultations (regardless of changes) should be established. Improving the frequency of which stakeholders are consulted through actions, such as focus group discussions, open notice-and-comment periods, or feedback surveys, could help bolster private sector confidence in the government's efforts. Trade/industry associations could be utilized better to include the views of traders, and especially people with special needs and ethnic minorities.

iii. Leverage COLFACs role in consultations. The COLFACs should be mandated to reach out and enhance consultations with local traders and customs brokers. Robust private sector participation in COLFACs meetings should be encouraged. Enhanced visibility of the opportunities to provide feedback (the "how and when") is critical.

Recommendation 5. Strengthen and promote electronic declaration systems (WTO TFA measure 10.4 on Single Window).

Generally, all documents are presented electronically in Brazil,⁵¹ and paper copies may only be requested if the transaction is selected for control in exceptional cases. Only 10 percent of traders, however, think that all land, sea, and airport border entities/agencies have systems that accept electronic forms and documents. Breaking it down by agency, a greater share of women compared to men traders think they have to submit paper forms and documents to *non-customs agencies* while more men than women traders think they have to submit paper forms and documents to *customs*. The percentage may be low because most traders rely on agents to organize and prepare paperwork on their behalf (see Figure 42); nonetheless, the government should review and eliminate all situations where documents and forms are eventually demanded in paper format.

Removing any need for paper import/export declarations and ensuring that traders know that they can submit documentation via electronic platforms is critical to reduce both trade costs and time. Additionally, transparency of the procedures can enhance the relationship between traders and service providers, such as customs brokers, improving the overall performance. The government should also communicate the time-saving benefits of electronic declarations to the trading community through official websites, customs brokers, trade

associations, and the NTFC. More importantly, ensuring that traders are informed of customs automation will assist in reducing the time required to meet documentary requirements.

Recommendation 6. Implement the centralized, electronic payments system in the Trade Single Window and continue efforts to eliminate the payment of unofficial fees (WTO TFA measures 6.1 on General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation and 7.2 on Electronic Payment).

Electronic payment systems should be improved, removing any requirements related to in-person payments or hard copies of receipts for all border agencies and not just customs. One way to achieve this is to expedite the full implementation and operation of the Single Window that includes consolidated payment for all fees and charges. Once available for all border agencies, it is recommended that border agencies scale-up communication around the ability to pay official fees and duties online in a single payment.

Furthermore, the survey indicated that while payment of unofficial fees (or speed money) is not a general practice, it still happens. Continued efforts from the authorities to eliminate the payment of unofficial fees should be put in place, including a coordinated effort and stronger regulations and controls to mitigate the practice of paying unofficial fees to private entities, for instance through increased transparency (e.g., publish specified information about fees and charges; publish any new and amended fees or charges ahead of them going into force; periodically review fees and charges, etc.). Implementing a single payment system for all fees and charges can also help reduce the opportunities for speed money to be paid.

Recommendation 7. Ensure detention processes are promptly informed to traders and customs brokers (WTO TFA measure 5.2 on Detention).

Generally, any detention of goods during the customs clearance process is automatically registered and informed through SISCOMEX. Traders and customs brokers may also track their respective processes through the mobile application "Importador". Nevertheless, between 12 and 15 percent of traders and customs brokers reported having had goods detained without being promptly informed with the two main reasons being problems with customs declaration, classification, valuation and problems with other entities or other reasons. A higher percentage of customs brokers also indicated detentions by Anvisa and Vigiagro than traders as a problem. The government should explore further why these detentions without immediate communications are still happening. Direct communication with traders should be improved to enhance overall transparency and compliance, and the government should

⁵¹ Unless otherwise specified by international agreement or law (for example, health certificates and international phytosanitary products).

review all detention processes and ensure they are performed through the proper official systems and automatically communicated to traders and customs brokers.

Recommendation 8. Review and publicize official grievance procedures in a consolidated manner in the Trade Single Window (WTO TFA measure 4 on Procedures for Appeal and Review).

