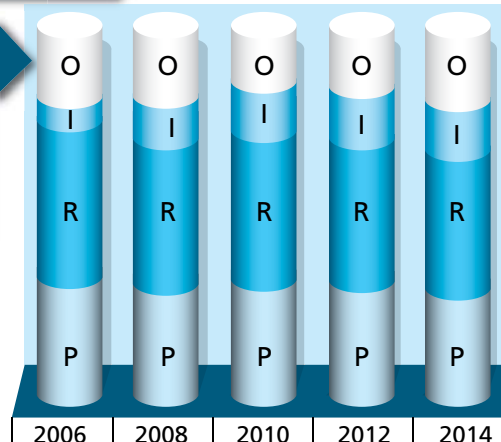


Brazil

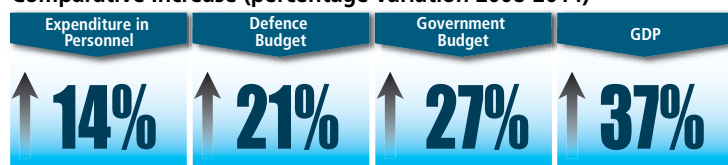
Population **201,497,000**Territorial Extension **8,514,880 km²**GDP 2014 (US\$) **2,215,953,000,000**Armed Forces Personnel **333,973**Defence Budget (US\$) **31,629,440,741**

Defence Budget Breakdown

P: Salaries and other benefits
R: Retirement and pension funds
I: Investment
O: Other expenses



Comparative Increase (percentage variation 2008-2014)



The Legal Framework

National Legislation

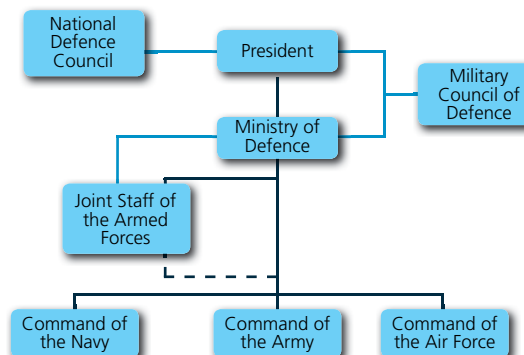
Systems and Concepts

- Act that establishes the deployment of Brazilian troops overseas (Nº 2953 - 1956/11/20).
- Act that determines the cases when foreign Armed Forces can transit or remain temporarily in the national territory (Complementary Act Nº 90 - 1997/10/02).
- Act that establishes the Brazilian System of Intelligence and creates the Brazilian Agency of Intelligence - ABIN (Nº 9883 - 1999/12/09).
- Act on the Organization and Operation of the National Defence Council (Nº 8183 - 1991/04/11. Last amendment: 2001/08/31).
- Act on the Organization of the Presidency of the Republic and Ministers (Nº 10683 - 2003/05/28. Last amendment: Nº 12954 - 2014/02/05).
- Act that rules over national mobilization and creates the National System of Mobilization (Nº 11631 - 2007/12/28).

Military Organization

- Military Pension Act (Nº 3765 - 1960/05/04. Last amendment: Provisional Measure 2215-10 - 2001/08/31).
- Military Service Act (Nº 4375 - 1964/09/03. Last amendment: Act Nº 12336 - 2010/10/27).
- Military Criminal Code (Decree-Law Nº 1001 - 1969/10/21. Last amendment: Act Nº 12432 - 2011/06/30).
- Code of Military Criminal Procedure (Decree-Law Nº 1002 - 1969/10/21. Last amendment: Act Nº 9299 - 1996/08/07).
- Law authorizing the Executive Branch to set up a state-owned company called *Indústria de Material Bélico do Brasil* - IMBEL (Nº 6227 - 1975/07/14. Last amendment: Nº 7096 - 1983/05/10).
- Act on the Organic Law of the Members of the Armed Forces (Nº 6880 - 1980/12/11). Last amendment: Act Nº 12670 - 2012/06/09).
- Law authorizing the Executive Branch Act to set up the *Empresa Gerencial de Projetos Navais* - EMGEPRON (Nº 7000 - 1982/06/09).
- Act on the Alternative Service to Compulsory Military Service (Nº 8239 - 1991/10/07). Last amendment: Act Nº 12608 - 2012/04/11).
- Act on the Organization of Military Justice (Nº 8457 - 1992/09/04. Last amendment: Act Nº 10445 - 2002/05/07).
- Act on Education at the Army (Nº 9786 - 1999/02/08).
- Act on Regulations for the Organization, Preparation and Use of the Armed Forces, to establish new subsidiary powers (Complementary Act Nº 117 - 2004/09/02; modifies Complementary Act Nº 97 - 1999/06/09).
- Act on Education at the Navy (Nº 11279 - 2006/02/09). Last amendment: Act Nº 12704 - 2012/08/09).
- Complementary Act on Defence (Complementary Act Nº 136 - 2010/08/25; modifies Complementary Act Nº 97 - 1999/06/09).
- Act on Education at the Air Force (Nº 12464 - 2011/08/05).
- Law establishing special rules for the procurement, contracting and development of defence products and systems and rules for incentives to the strategic area of defence (Nº 12598 - 2012/03/22. Last amendment: Nº 12794 - 2013/04/02).
- Act that authorizes the creation of state-owned company Amazonia Azul Tecnologías de Defesa S.A. - AMAZUL (Nº 12706 - 2012/08/09).
- Act on Military Career in the Army (Nº 12705 - 2012/08/09).

The Defence System



— Advisory and assistance functional relationship
— Command reporting line
- - - Joint planning and management relationship

The President is advised by the National Defence Council, composed of the Vice President, the House Speaker and the President of the Federal Senate and the Ministers of Justice, Defence, Foreign Affairs and Economy. In matters related to the use of military resources, the President is advised by the Military Defence Council, made up of the Ministry of Defence, the Commanders of the Armed Forces and the Chairman of the Joint Chiefs of Staff. The Minister of Defence holds the highest command of the Armed Forces. The Minister receives the advice of the Joint Staff, responsible for planning for the joint employment of the Armed Forces. The Congress holds the powers granted by the Constitution and permanently monitors defence related issues through the foreign affairs and defence committees in both Houses.

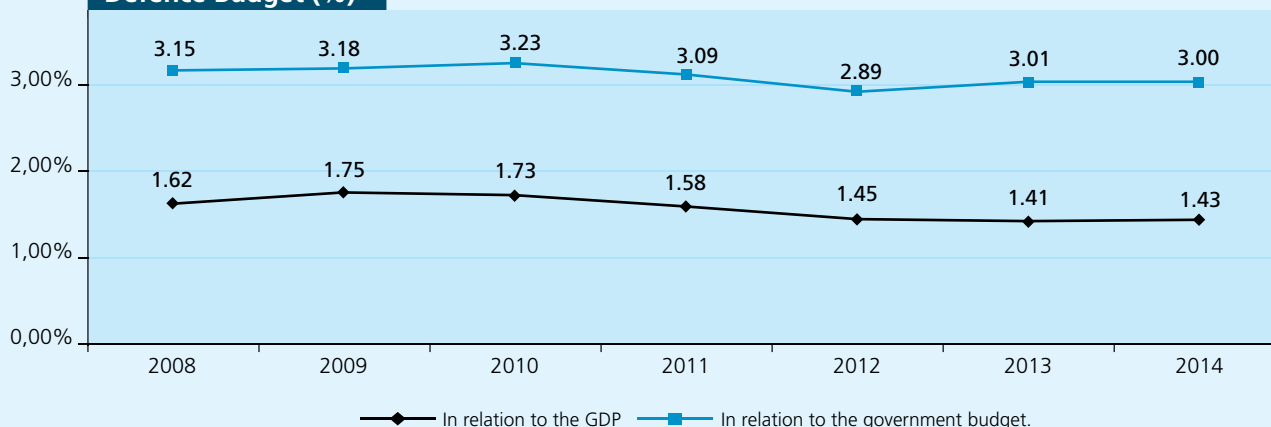
Source: Compilation based on the Constitution of Brazil, *Ley sobre la organización y funcionamiento del Consejo de Defensa Nacional* (Nº 8183 - 1991/04/11. Last amendment: 2001/08/31), *Ley sobre las normas generales para la organización, preparación y empleo de las Fuerzas Armadas* (Ley Complementaria Nº 97 - 1999/06/09. Last amendment: Ley complementaria Nº 136 - 2010/08/25).

