
OPENING FORMALITIES

Brazilian Limited company

- 2 or more natural or legal persons (companies), foreign or Brazilian, as stockholders are obligatory
- subscribed capital can be of any amount, no upper or lower limits are given
- subscribed capital can be integrated in several installments, accompanying cash needs of the local company
- a locally resident administrator, foreign or national, has to be appointed
- some local inspection by a State tax inspector might have to occur, depending on the business activity
- environmental licensing may be necessary, depending on the client's core activity
- foreign documents necessary: power of attorney to person(s) responsible for the opening process; documentation of the grantor of the POA; registration data of the foreign natural or legal person; variations by county of origin may occur
- documents will be notarized and then reviewed and acknowledged by Brazilian consular service in the country of origin; after this all documents have to be translated by a sworn public translator in Brazil to become legally existent
- from the moment of obtaining the necessary foreign documentation in Brazil, opening procedures will take 4-6 weeks

administrator

- The administrator, if not being a Brazilian national, has to have residency visa for Brazil.
- This can be obtained through an administrative procedure with the Brazilian Labor Ministry and the Federal Police.
- Additionally, the administrator has to obtain a CPF tax number.
- To obtain the visa, the foreign held Brazilian company to be opened has to subscribe and transfer USD 50,000.00 – USD 200,000.00 (depending on expiration date of the visa) to their Brazilian bank account.
- To obtain the permanent residency status, we estimate a processing time of three months.

For opening the company and obtaining the necessary documents for the administrator, no local presence of company officials or future administrator are necessary, as long as the necessary POA was granted.

GCE Consultoria can provide an interim administrator.

Opening of bank account after the company receives a CNPJ number, early during the opening procedure.

RADAR import-export license

- Any entity within Brazil that imports or exports goods has to obtain a RADAR license to do so. Obtaining the full license takes approximately 4 weeks.
- All import processes are severely scrutinized by the Brazilian customs, Federal Police, Central Bank and Internal Revenue Services.
- Any irregularities lead quickly to fiscal audit, civil and criminal punishments, with risk of loss of merchandise.

Renting of office space and warehouse

- There are no relevant restrictions to foreign companies for renting or buying real estate.
- Minimum contract periods are significantly shorter than in the European Union.

Hiring staff

- While manual labor is cheaper than in the EU and USA overall, specialized technical workers receive salaries on European levels, and specialized administration and engineering staff can be significantly more expensive.
- Having expatriates with foreign work contracts working for a Brazilian company, the total of their salaries cannot exceed one third of the payroll value.

GCE Consultoria offers recruiting services.

Accounting

- Brazilian taxes and social charges are complex.
- After opening the business, the services of an accountant need to be retained.
- Due to the high fiscal complexity or the Brazilian work environment, monthly service fees start at EUR 1.500,00 for foreign companies. Most accounting firms prefer not to have foreign clients.

GCE Consultoria provides accounting services for competitive fees.

For setting up an operating facility with initial staff, regularized with all Brazilian authorities, bank accounts and business software we estimate a total project running time of three months. A law firm or visa agency will have to be contracted through us, by you, if needed. We will provide a choice of third party companies.

GCE SUPPORT

GCE Consultoria can assume all opening formalities and/or coordinate them through our partner companies. You will receive a working business unit turn-key. GCE can be your direct and unified contact for all start-up procedures and can help you to

- reduce service fees by obtaining locally common prices
- avoid time loss by avoiding procedural mistakes
- reduce necessity of local presence and travel expenses of our client's staff; coordination with the client by telephone or email
- obtain locally common rents, prices and contract conditions

Additionally we offer

- accounting services
- recruiting of technical, sales and administration staff for locally common conditions
- market study and/or list of sales leads
- expense planning / business plan to determine budget release and amount of subscribed capital
- for the start-up phase, simplified financial and stock management software (see software SIMPlus in www.gceconsultoria.com.br)
- preparation of shortlist for potential company facilities, setting up office space
- general information, help and assistance
- interim management or management support during the start-up phase