



E-Commerce in Brazil

Overview:

Brazil is the largest Internet market in Latin America and the ninth largest in the world, according to the U.S. Commercial Service report *Doing Business in Brazil*. The Brazilian Chamber of Electronic Commerce reports that online commerce totaled approximately US\$8 billion in 2008 and is estimated to grow over 45 percent in 2009. Brazilians purchase a variety of goods over the internet, with books and magazines being the most common. Software, electronics, health and beauty products, and mobile phones are also frequently purchased online according to e-bit, a Brazilian market research firm. The Brazilian Chamber of Electronic Commerce reports that there were 13.2 million online consumers in 2008, a 39 percent increase from 2007.

Software piracy is a problem, though Brazil has improved enforcement of intellectual property laws, according to the Economist Intelligence Unit (EIU). Legislation passed in 1998 protecting intellectual property applies to e-commerce transactions. Currently, consumers have the right to return products purchased online if the products delivered are different from those which they ordered. Congress is considering legislation to allow consumers to cancel online orders. Brazil does not have specific taxes for goods purchased via the Internet, according to the EIU.

Statistics:

E-Commerce Sales

Retail E-Commerce Sales in Brazil 2001-2009

	2001	2002	2003	2004	2005	2006	2007	2008	2009*
Billions USD ¹	\$.29	\$.45	\$.63	\$.94	\$1.34	\$2.35	\$3.37	\$4.39	\$5.3
% Change		81%	30%	31%	41%	46%	36%	39%	22%

*Estimated

Source: www.e-commerce.org.br

Products Sold Online

Product	% 2007 Online Sales
Books, Magazines, Periodic	17%
Health and Beauty	12%
Data Processing	11%
Electronics	9%
Electrical Appliances	6%

Source: www.e-commerce.org.br

Technological Readiness

The World Economic Forum's *Global Competitiveness Report* for 2009 ranked Brazil 46th out of 133 economies in terms of technological readiness, an improvement from a rank of 56th in 2008. This places Brazil 3rd among the 22 ranked Latin American and Caribbean nations.

Internet Use

Almost 65 million Brazilians (36% of the population) used the internet in 2008, though only 5.9 percent were internet subscribers, according to the International Telecommunications Union.

¹ Converted from Real using U.S. Treasury 9-30-09 rates.

Domain Registration:

Brazilian domain names (".br") must be registered at <http://registro.br>. Domain names are usually given out on a first-come-first-served basis. Foreign companies can have a local domain, but will need to have local legal representation. Organizations must register with the Ministry of Finance Taxpayers' Record and possess a corporate tax ID number. The fees for registration and annual maintenance are each approximately \$28 in 2009 U.S. dollars. A local domain, however, is not required.

Data Privacy Policies:

LAW(s)/REGULATION(s)	KEY DETAILS	NEW DEVELOPMENTS
The Brazilian Civil Code of 2003	Civil Code specifies damages for a security breach	In April 2003, an Internet privacy law was proposed to criminalize unauthorized disclosure of protected information and harvesting of personal information
The Habeas Data Law of 1997 Link to Law	Habeas Data Law gives an individual the right to petition for rectification	In April 2007, the Brazilian Association of Internet Service Providers (ABRANET) published a self-regulatory code for internet service providers. The code only applies to those who agree to its terms.
The Consumer Protection Code of 1990 Link to Code	Consumer Code requires notification in advance of personal data storage, right of access, knowledge, rectification, and consent for transfer	The code stipulates limited use, knowledge, consent, and security
Article 5 of the Constitution	Article 5 provides the right to know of and correct habeas data	

Contacts:

American Chamber of Commerce Brazil; Tel: (21 3213-9212; Internet: www.amchamrio.com.br

Brazilian Association of Internet Service Providers (ABRANET); Tel: (11)3079-3866; Internet: <http://www.site.abranet.org.br/>

Brazilian Chamber of Electronic Commerce (Câmara Brasileira de Comércio Eletrônico); Tel: (11) 3237-1102; Internet: <http://www.camara-e.net/>

Brazilian Internet Steering Committee (Comitê Gestor da Internet no Brasil); Tel: 55 11 5509-3511; Fax: 55 11 5509-3512; Internet: <http://www.cg.org.br/english/index.htm>

Brazilian Foreign Trade Association (Associação de Comércio Exterior do Brasil—AEB); Tel: (55.21) 2544-0048; Fax: (55.21) 2544-0577; Internet: <http://www.aeb.org.br/home.htm>

Investment Promotion and Technology Transfer System (Sistema de Promoção de Investimentos e Transferência de Tecnologia para Empresas—Sipri), Ministry of External Relations, Trade Promotion Dept; Tel: (55.61) 3411-6392; Fax: (55.61) 3322-0827.

Ministry of Development, Industry and Commerce (Ministério do Desenvolvimento Indústria e Comércio Exterior—MDIC); Tel: (55.61) 2109-7000; Internet: <http://www.mdic.gov.br/>

Ministry of External Relations (Ministério das Relações Exteriores), Trade Promotion Dept; Tel: (55.61) 3411-6778/6313; Fax: (55.61) 3411-6900; Internet: <http://www.mre.gov.br/english>

U.S. Foreign Commercial Service, Rio de Janeiro; Tel: (55.21) 3823-2000; Internet: <http://www.embaixadaamericana.org.br>; São Paulo; Tel: (55.11) 5186-7300; Internet: <https://www2.focusbrazil.org.br/sitebr/index.htm>

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