Source: *Anuario Estadístico de América Latina y el Caribe*, 2013, CEPAL (population, projection 2014), IMF, World Economic Outlook Database, (GDP projection 2014), CEPAL website (territory), *Lei Orçamentária Anual 2014* (defence budget), website of the Air Force and information provided by the Army and the Navy of Brazil (personnel).

Budget

Year	Defence Budget (US\$)	Government Budget (US\$)	GDP (US\$)
2008	26,202,709,813	832,977,021,070	1,621,274,000,000
2009	25,911,333,511	814,083,164,256	1,481,547,000,000
2010	33,055,029,481	1,022,213,470,647	1,910,495,000,000
2011	39,829,080,222	1,287,819,970,435	2,517,927,000,000
2012	35,512,467,812	1,226,787,675,292	2,449,760,000,000
2013	31,677,477,434	1,053,942,843,302	2,242,854,000,000
2014	31,629,440,741	1,054,598,864,707	2,215,953,000,000

Defence Budget (%)



Defence Budget 2014 (in Local Currency)

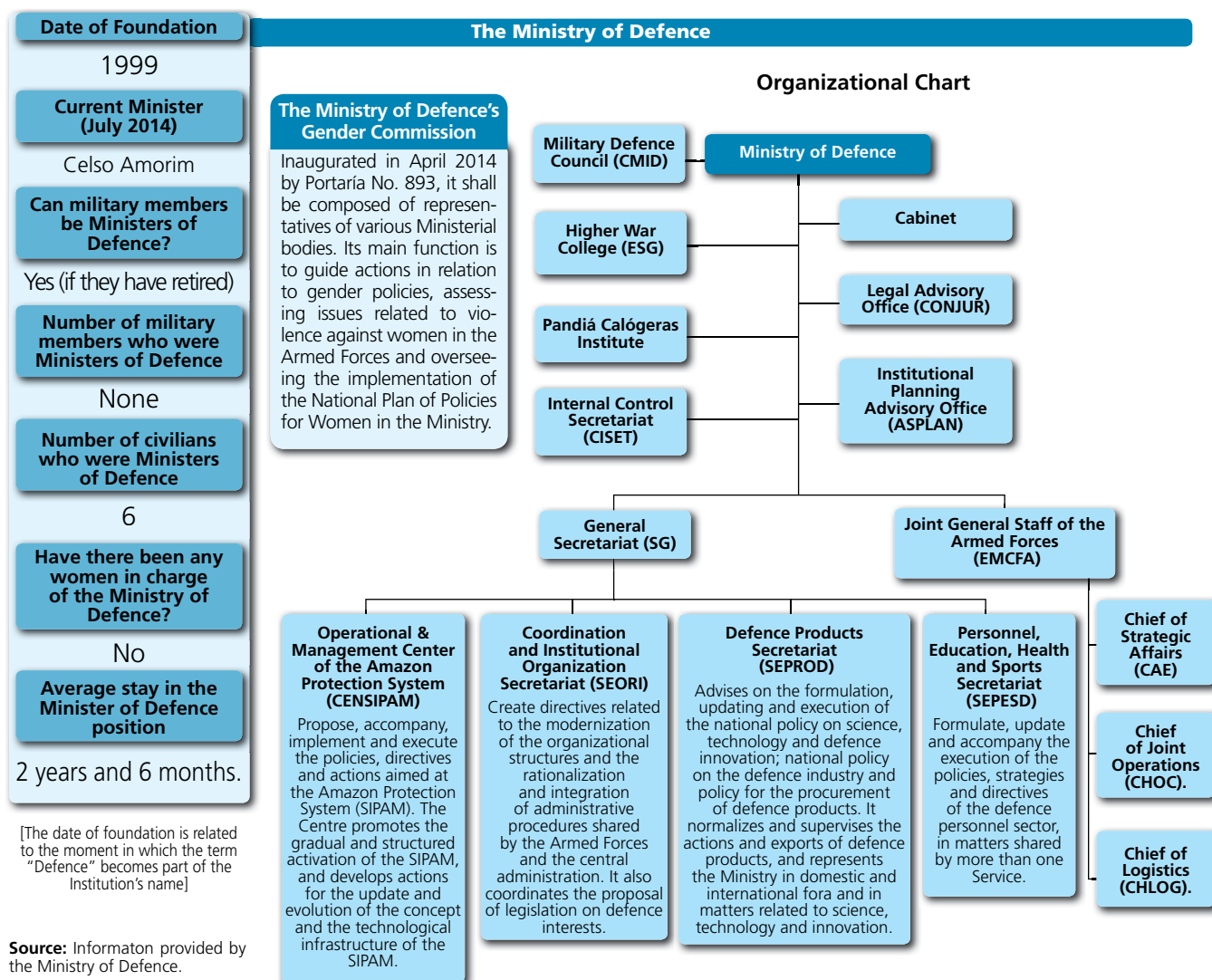
Fiscal and Social Security Budget	Personnel and Benefits	Other Current Expenses	Others*	TOTAL
Ministry of Defence	71.961.353	767.773.185	1.615.944.133	2.455.678.671
Ministry of Defence	71.961.353	767.773.185	1.615.944.133	2.455.678.671
General Command of the Air Force	11.731.955.450	1.994.526.353	3.544.502.321	17.270.984.124
General Command of the Army	24.615.958.114	3.368.882.119	1.728.587.324	29.713.427.557
General Command of the Navy	13.128.328.107	1.759.122.239	4.675.520.373	19.562.970.719
Directorate of the Inter-ministerial Commission for Maritime Resources	0	24.030.000	43.620.000	67.650.000
Air Force Housing Financing Fund	3.660.676	2.516.190	1.594.411	7.771.277
Brazilian Bellicose Material Industry (IMBEL)	64.124.513	136.460.910	18.215.958	218.801.381
Osório Foundation	9.204.807	5.126.965	410.000	14.741.772
Housing Construction Fund for Brazilian Navy Personnel (CCCPMB)	2.228.687	10.196.508	9.821.532	22.246.727
Ministry of Defence Fund	210.876.523	21.826.788	500.000	233.203.311
Administration Fund of the Armed Forces Hospital	0	2.359.761	280.012	2.639.773
Military Service Fund	140.710.046	74.053.141	14.274.014	229.037.201
Air Force Fund	0	6.085.335	1.908.828	7.994.163
Army Fund	0	1.533.685.751	743.951.361	2.277.637.112
Navy Fund	0	1.051.334.905	129.481.896	1.180.816.801
Fund for the Professional Maritime Education	0	405.449.362	161.956.970	567.406.332
Military Justice of the Union	0	137.665.195	46.436.656	184.101.851
Military Public Ministry	326.476.054	88.735.580	19.498.220	434.709.854
Subtotal	50.434.380.289	11.428.045.850	12.774.154.009	74.636.580.148
Investment Budget				
Ministry of Defence				8.900.000
TOTAL				74.645.480.148

*Includes interests and debt payments, investment, public investment, debt recovery/repayment and contingency reserve.