Over half of the traders and over one-third of customs brokers either reported that guidance on how to make official appeals are not clear and easy to access across government entities or they are not sure if they are clear and easy to access.

The procedures of all agencies should be compiled and presented in consolidated form, potentially through a user-friendly guide. The right to appeal decisions made by customs officials or officials of other border agencies in administrative decisions or judicial proceedings should be provided in a non-discriminatory manner, and customs, other border agencies, and the NTFC/SISCOMEX should publicize and communicate more broadly the official channels for appeal to private stakeholders. The government should also implement the recommendation made in the TFA Gap Assessment to develop and publish a practical guide for Vigiagro's administrative appeal procedures.

More importantly, the responsiveness of official grievance procedures in addressing concerns of the private sector should be promoted. The government should review the appeal mechanisms to ensure the decisions are issued in a timely manner and that the procedures are well-known and efficient (with better communication on the results from the system including about eventual revision and update of policies and procedures). Any performance indicators monitoring response times should be made public to allow public monitoring of the cases of litigation, establishment of service level agreements, and change in satisfaction by clients.

Recommendation 9. Ensure consistency in the implementation of border procedures (WTO TFA measure 10.7 on Common Border Procedures and Uniform Documentation Requirements).

Over one-quarter of traders and customs brokers do not think or are not sure whether border processes are consistently implemented by border officials. Fewer men than women traders believe that border processes are consistently implemented by border officials (70 percent of men compared to 75 percent of women traders). There is a clear opportunity for the government to change this perception. Regular training and capacity building for customs and other border agency staff are important for efficient and timely implementation of standards, procedures, and regulations. Trainings should also highlight the need for consistent implementation of

common customs and other border agencies procedures and uniform documentation requirements regardless of one's gender, identification as an ethnic minority, or identification with other vulnerable groups. Regular training can help mitigate any inconsistencies in implementation, significantly increase traders' documentary compliance, and reduce average times to clear the goods.

Other Recommendations

In addition to the above recommendations related to the WTO TFA measures, the government should also consider the following recommendations to improve the overall trading environment in Brazil:

Recommendation 10. Review the entry requirements of professional customs brokers.

Over 90 percent of the customs brokers have been engaged in cross-border trade for 15 years or more, which indicates that the customs broker profession is regulated by entry requirements that are not accessible to younger professionals (either due to lack of interest or because it is difficult to obtain certification). The entry requirement to certify customs brokers should be reviewed to ensure a continuous renewal of professionals offering services. Requirements should be entirely based on professional skills and knowledge (eventually developed along with brokers associations). Part of the review should look at the equal participation of ethnic minority groups and traders with special needs.

Recommendation 11. Re-assess and better advertise border operating hours in consultation with traders and customs brokers.

Almost a quarter of customs brokers believe the working hours of ports, airport, or land border posts restrict their ability to provide their services. Limited port opening hours by one or more border agency may restrict businesses' ability to conduct trade and may have a severe impact on their cost of doing business. Steps should be taken to ensure that the working hours of customs and other border authorities meet the needs of their clients, including setting working hours in consultation with customs brokers and traders.

Recommendation 12. Improve safety and security at the airport, seaport, and land border posts.

While most traders and customs brokers that regularly visit border points to undertake cross-border trade reported that they do not face harassment or other negative behaviors at the border, some traders and customs brokers (both men and women) do experience it. Given that government officials are one of the sources for the experienced negative behaviors, anti-harassment training of officials, including

gender-sensitivity trainings, to deter officials from acting negatively towards clients should be mandatory and repeated regularly. Each border point should have a physical or virtual office or response unit to which traders and customs brokers can report incidents of harassment, and reports need to be followed up with clear actions.

Recommendation 13. Expedite reduction of trade tariffs and address constraints related to expensive and complex transport and logistic services.

In addition to bureaucratic and burdensome import and export processes and procedures, the two other top barriers ranked by respondents as restricting ability to expand their businesses internationally, including to cope with and recover from the impact of the pandemics, are high trade tariffs and expensive and complex transport and logistics services.

