Leveraging business in the Portuguese-speaking world
As we created our strategy, Vision 2020, it became clear that a sense of purpose ran strongly through our organization.

When we looked at the work we do for clients, and what motivates all of us each day, we could see that everything we do contributes to building a better working world.

Every audit, every tax return, every valuation, every interaction helps our clients fulfill their purpose and contributes to building a better working world.

Mark A. Weinberger
EY, Global Chairman and CEO

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The Lusophone world

500 years of shared history

The period that would become known as “The Discoveries” started out as a mix of religious and commercial ventures by Portugal, a country then of no more than one million individuals. Colonies in each of the five continents were eventually united under one shared language and flag. Those locations later emerged as sovereign nations that span such different, yet closely linked, countries as Angola, Brazil, Guinea-Bissau, Cape Verde, East Timor, Mozambique and São Tomé and Príncipe.

Five hundred years later, these countries maintain strong economic, political and cultural ties. This is clear in the charter of CPLP – the Community of Portuguese Speaking Countries – the multilateral entity created in 1996 to formalize a new era of mutual international cooperation under a shared language.

Rooted in 500 years of shared experiences and values, the cultural richness of each part has contributed to a whole where diversity reinforces a common sense of belonging.

From an economic perspective, this heritage means that the cultural links among those countries are a real factor in the creation of business networks and the development of successful investment strategies.

The economic value of a language

Portuguese is the official language in nine countries (including Equatorial Guinea), which total close to 260 million inhabitants. Additionally, there are relevant migrant communities of Portuguese speakers in countries such as Canada, France, Luxembourg, USA, United Kingdom, South Africa and Venezuela. Macau, a special administrative region of China since 1999, also has a large community of Portuguese nationals and maintains Portuguese as an official language.

Portuguese is the common pillar that sustains a cultural continuum throughout such diversified nations and that enables business in Portuguese to thrive. With Angola, Brazil and Mozambique on accelerated economic growth paths, knowing how to do business in the Lusophone world is a competitive advantage in an already large market.
LINk — Lusophone Investment Network

Promoting business in the Lusophone world

LINk will assist EY’s clients to develop successful investment and business strategies in Angola, Brazil, Mozambique, Portugal and other Portuguese-speaking countries by:

• Supporting companies from different language and cultural backgrounds in their entry strategies for Lusophone markets
• Linking our clients with investment agencies or other local entities relevant for their investment in Lusophone countries
• Supporting companies from the Lusophone countries to identify and develop business opportunities with external partners

International investors recognize the extraordinary potential of markets such as Brazil, Angola and Mozambique, but sometimes fail to adapt their strategy to each country’s specific business environment. EY’s long-established practices in those markets and our strong international integration enable us to assist clients with in-depth market knowledge and a complete range of professional services.

The Lusophone Investment Network will enhance our capacity to provide tailored services to clients seeking opportunities in the Lusophone world. LINk’s initial deployment will include four think tanks, co-organized by EY Portugal, Brazil, Angola and Mozambique.

Lisbon, São Paulo, Luanda and Maputo will each welcome our clients to sessions where they will have access to:

• EY partners and EY senior professionals from the practices forming part of the network, who will conduct workshops and one-to-one sessions on hot topics, business opportunities and regulatory trends in each market
• Local and foreign companies established in the local market
• Other companies interested in the market

Additionally, the local investment promotion agencies will be invited to provide information on attractiveness factors, foreign investment regulation and opportunities for access to local incentives:

• AICEP (Portuguese National Investment Agency)
• APEX (Brazil National Investment Agency)
• ANIP (Angola National Investment Agency)
• CPI (Mozambique National Investment Agency)

How we make a difference

LINk combines the technical and market knowledge credentials of EY’s professionals in Portugal, Brazil, Angola and Mozambique. A close coordination of the teams results in an integrated and seamless delivery of services for clients looking for opportunities in these and in other Portuguese-speaking countries.

Through LINk, our clients have access to the knowledge and support they need to invest effectively in these jurisdictions.

• Periodic events
• Experts from the 4 countries available in each location
• Discussion of hot topics
• Information on the business environment
• Access to local entities
• Opportunity to network with local companies and foreign investors
• Opportunity to meet companies with shared business interests
TAX
In Tax, we have more than 35,000 people globally who help our clients understand and manage their tax compliance and reporting obligations responsibly and proactively. We help them assess, improve and monitor their tax functions’ processes, controls and risk management and maintain effective relationships with the tax authorities.