Source: Compilation based on the *Lei Orçamentária Anual* from 2006 to 2012. The Government Budget passed by the Congress by means of the above-mentioned Act is considered herein. The concept of investment is that expressed as 'investments' in the fiscal and social security budget and investment budget.

GDP: Projection of the World Economic Outlook Database, IMF, of each year under review. This source has been taken for comparative purposes. Each country elaborates their budget based on its own GDP estimation.

The dollar value considered corresponds to the exchange rate determined by the World Economic Outlook Database, IMF, for each year under consideration. As of July the 2014 exchange rate average was 2.30 Reales based on the data provided by the Central Bank of Brazil. For further calculations, figures are provided in local currency. Expressions in Bold Type (Table) make reference to the various defence budget items, which can be found in a sector-based or institutional classification of the Budget Act.



Cooperation with Universities

Program to support education and scientific and technological research in national defence - Pro-Defesa

Seeks to promote the establishment of networks of academic cooperation in the country in the area of national defence; human resources training at the postgraduate level; the promotion of knowledge exchange in the community; encourage partnerships between higher education institutions, strategic studies centers and military research and education institutions; and promote dialogue among civil and military experts on issues relating to national defence. In 2013, 12 projects from civilian academic centers were

selected to receive funding from the Ministry of Defence.

Program to support education and scientific and technological research in strategic issues of national interest - Pro-Estrategia

Since 2011, its goal is to stimulate the production of science, technology and innovation, as well as postgraduate human resources training, in areas related to defence and to the development of other strategic issues of national interest.

Pandiá Calógeras Institute

In March 2013, the Pandiá Calógeras Institute was created as a civilian body to carry out investigations in the area of defence, joining other bodies such as the Higher War College for in the elaboration of defence policies.

School of Cyber Defence

In February 2014, the Ministry of Defence approved the creation of a cyber defence school. With its budget already allocated, it is awaiting execution by the Cyber Defence Command.

Bilateral agreements signed between 2012-2014

- Creation of a binational working group with Peru. (2012).
- Agreement on defence issues in the region with Guyana and Suriname (2012).
- Agreements to expand cooperation with Turkey, the Visegrad group (Hungary, Poland, Czech Republic and Slovakia), Italy, France and Cape Verde (2012).
- Agreement to deepen defence cooperation (with an emphasis on protecting the border of French Guiana) with France (2012).
- Agreement for the acquisition of vessels and the development of a training program with Senegal (2012).
- Agreement to enhance cooperation in the area and in cyber defence with Spain (2013) and Argentina (2013).
- Agreements for the acquisition of military equipment and for cooperation in aerospace and cyber defence with Russia (2013).
- Agreement for training and military exchange with Sri Lanka. (2014).

- Agreement for education and exchange in the area of defence products with Antigua and Barbuda (2014).
- Agreements for the acquisition of fighters and a Memorandum of Cooperation in Aeronautics with Sweden (2014).
- Agreement for the Creation of the Joint South Africa-Brazil Defence Committee (2013), and for cooperation in defence industry and education (2014).
- Agreement for the training of engineers in the military field in Haiti (2014).
- Agreement on defence cooperation with the United Arab Emirates (2014).
- Memorandum of support for the development of the Navy of Angola (2014).
- Cooperation agreement in the field of the System of Protection of the Amazon with China (2014).

Source: Compilation based on the website of the Integrated Consular System of the Ministry of Foreign Relations, the Ministry of Defence, and the Spanish Ministry of Defence.

The Armed Forces

General Mission

The Armed Forces are destined to the defence of the Motherland, guaranteeing constitutional powers, and, upon the initiative of any of these powers, protecting law and order.(Constitution of the Republic, Art. 142).

Subsidiary attributions:

- Participation in peace operations.
- Cooperation in national development and civil defence.
- Participation in institutional campaigns of public or social interest.
- The Armed Forces are responsible, among other pertinent activities and subsidiary functions - and preserving the exclusive competences of law enforcement forces - for acting against transborder and environmental crimes through preventive and repressive measures in border regions, at sea, and in interior waters, regardless of their ownership or destination, through actions that include:
 - I - patrols;
 - II - checks of individuals, ground vehicles, ships and aircraft;
 - III - making arrests for crimes committed *in flagrante*.

(Lei sobre as Normas Gerais para a Organização, o Preparo e o Emprego das Forças Armadas, Complimentary Act Nº 97 – 1999/06/10. Last amendment: Complementary Act Nº 136 – 2010/08/ 5, Art. 15 and 16).

Joint General Staff of the Armed Forces

It is the body responsible for providing advice to the Ministry of Defence in the higher command of the Armed Forces. It is responsible for coordinating joint operations and activities and for deployment on peace missions.

Specific Missions

Army

Subsidiary Powers:

- Participate in national development and civil defence, in accordance with the law.
- Contribute to the elaboration and implementation of national policies regarding land military power.
- Cooperate with federal, state, and municipal agencies and, in exceptional circumstances, with private companies, in the execution of engineering works and services, using the resources provided by the requesting organization.
- Cooperate with federal organizations when necessary to repress crimes of national impact, providing logistical support, intelligence, communications and training.
- Act against cross-border and environmental crimes through preventive and repressive actions, in land border areas, individually or in coordination with other bodies of the Executive Branch, carrying out, among others: patrols, checks of individuals, ground vehicles, ships and aircraft; arrests for crimes committed *in flagrante*.

Navy

Subsidiary Powers:

- Guide and control the Merchant Navy and its related activities in relation to national defence.
- Provide security for marine navigation.
- Contribute to the elaboration and implementation of national policies relating to the sea.
- Implement and supervise compliance with the laws and regulations of the sea and interior waters in coordination with other bodies of the Executive Branch, Federal or State Powers, when necessary and in relation to specific competencies.
- Cooperate with federal bodies, when necessary, in repressing crimes with a national or international impact, regarding the use of the sea, interior waters and port areas, providing support in logistics, intelligence, communications and training.

Air Force

Subsidiary Powers:

- Guide, coordinate and control Civil Aviation activities.
- Provide security to air navigation.
- Contribute to the elaboration and implementation of national policies related to the national airspace.
- Establish, equip and operate airspace, aviation and airport infrastructure, directly or through concessions.
- Operate the national air postal service.
- Cooperate with federal bodies, when necessary, in repressing crimes with national or international impact, in relation to the use of airspace and airport areas, providing support in logistics, intelligence, communications and training.
- Act continuously and permanently against all kinds of illegal air traffic through the control of Brazilian airspace, with emphasis on drugs, arms and ammunition trafficking and illegal passengers, acting in coordination with the competent supervisory bodies, which are responsible for acting following the landing of aircraft involved in illegal trafficking via aerial means.