The government has announced its intention to gradually reduce the Mercosur External Trade Tariff, and negotiations with Mercosur partners are currently under development. Taking into account the effects of the pandemic, the government should expedite the process to the possible extent. It is also recommended to conduct a comprehensive review of all fees and charges imposed on international trade.

The survey also indicated the need for the government to further investigate the constraints related to logistics and transport and to develop policies and initiatives to simplify procedures and reduce associated costs.

Finally, the government could also consider initiatives to support companies to better integrate in global markets, including beyond Latin America, through capacity building (e.g., supporting organization of fairs and business networks, offering business intelligence and legal support, etc.).



Old Town Salvador, Bahia
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Female entrepreneur in Bahia, Brazil.
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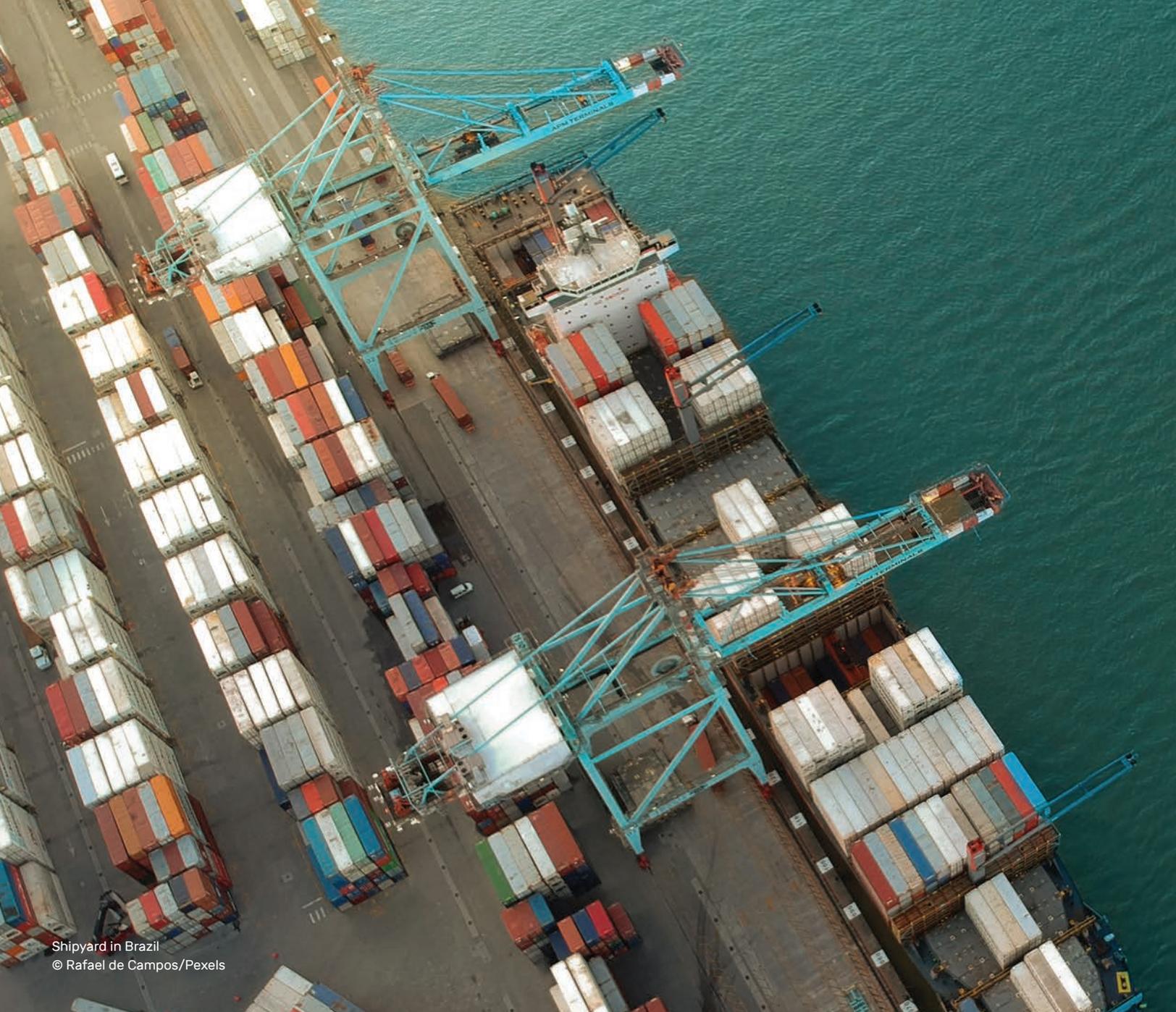
5 Remaining Analytical Gaps