Tax sub-service lines cover a wide range of issues: Business Tax Services, Global Compliance and Reporting, Human Capital, Indirect Tax and International Tax Services.

Advisory
In Advisory we have over 27,000 people globally. Advisory works with large enterprises and government institutions on their most pressing management and operational challenges. Advisory helps clients protect their business, improve performance and enable change.

Advisory has three sub-service lines (Performance Improvement, Risk and IT Risk and Assurance) with deep competencies in risk, finance, supply chain, customer and information technology.

Assurance
In Assurance we have over 70,000 people who provide audit and accounting services to our clients. Our professionals ensure clients’ accounts comply with the requisite audit standards and provide a robust and clear perspective to audit committees and critical information for stakeholders.

Assurance has four sub-service lines: External Audit, Financial Accounting Advisory Services (FAAS), Climate Change and Sustainability Services (CCaSS), and Fraud Investigation & Dispute Services (FIDS).

Hot topics

Angola
1. The tax reform: changes, new challenges and tax competitiveness aspects of Angola
2. Invest in Angola: the process of the economy’s, “Angolinization”, private investment law
3. The exchange law applicable to the oil industry: the impact on the economy and multiple agents operating in Angola

Mozambique
1. Exchange controls (very rigid) and debt equity ratios
2. Quota restrictions on hiring foreign nationals
3. Potential amendments to labor laws
4. Taxation of capitals gains realized with indirect sale of assets located is Mozambique
5. Permanent establishments - imprecise legislation and inconsistent interpretation by authorities
6. Withholding taxes and double taxation agreements, especially concerning permanent establishments

Brazil
1. End of transition tax regime aimed at tax neutrality in the implementation of IFRS
2. Changes in goodwill benefits – effective for companies acquired in 2014
3. Changes in CFC rules
4. New transfer pricing rules, especially related to (i) purchase and sale of commodities and (ii) reduction of the profit margin in the resale price method – PRL when referring to import of goods and services
5. Changes in the maximum tax rate of foreign loans
6. Substance over form and economic arguments applicable in planning

Portugal
1. Corporate Income Tax Reform: main impacts
2. Personal Income Tax Reform Commission
3. Real estate Transfer Tax - transitional rules
4. Planned tax regime for outbound expatriates (from Portugal)
5. Green taxation reform
6. Government dialogue with “large taxpayers”
Lusophone Business Services Team

**Angola**
- Luis Marques
  - +351 21 791 2214
  - luis.marques@pt.ey.com

**Brazil**
- Serge Huysmans
  - +55 21 3263 7310
  - serge.huysmans@br.ey.com
- Felipe Bastos Fortes
  - +44 20 7806 9054
  - ffortes@uk.ey.com
- Thiago Braich de Carvalho
  - +44 20 7806 9357
  - tbraichdecarvalho@uk.ey.com

**Portugal**
- Carlos Lobo
  - +351 21 791 2146
  - carlos.lobo@pt.ey.com
- Vera Figueiredo
  - +351 21 794 9318
  - vera.figueiredo@pt.ey.com

**Mozambique**
- Luís Florindo
  - +351 21 794 9333
  - luis.florindo@pt.ey.com
- Albena Todorova
  - +258 21 353 201
  - albena.todorova@mz.ey.com
- Ana Parente
  - +258 21 353 000
  - ana.parente@mz.ey.com

**Our Services**

**Market Entry Strategic Analysis**
- Market Entry Feasibility Study
- Location Study
- Environment Investment Analysis
- Government Relationship Management
- Business Registration Support

**Transaction Advisory Services**
- Corporate Development
- Lead Advisory
- Operational Transaction Services
- Restructuring
- Transaction Support
- Transaction Tax
- Valuation and Business Modelling

**Advisory Services**
- Performance Improvement
- Risk
- IT
- Advisory for Financial Services
- Construction and Real Estate Advisory
- Construction and Development Advisory
- Project Management
- Process Design and Management
- Investment Analysis

**Assurance Services**
- Accounting Compliance and Reporting
- Climate Change and Sustainability Services
- Financial Accounting Advisory Services
- Financial Statement Audit
- Fraud Investigation and Dispute Services

**Tax Services**
- Cash Tax Planning
- Country Tax Advisory
- Cross Border Tax Advisory
- Customs and International Trade
- Global Compliance and Reporting
- Human Capital
- Personal Taxes
- Tax Accounting
- Tax Performance Advisory
- Tax Policy and Controversy
- Transfer Pricing and Tax Effective Supply Chain Management
- VAT, GST and Other Sales Taxes

**Our Services**
About EY
EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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