Armed Forces Personnel 2014: 333,973

Army

Officers	28,727
NCOs	50,950
Corporals, Soldiers and <i>taifeiros</i>	118,945

198,167

Navy

Officers	10,061
NCOs	27,129
Corporals, Soldiers and <i>taifeiros</i>	31,205

68,395

Air Force

Officers	9,279
NCOs	24,471
Corporals, Soldiers and <i>taifeiros</i>	33,661

67,411



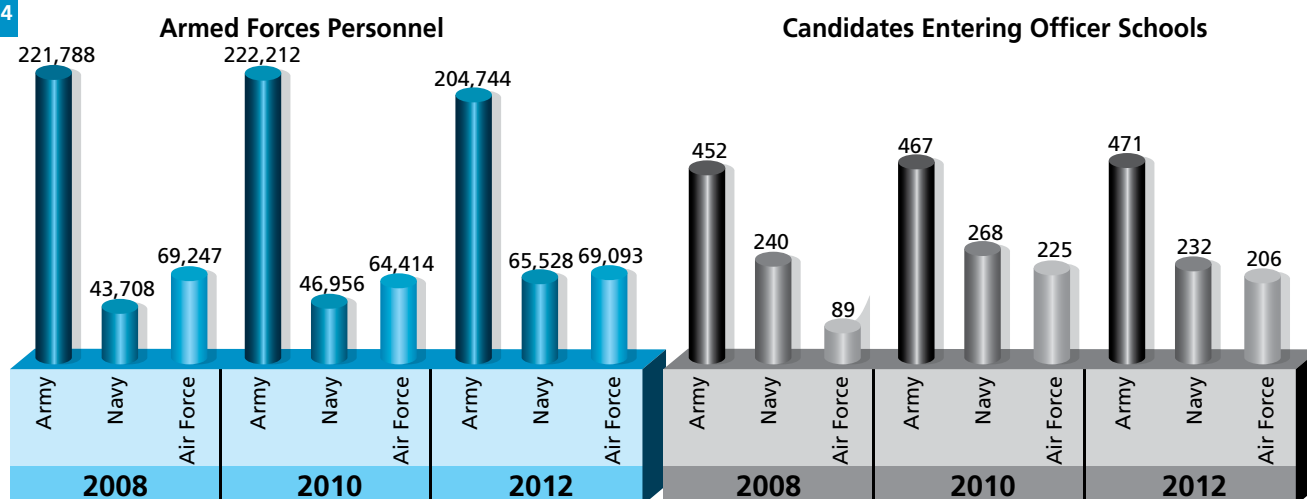
Women	Rank	Men
0	General	187
0	Colonel	1,084
32	Lieutenant Colonel	1,928
282	Major	3,199
532	Captain	4,598
415	First Lieutenant	7,145
3,034	Second Lieutenants and Aspiring Officers	5,836
0	Second Lieutenant	6,464
0	First Sergeant	7,420
0	Second Sergeant	10,596
1,714	Third Sergeant	14,081
0	Special Cadre of Sergeants	10,675
0	Corporal	23,912
0	Ensign	157
0	Soldiers	94,876



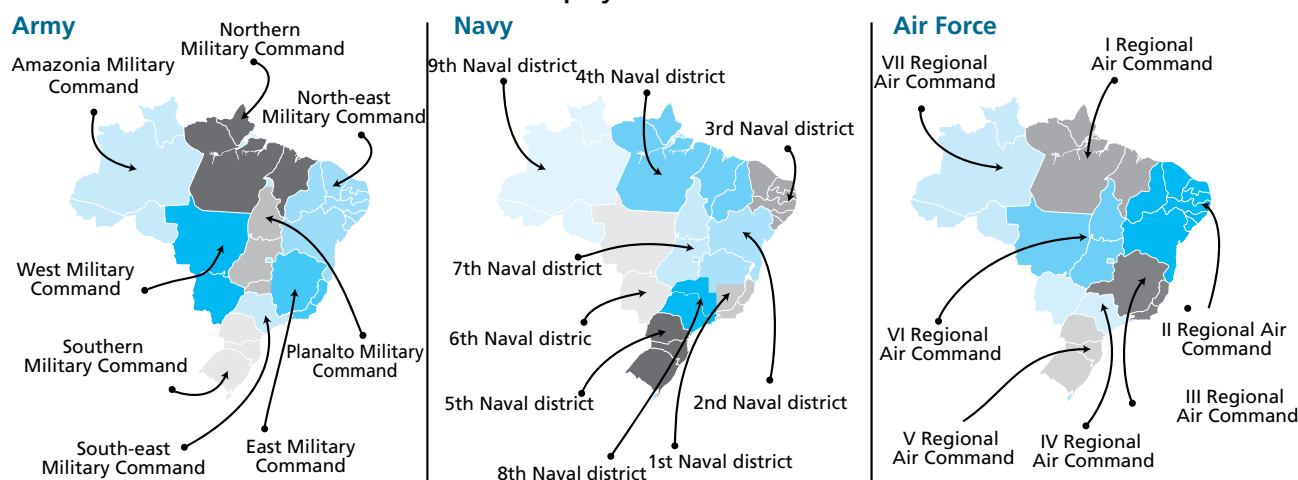
Women	Rank	Men
0	Squadron Admiral	13
0	Vice Admiral	29
1	Rear Admiral	71
23	Sea and War Captain	436
169	Commander	867
338	Lieutenant Commander	1,266
434	Captain	1,448
2,000	First Lieutenant	2,130
87	Second Lieutenant	749
187	NCO	5,176
224	First Sergeant	5,442
224	Second Sergeant	5,734
458	Third Sergeant	9,684
2,607	Corporal	13,013
63	Marines/Soldiers	15,522

The Comptroller General of the Union publishes on its 'transparency portal' (found on its website) details of all federal employees, including members of the Armed Forces (rank, salary, and place of work, among others).

Source: Information provided by the Army and Navy. *Ley sobre las normas generales para la organización, preparación y empleo de las Fuerzas Armadas* (Complementary Law Nº 97 – 1999/06/10. Last amendment: Complementary Law Nº 136 – 2010/08/25). Website of the Air Force and website of the Comptroller General of the Union. Women (personnel) includes administrative personnel and professional personnel with military rank.



Territorial Deployment of the Armed Forces

**"Calha Norte" Program**

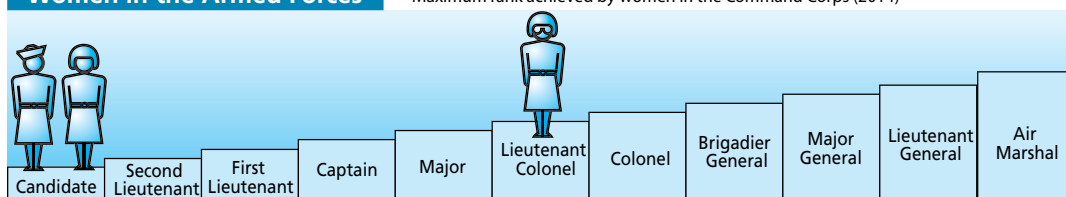
Seeks to promote the occupation and development of areas north of the Amazon River, of Marajó Island (in Pará province), the south of the "Calha" of the Solimões River up to the borders with the provinces of Rondonia and Mato Grosso, through the presence of the government.

Cyber Defence

Strengthening the Cyber Defence Center (CeDCiber), under the jurisdiction of the Army. Together with the Secretariat of Projects they have developed their own database for internal communication called Expresso V3, which is undergoing testing with the Ministry of Defence.

Women in the Armed Forces

Maximum rank achieved by women in the Command Corps (2014)



Note: These ranks correspond to the Air Force hierarchy. The command corps includes officers who have been educated at military academies from the beginning of their careers, different to those who develop a career in the civilian sphere and are then incorporated to the military.

In 2013, the Northern Military Command of the Brazilian Army was created. Under its jurisdiction are the provinces of Amapá, Maranhão and Pará, and the regional division is under the jurisdiction of the Amazonas Command.