The survey was limited to identifying constraints that existing traders and customs brokers face. Exploring the reasons for non-engagement in cross-border trade by businesses with only domestic operations could reveal additional insights on whether processes and procedures are prohibitive and prevent certain businesses from beginning to trade, but it would require a deeper assessment of why non-trading women-led firms do not trade, which goes beyond the scope of this survey and likely also the WTO Trade Facilitation Agreement.

The survey also only focused on firm-level traders, leaving out a group of traders often referred to as “small-scale traders” that undertake trade that is unrecorded in official statistics.

In many countries, many small-scale traders are women. Due to the limited scope of this survey, the gaps between men and women firm-level traders may or may not be the same for small-scale traders.

While the survey provides a wealth of new data on the gaps between men and women traders and customs brokers in Brazil, it does not offer explanations to most of the gendered differences. Any explanation to the gaps that were identified would be based on assumptions, and in most cases, deeper analysis would be needed to confirm exactly why there are gaps between men and women in certain areas. This information could likely best be obtained through more in-depth surveys, interviews, and research.



Shipyards in Brazil
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Annex A

Detailed Description of Sample and Methodology



Traders Sample

The World Bank Group project team submitted a request to the CNPJ database to obtain a list of all active cross-border trade firms registered in Brazil that have engaged in three transactions or fewer in 2019 and 2020, excluding individuals, state-owned enterprises, and firms. A preliminary list of 42,273 firms was received in late 2020. A second list was received several months after containing the contact details of those firms. The lists were merged, analyzed, and cleaned up to produce a final field list for the survey (see table A).

The field list served as the survey population for traders (at the firm level), and it was broken down by its known characteristics of majority shareholding, revenue, and location as the main areas of interest of the study (see tables B-D).

Methodology for Traders

Owners⁵² and managers⁵³ of the firms were targeted as survey respondents for the Trader survey. To complete this study under time and resource limitations, a quota sampling methodology was utilized. Quota sampling is a non-probabilistic sampling method because the researchers select interest areas (i.e., gender, firm size, location) to target specific entities of the population to study. This differs from a probabilistic sampling method because not every entity in the general population has a chance to be interviewed.

Because quota sampling is non-probabilistic, there is no standard formula to calculate sample sizes. To set up the quota sample framework for this study, the formula to calculate sample sizes for a simple random (probabilistic) sample was used – with variables of population size, 95 percent confidence level, and a five percent margin of error – in order to approximate what would have worked in a probabilistic sample. Doing so provided a reasonable lower bound to establish the quota sizes.

The sample framework for traders was constructed to mirror the target population based on the chosen features of gender, firm size by revenue, and location by setting the quotas proportionally (see table E). Gender was the main strata while firm size and location were nested under it.

Table A.

# of Firms in Field List	
Category	# of Entries
Original List	42,273
Removed: Invalid Phone Number	206
Removed: Missing Contact Information	9,738
Removed: Ineligible Shareholding	12,784
Removed: Ineligible Firm Types	29
Remaining after initial filtering	19,516

Table B.

Breakdown Majority Shareholding by Gender		
	Count of Majority Shareholder	% of Majority Shareholder
Men	15,697	80%
Women	3,819	20%
Total	19,516	100%

Table C.

