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Brazil widening 'Collor opening'

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The government of Brazilian President Fernando Collor de Mello recently added some new tactics to its "open policy" of enhancing trade and financial relations with foreign interests.

These changes were among Brazilian government measures discussed at a recent Brazilian-American Chamber of Commerce (Miami) luncheon.

The "Collor opening" apparently has paid dividends because Central Bank statistics show a registered foreign capital inflow of \$2.9 billion for the first four months of this year, compared to \$3.5 billion for all of 1990, said lunch speaker Aloysio Vasconcellos, president of New York-based Westchester International Corp., an international trade and investment service company. Brazil's foreign monetary resources are being channeled to the private sector, either for local or international companies, Vasconcellos said.

"Some official sources hope the Brazilian

government will try to consolidate and foster the inflow of foreign money," he said. "In this connection, there are talks of new Central Bank measures to stimulate profit reinvestments and postponement of remittance for parent companies."

A recent Central Bank study focuses on a possible packaging of Brazilian exports as collateral for securities that would be purchased by foreign banks, Vasconcellos said.

It is expected that Brazil's National Monetary Council soon will allow local and foreign banks with operations in Brazil to offer overseas purchases title to credits related to shares in Brazilian companies' stocks. This measure would complement the National Monetary Council's resolution to open Brazilian stock exchanges to foreign institutional investors, he said.

A recent round of government measures abolished the previous need for Central Bank approval for

imports with 361 – to 720-day financing.

The 150 – member Brazilian American Chamber of Commerce was founded 10 years ago by Miami attorney Thomas J. Skola, a partner in law firm Taylor, Brion, Buker & Greene. The chamber holds monthly functions and gives two scholarships for Brazilian studies at Miami-Dade Community College and the University of Miami in Coral Gables, Fla.

Besides its business activities, the chamber is now creating a culture and arts program.

"We are forming a company affiliated with the chamber," said A. Julio M. Rodrigues, the chamber's president who also is senior vice president and agent for Banco Portugues do Atlantico's Miami agency office. "The board of directors is interested in bringing art, music, literature and sculpture from Brazil."