Military Service

It is mandatory for all male citizens between 18 and 45 years old for a period of one year. Upon turning 17 years old, male citizens may also present themselves for voluntary service. Women are exempt from military service in times of peace; however, they may present themselves for voluntary service.

A special regime is available for applicants that are students, graduates and post-graduates in Medicine, Pharmacy, Dentistry and Veterinary Science (also women graduates). The recruitment process includes four stages: summons, selection, appointment and incorporation. These stages have been common to the three services, unified under the Ministry of Defence, since 2003.

In 2013, the following completed military service:

Brazilian Navy :
4,984 men and 578 women

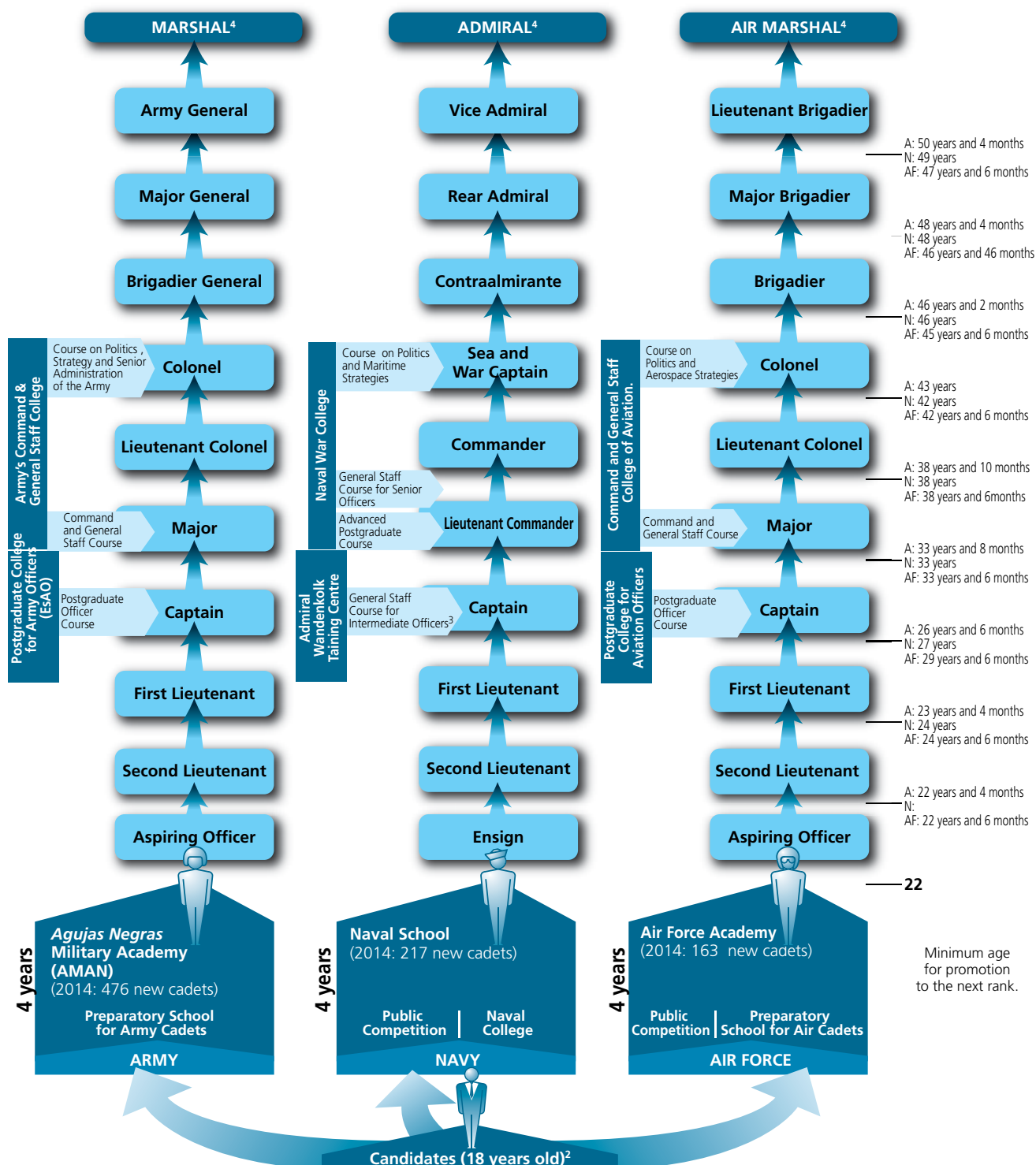
Brazilian Army:
82,866 men as troops and 1,797 as officers of the reserves

Alternative Military Service

There is also an alternative military service involving administrative, charitable, and productive and assistance activities that may replace strictly military functions. It is available for citizens alleging conscientious objection due to religious, philosophical or political reasons. Its term is eighteen months. In 2012, the training included actions in disaster areas, emergency situations and national calamities.

Source: Compilation based on the information provided by the Army and the Navy, website of the Ministry of Defence, of the Army, Navy and Air Force. *Ley sobre las normas generales para la organización, preparación y empleo de las Fuerzas Armadas* (Complementary Law N° 97 – 1999/06/10. *Ley sobre la prestación de servicio alternativo al servicio militar obligatorio* (N° 8.239 – 1991/10/07. Last amendment: N° 12.608 - 2012/04/11), *Libro Blanco de Defensa Nacional* (2012).

Education and the Military Career

Career Path for Officers in Command Bodies¹

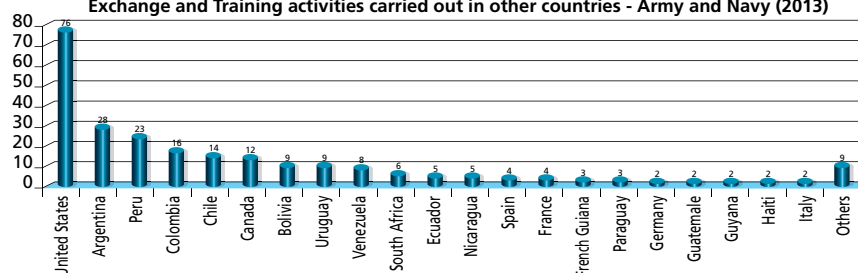
¹ Command corps includes officers who have been educated at military academies from the beginning of their professional careers. The diagram is a theoretical reconstruction of officers' promotions through the completion of mandatory courses. Further requirements for promotion have not been considered.

² The age of 18 has been considered for comparative purposes. Age of entrance varies depending on the services: Army 15-20 years old, Naval Force 18-22 years old, Air Force 17-22 years old. The minimum age for promotion will depend on the age of graduation from the military education institution.

³ This course is given at the Naval War College.

⁴ Ranks are granted only in war times.

Exchange and Training activities carried out in other countries - Army and Navy (2013)



Note: Others include: Australia, Belgium, China, Holland, Israel, Mexico, Norway, Portugal and Sweden.

Source: Compilation based on the information provided by the Brazilian Army and Navy.

Brazilian Surveillance System (SISBRAV)

The distinct measures that make up SISBRAV are currently under implementation within the specific programs of each of the Forces. It seeks to develop their capabilities in border control with the aim of achieving coordinated actions among all sub-systems in order to provide the country with maximum control and response capacity.