Breakdown of Firm Size (by Revenue) by Gender of Majority Shareholder		
	Count	%
Men	15,697	
1) up to R\$ 1 million	3,323	21%
2) between R\$ 1 and 100 million	11,111	71%
3) \$R 100 million or more	1,263	8%
Women	3,819	
1) up to R\$ 1 million	1,000	26%
2) between R\$ 1 and 100 million	2,677	70%
3) \$R 100 million or more	142	4%
Total	19,516	100%

⁵² Defined as majority shareholder.

⁵³ Managers of international trade for the business.

Table D.

Region	Region by Gender of Majority Shareholder				Total Count	% of Total Population
	Count of Men	% of Men	Count of Women	% of Women		
Central-West	442	3%	111	3%	553	2.83%
North	389	2%	91	2%	480	2.46%
Northeast	823	5%	194	5%	1,017	5.21%
South	4,710	30%	1,032	27%	5,742	29.42%
Southeast	9,333	59%	2,391	63%	11,724	60.07%
Total	15,697	100%	3,819	100%	19,516	100.0%

Women was identified as the smaller subgroup representing 20 percent of the target population, and this subsample size was used in the formula for a simple random sample to make an approximation on a reasonable sample size for this subgroup (n = 350). The quota for the men subgroup was then determined by scaling up from this value (n = 1,400). The quotas for the nested strata of firm size and location were set proportionally across the n values for women and men respectively.

Table E.

	Total Trader Quota Sample N = 1,750	
	Women	Men
A. By Gender (Main Strata)	20%	80%
B. Quotas by Establishment Size (Revenue) and Gender Sub-group		
up to R\$ 1million	26%	21%
between R\$1 and 100 million	70%	71%
SR100 million or more	4%	8%
C. Quotas by Regions and Gender Sub-group		
North (Acre, Amapá, Amazonas, Pará, Rondônia, Roraima, and Tocantins)	2%	2%
Northeast (Alagoas, Bahia, Ceará, Maranhão, Paraíba, Pernambuco, Piauí, Rio Grande do Norte, Sergipe)	5%	5%
Central-West (Goiás, Mato Grosso and Mato Grosso do Sul, Distrito Federal)	3%	3%
Southeast (Espírito Santo, Minas Gerais, Rio de Janeiro, and São Paulo)	63%	59%
South (Paraná, Rio Grande do Sul, Santa Catarina)	27%	30%

Customs Brokers Sample

In order to also sample customs brokers that help businesses with import and export procedures, the project team also requested a list of active, registered customs brokers. A list was received in early 2021 from the national customs brokers association Feaduaneiros, through a partnership with customs, containing 2,582 entries. Compared to the traders, customs brokers in Brazil are registered at the individual level rather than at a firm level. As such, customs brokers that participated in this study are not necessarily represented on the “firm level”. Efforts were made to clean up the list for a usable field list of customs brokers (see table F), though duplicates were hard to identify because there were many entries under the same name but with different contact information.

Table F.

# of Customs Brokers in Field List	
	Count
Original List	2,582
Exclusions (duplicates)	5
Total	2,577

The field list served as the survey population for customs brokers, and the known characteristic of location was analyzed to identify the regional breakdown of the population (see table G).

Table G.

Population by Region				
	Region	Count of State	% of Total by State	% of Total by Region
Pernambuco	Northeast	86	3.3%	3.3%
Paraná	South	141	5.5%	17.1%
Rio Grande do Sul	South	209	8.1%	
Santa Catarina	South	91	3.5%	
Minas Gerais	Southeast	87	3.4%	79.5%
Rio de Janeiro	Southeast	114	4.4%	
São Paulo	Southeast	1,849	71.8%	
Total		2,577	100.0%	100.0%

Methodology for Customs Brokers

Instead of allocating the quota proportionally by the known characteristic of region by computing the minimum sample size for the smallest quota then scaling up the sample for the other quotas based on their population (which would necessitate successfully interviewing 83 percent of the field list), an overall sample size for the customs brokers was computed. The following formula was used to compute the sample size:

$$\begin{aligned}
 n &= z^2 p(1-p)/e^2 \\
 &= 1.96^2((0.5(1-0.5)))/0.05^2 \\
 &= 0.9604/0.0025 \\
 &= 384
 \end{aligned}$$

The quota could not be allocated equally to the three regions identified in table G (i.e., 128 per region quota) because the Northeast region only had 86 customs brokers. As a result, the deficit of 42 customs brokers were distributed to the two other regions proportionately based on the total customs broker population, resulting in 135 for South and 163 for Southeast.