Integrated Border Monitoring System (SISFRON) - Army

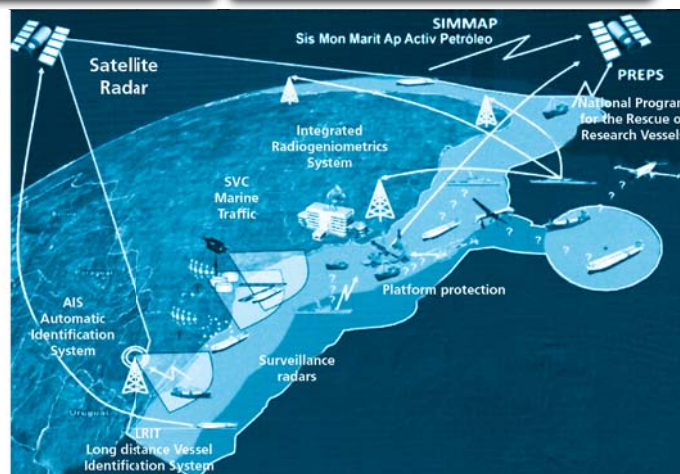
Maintains land borders monitored and responds rapidly to any threats of aggression, especially in the Amazon region. Its area of operations extends across **16,866 kilometres**, which corresponds to **27%** of Brazil's territory.

Management System of the Amazon Blue (SisGAAz) - Navy

Aims to increase knowledge of the maritime environment, and, if necessary, of operation modes available to respond quickly to crises or emergencies occurring on the coast.

Brazilian Airspace Control System (SISCEAB) – Air Force

Controls and surveys aerial navigation across the national territory and the Brazilian Airspace Defence System (SISDRABA). The project includes the capability to cover an airspace of 22,000 million km².



Strategic Border Plan

Decree N° 7496 of 2011 created the Strategic Border Plan, through which the Agatha operations are developed (organized by the Ministry of Defence) and *Centinela* (organized by the Ministry of Justice), with the objective of protecting national sovereignty and controlling the country's border traffic. Actions receive the assistance of SISFRON. Approximately 30,000 personnel participate in these operations in border zones. While without a specific time period, two tend to be carried out per year. Their objective is to reduce the incidence of transborder and environmental crimes, and to intensify the presence of the State in border regions, as well as increasing support to the local population.

Agata VIII

The operation covers a zone of **16,800 km** corresponding to **27%** of the country's territory. The operations directly impact **6 million** persons, in **710 municipalities** across **11 provinces**, in an area bordering **10 countries**.

Operation Lazador

Organized by the Joint General Command of the Armed Forces in the south of the country, it involves a deployment of 8,000 personnel in a war simulation exercise. Under the responsibility of Southern Command, these soldiers carry out actions across the entire border region of the provinces of Rio Grande do Sul, Paraná and Santa Catarina.

The operational zone is coordinated by four Army Commands, in four distinct fronts of action:

Northern Military Command

Amazonia Military Command

Western Military Command

Southern Military Command

OPERATION AGATA		AGATA I (August)	AGATA II (September)	AGATA III (November)	AGATA IV (May)	AGATA V (August)	AGATA VI (October)	AGATA VII (May-June)
		Personnel 3,044	8,705	7,195	8,304	19,806	13,162	31,263
	Zone	Border with Colombia, Peru and Venezuela	Border with - Argentina, Paraguay and Uruguay	Border with - Bolivia, Peru and Paraguay	Border with: French, Guiana, Guyana, Suriname and Venezuela	Border with: Argentina, Bolivia, Paraguay and Uruguay.	Border with: Bolivia, Colombia, Guyana, and Peru.	Border with: Argentina, Bolivia, Colombia, French Guiana, Guyana, Paraguay, Peru, Suriname, Uruguay and Venezuela
		2011			2012		2013	

Source: Compilation based on the Federal Constitution, the National Borders Plan (Decree N° 7496 – 2011), *Livro Branco de Defesa Nacional* (2012), *Revista Verde Oliva* (N° 217/August 2013), webpage of Operation Agatha, of the Ministry of Defence and the Army.

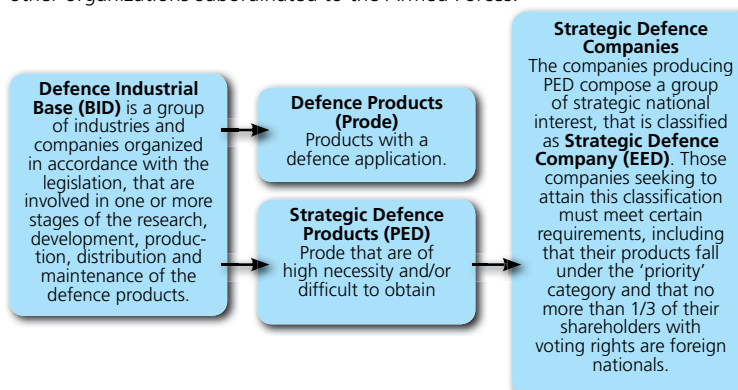
Defence Industry

Regulatory Framework of the Defence Industry

Decree N° 3665 – 2000	•New wording for the Regulation for the auditing of controlled products
Resolution N° 764/MD – 2002	•It approves the commercial, industrial and technological compensation policy and directives of the Ministry of Defence
Resolution N° 611/MD -2005	•It provides for the institution of the defence industry military commission (CMID)
Resolution N° 611/MD - 2005	•It approves the national policy of the defence industry (PNID).
Resolution N° 075/MD – 2005	•It provides for the activation of the Certification, Metrology, Normalization and Industrial Promotion Centre of the Armed Forces (CCE-MEFA) and its systems
Act N° 12598 - 2012	•It establishes special standards for the acquisition, contracting and development of defence products and systems; it creates incentive rules for the strategic defence area
Decree N° 7970- 2013	•Creates the Mixed Defence Industry Commission, and also establishes the definitions regarding which products can be understood to be strategic in nature.
Decree N° 8122- 2013	•Establishes a Special Tax Regime for companies that produce strategic defence products.

The system of industrial production for defence has undergone a broad transformation in recent years through cooperation between the government and the industry. On the basis of these guidelines, an acquisitions program has been planted that makes it necessary for all required defence products to be sought from the national industry, investing in the development of the products when necessary and, when not, guaranteeing the transference of technology. The strategy is based in investment in Research and Development and incentives for the national industry.

Within the **Ministry of Defence**, the **Secretariat of Defence Products (SE-PROD)** coordinates the advanced research in defence technologies conducted at the 23 research institutes of the Navy, the Army and the Air Force, as well as in other organizations subordinated to the Armed Forces.



Brazilian Association of Defence Material Industries (ABIMDE): Civilian non-profit entity, with the mission to gather, represent, and defend the interests of associated industries, contributing to the formulation of public policies for the defence sector.

Mixed Defence Industry Commission: Body responsible for advising the Ministry of Defence regarding the regime of products defined as being necessary to defence. Proposes studies and investigations on the issue and presents to the Ministry a list of products that can be understood as Defence Products (Prode) or Strategic Defence Products (PED), as well as a list of those companies that shall be placed under the special tax regime and the products within this area.

The Coordination and Modernization Plan (PAED) substantiates, in coherent form, the strategic projects of the Armed Forces destined to attending to the demands of new defence capacities.

Joint General Command of the Armed Forces

Air Defence System: Agreement with Russia in 2013. Acquisition of a complete air defence system, composed of five Pantisir S-1 batteries that will be operated jointly by the three branches from 2016.

Geostationary Defence and Strategic Communications Satellite: partnership between Embraer and Telebras, in 2014. Objective: communications both on civilian and military bands, and increase the communication capability of the Armed Forces.

The Program of Re-Fitting the Navy

• **Program for attainment of surface capabilities (PROSUPER):** Aims to construct in Brazil 5 navy escort vessels; 5 navy patrol vessels and a navy logistical support vessel.

• **Submarine development program (PRO-SUB):** Project of the Brazilian Navy together with the National Directorate of Naval Construction with France. Inaugurated the Unit for the Fabrication of Metallic Structures. It is an industrial unit responsible for the construction of the hull for the nuclear submarine.

• **Naval Nuclear Program (PNM):** construction of a prototype PWR reactor (Pressure Water Reactor), which will be used as the basis of the reactor for the first nuclear-powered submarine.

• **Program for attaining aircraft carriers:** Acquisition of at least 2 aircraft carriers from a foreign company.

• Acquisition of 46 (500 tonne) oceanic patrol boats.

• **Program for attaining amphibious vehicles:** Acquisition of 2 vessels for transporting vehicles.

• Construction of 4 (600 tonne) Barroso class corvettes.

Projects included in the Army Transformation Program (Pro Força):

• **Guarani:** joint project with Fiat IVECO. Will produce 2,044 personnel transport vehicles over 20 years. Will add a new line of 8x8 and 6x6 vehicles and new 4x4 vehicles. The testing stage began in 2014 with the delivery of 13 units.

• **Saber M-60:** In cooperation with the company Orbisat. Low altitude radar developed by the Army as part of the airspace surveillance program. Passing through its final stage of operational testing.

• **Astros 2020 Project:** Joint project with Avibras. Provides for the construction of a system based on the Astros II launcher. Together with the launcher, they are developing Astros Class tactical missiles which have a 300km range, and an un-manned Falcao aircraft to provide the platform with logistical support. 9 units have been provided for testing in 2014.

• **Light armaments:** It was decided to replace the main weapon of the Army with the IA-2 rifle, developed by the Brazilian Bellicose Industries (Imbel). In 2013 the Army adopted the 5.56 mm version as its principal weapon in that range.

Principal programs of the Air Force

• **HX-BR:** Joint program between HELIBRAS and EUROCOPTER. Acquisition of 50 EC-725 helicopters produced in Brazil. 4 units were delivered by 2012.

• **KC-390:** Project with the company EMBRAER, elaborated in 2012. Will produce the Tactical Military Freighter, with flight tests that should occur in October 2014.

• **H-69:** Acquisition of 16 Black Hawk helicopters.

• **AH-X:** Project with Russia in 2012. Acquisition of 12 AH-2 Sabre (MI-35) attack helicopters. 9 of the 12 have been received

• **FX-2:** acquisition of 36 Gripen NG aircraft of the Swedish company SAAB.

• **VANT:** Together with Avibras, it is developing the Falcao aerial vehicle, and the Hermes platform.

• **InovaAerodefesa:** Bidding program for investing in companies and universities. Development of basic equipment for projects innovated by the Ministry, such as propulsion for aircraft and satellite launchers.

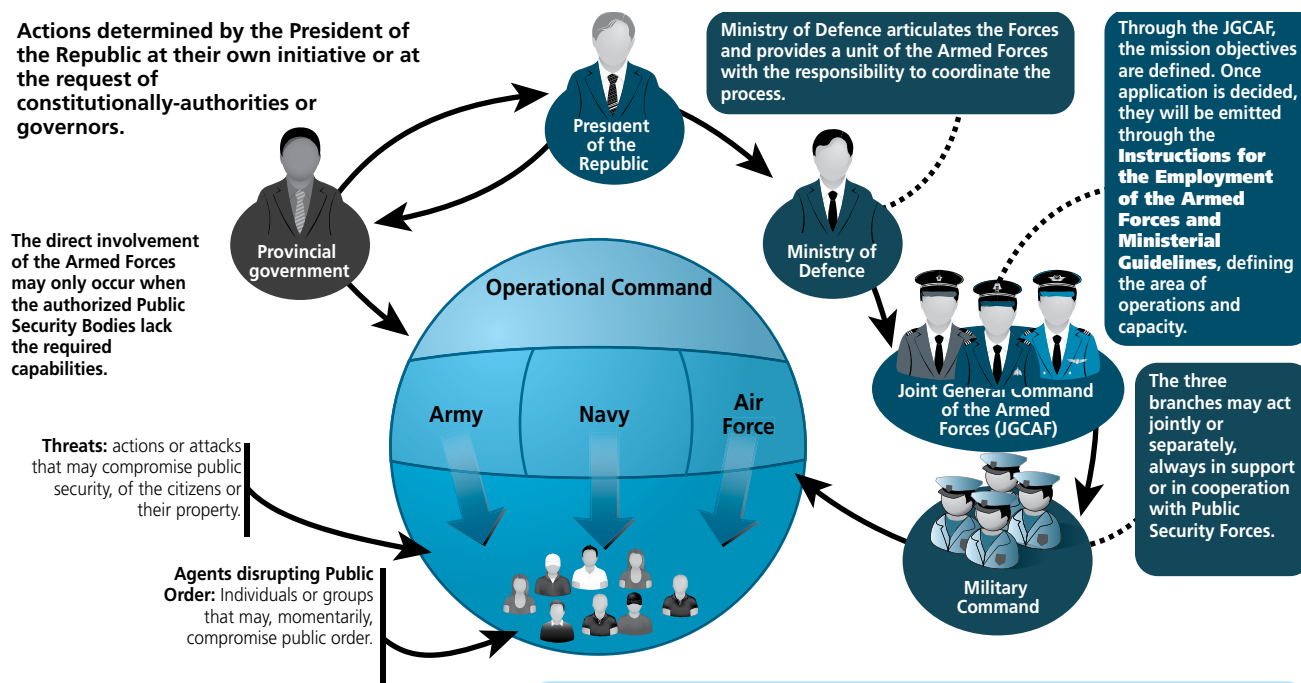
Source: Compilation based on the websites of the Ministry of Defence, Navy, and Air Force. *Revista Verde Oliva* N° 217/August 2013, *Livro Branco de Defesa Nacional* (2012), *Estratégia Nacional de Defesa* and *Lei de fomento à Base Industrial de Defesa* (N° 12598 – 2012/03/22).

Defence and National and International Community

Law and Order Enforcement Operations (LOEO)

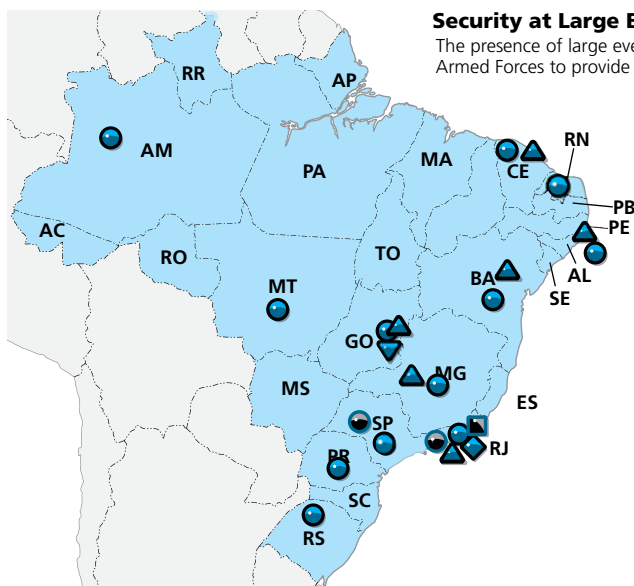
Law and order enforcement operations are characterized as “non-war actions” due to occurring for a predetermined period of time and not involving confrontation, but the use of the Forces, when required, is provided for. During LOEO operations, the military are authorized to carry out arrests for offenses committed *in flagrante*, patrols and inspections. The participation of the Armed Forces in these activities is provided for in Article 142 of the Constitution of the Republic of 1988, Complementary Law N° 97, of June 9th 1999, the Complementary Law N° 136 of August 25th 2010, and the Presidential Decree N° 3897 of August 24th 2001. The *Manual de Garantia da Lei e da ordem* was published in February 2014 by the Ministry of Defence and approves the application in punctual actions for the maintenance of internal security. The use of military personnel in these actions may only occur following approval by the President of the Republic, where it is considered that the capabilities of Public Security Bodies to provide protection to the population or to maintain order is inexistent or insufficient.