The field list for customs brokers did not include gender information to allow pre-determination of the population breakdown by gender; as such, a gender split to a ratio of 1:1 was further set within each regional quota. The collected data was weighted to adjust for non-proportional allocation.

Constraints and Limitations

The survey firm contracted to conduct the phone interviews with traders and customs brokers encountered challenges in fulfilling the set quotas. Firms and customs brokers in the field lists may have had to close due to COVID-19 pandemic or firm owners and managers were working from home (leaving landlines at the businesses unanswered). Ultimately, because the proportional quotas were not met, weights were assigned to the results to eliminate any biases in estimate responses. Table H-J outline the number of interviews actually conducted and the associated weight assigned.

Table H. Number of Trade Firms Interviewed

	# Interviewed	
	Women	Men
A. By Gender (Main Strata)	545	986
B. Quotas by Establishment Size (Revenue) and Gender Sub-group		
up to R\$ 1million	94	241
between R\$1 and 100 million	406	680
SR100 million or more	45	65
C. Quotas by Regions and Gender Sub-group		
North (Acre, Amapá, Amazonas, Pará, Rondônia, Roraima, and Tocantins)	11	30
Northeast (Alagoas, Bahia, Ceará, Maranhão, Paraíba, Pernambuco, Piauí, Rio Grande do Norte, Sergipe)	29	51
Central-West (Goiás, Mato Grosso and Mato Grosso do Sul, Distrito Federal)	10	28
Southeast (Espírito Santo, Minas Gerais, Rio de Janeiro, and São Paulo)	340	581
South (Paraná, Rio Grande do Sul, Santa Catarina)	155	296

Table I. Traders Weights

Quotas	Women			Men		
	up to R\$ 1million	between R\$1 and 100 million	\$R100 million or more	up to R\$ 1million	between R\$1 and 100 million	\$R100 million or more
North (Acre, Amapá, Amazonas, Pará, Rondônia, Roraima, and Tocantins)	–	1.226622	0.350464	0.669067	2.073576	0.700927
Northeast (Alagoas, Bahia, Ceará, Maranhão, Paraíba, Pernambuco, Piauí, Rio Grande do Norte, Sergipe)	0.514743	1.577086	0.613311	0.705538	1.296715	0.390902
Southeast (Espírito Santo, Minas Gerais, Rio de Janeiro, and São Paulo)	1.186987	1.413844	0.593092	0.981186	1.163027	0.98902
South (Paraná, Rio Grande do Sul, Santa Catarina)	1.273007	0.856832	1.664702	0.75762	0.801443	0.865851
Central-West (Goiás, Mato Grosso and Mato Grosso do Sul, Distrito Federal)	0.613311	0.700927	0.262848	0.405223	0.839091	0.817748

Table J. Number of Customs Brokers Interviewed and Weights

	# Interviewed		Weight Assigned	
	Women	Men	Women	Men
A. By Gender (Main Strata)	156	184	1	1
B. Quotas by Regions and Gender Sub-group				
Northeast (Alagoas, Bahia, Ceará, Maranhão, Paraíba, Pernambuco, Piauí, Rio Grande do Norte, Sergipe)	9	37	1	1
Southeast (Espírito Santo, Minas Gerais, Rio de Janeiro, and São Paulo)	100	80	1	1
South (Paraná, Rio Grande do Sul, Santa Catarina)	47	67	1	1



Rio de Janeiro, Brazil
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Container ship leaving the Port of Manaus, Brazil
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