Actions determined by the President of the Republic at their own initiative or at the request of constitutionally-authorities or governors.



Security at Large Events

The presence of large events in the countries has generated the need for coordinated action on behalf of the Armed Forces to provide for their regular functioning.



- 2011 – World Military Games – 4,200 athletes from 114 countries participated.
- 2012 – Conference of the United Nations for Sustainable Development (Rio+20) – Representatives from 193 UN member states participated.
- 2013 – World Youth Day – Deployed: 6,896 Army, 3,014 Navy, and 649 Air Force.
- 2013 – Confederations Cup, with the employment of 20,000 military personnel from the three branches of the Armed Forces in the 6 host cities.
- 2014 – FIFA World Cup– 57,000 military personnel from the 12 host cities.
- 2014 – BRICS Summit (Brazil, Russia, India, China and South Africa), a total of 6,400 personnel from the three branches were deployed: 3,300 for the security of Summit participants in the meetings carried out in Fortaleza (CE) and 4,100 for the meetings carried out in Brasilia (DF).

Source: Compilation based on the *Manual de Garantia da Lei e da Ordem*, the website of the Ministry of Defence, and the Conference of the United Nations for Sustainable Development (Rio+20).

Defence and National and International Community

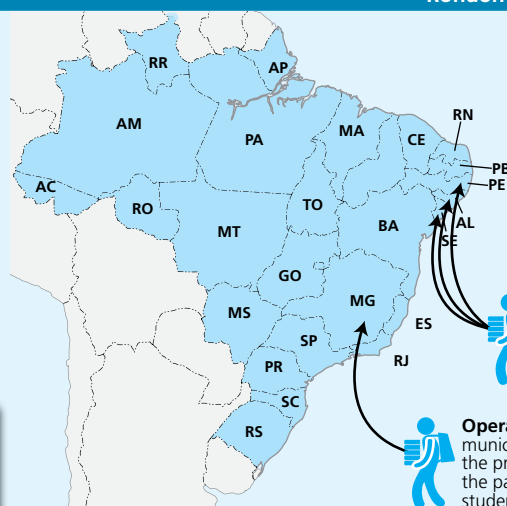
Activities in which defence is related to:

National Integration
Agriculture, Fishing and Food Supply
Development, Industry and Foreign Trade
Education
Social development and fighting hunger
Justice
Health
Science, Technology and Innovation
Economy

Citizen Soldier Project

The project aims to provide social and professional qualifications to recruits on military service, complementing their civilian civic training and assisting their insertion into the labor market. The initiative has been running since 2004 and covers the entire national territory, benefitting 185,096 young persons as of 2013. For 2014, the goal is to reach 200,000. Courses include basic ethics, citizenship and entrepreneurial skills.

Rondon Project



In 2014:

Operation Guararapes – 20 municipalities in the provinces of Pernambuco, Paraíba and Alagoas, with the participation of 399 students.

Operation Catope – 13 municipalities attended to in the province of MG, with the participation of 259 students.

It is a project seeking for the integration of students to the national development process. Created in 1967, the initiative was dismantled in 1989 and then reactivated in 2005 with the creation of the Rondon Project Guidance and Supervision Committee (Presidential Decree of 14 January 2005). The goal is to promote the production of social initiatives with the assisted communities, such as: assistance in family health and oral health, training of replicating agents in sports incentive actions, and prevention of violence against women. In its execution, the project counts with the logistic and security support of the Armed Forces. Each operation has a duration of fifteen days, and they cover both the cities with the highest levels of poverty and social exclusion and the most remote areas of the country.

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Rondonistas*	312	1,377	1,933	2,002	1,756	2,400	2,860	1,180	1,799	1,383
Municipalities attended to	19	91	128	143	116	136	141	59	120	70

* Name used to refer to the students participating in the project; they are not military personnel.

Natural Disasters

In July 2014, the Ministry of Defence emitted a portaria that regulates the actions of the Armed Forces in relation to public calamities and natural disasters. Portaria N° 1771, of July 16th 2014, determines the mobilization of the Armed Forces in humanitarian assistance both domestically and in the context of United Nations missions.

The Brazilian Armed Forces provide assistance in response to natural in three areas, which are coordinated and delegated by the Joint General Command of the Armed Forces

HEALTH

Composed of military field hospitals, 4x4 ambulances, and diverse medical bodies, among others. All of these provide emergency and ambulatory medical assistance, acting in the chain of evacuation for those injured.

AERIAL SUPPORT

Employment of aircraft and rescue equipment and aero-medical evacuation to those injured, support to the affected population, and, principally, to transport personnel and materials for rescue and support teams deployed to areas affected by natural disasters, in addition to support in combatting fires in areas where access is difficult.

SEARCH AND RESCUE

Composed of diverse specialized craft, in addition to equipment for first-response and stabilization, or for the recuperation of persons and/or goods involved in any type of disaster.

Operation Pipa

Under the initiative whose official name is the "Emergency Water Distribution Program", of the Federal Government's Drought Observatory, the Armed Forces have assisted in the distribution of drinking water to regions affected by droughts.

In 2013, they attended to **893** cities in 9 provinces.

Flooding

In July 2014, the Army provided assistance to the provinces in the southern region of the country, affected by flooding. Close to 200 personnel from military units provided assistance to displaced populations and distributed basic necessities.

Participation in Peace Operations

Current Missions	Military Component			
	MEM		MC	
	Men	Women	Men	Women
MINUSTAH (Haiti)	-	-	1,368	18
MONUSCO (Congo)	-	-	6	-
UNFICYP (Cyprus)	-	-	1	-
UNMIL (Liberia)	2	-	2	-
UNSMIS (Syria)	5	-	-	-
UNOCI (Ivory Coast)	4	-	3	-
UNMISS (South Sudan)	5	-	3	-
UNIFIL (Lebanon)	-	-	267	-
UNISFA (Abyei)	1	-	2	-

MEM: Military experts on mission, including military observers, judge advocates and military liaison officers, among others. - MC: Military Contingent.

Brazil contributes 1,691 military personnel to United Nations peacekeeping missions, representing 27.7% of the total Latin American contribution.

In 2004, Brazil assumed the leadership of the United Nations Stabilization Mission in Haiti (MINUSTAH). From February 2011, it received the command for the Maritime Task Force of the United Nations Interim Mission in Lebanon (UNIFIL). The post of Force Commander of the United Nations Stabilization Mission in the

Democratic Republic of Congo is currently held by a Brazilian General.



Source: Statistics on contribution of military and police personnel to United Nations operations, Department of Peacekeeping Operations of the United Nations - May 2014, official websites of the Ministries of Foreign Relations, Defence, and the Brazilian Rains Observatory, of the Office of the President of the Republic (Portal Brasil) and the Rondon project.