

Updates on Brazilian IP legislation

Decree Regulates Reciprocity and Establishes Committee to Deliberate on Countermeasures

On July 15, 2025, the Brazilian Official Gazette published a decree issued by President Luiz Inácio Lula da Silva regulating the Economic Reciprocity Law regulating Law No. 15,122, of April 11, 2025. The decree establishes the legal framework under which the Executive Branch, in coordination with private sector entities, may adopt retaliatory measures in response to unilateral actions adopted by a foreign country or economic bloc that negatively impact Brazil's international competitiveness, particularly in cases that:

I – interfere with Brazil's legitimate and sovereign choices, seeking to prevent or compel the cessation, modification, or adoption of a specific act or practice in Brazil through the application or threat of application of unilateral trade, financial, or investment measures;

II – violate or are inconsistent with the provisions of trade agreements or otherwise nullify, impair, or deny benefits to Brazil under any trade agreement; or

III – constitute unilateral measures based on environmental requirements that are more burdensome than the parameters, rules, and environmental protection standards adopted by Brazil.

In those cases, the following retaliatory measures may be adopted:

- (i) restrictions on the importation of goods or services;
- (ii) suspension of commercial and investment concessions;
- (iii) suspension of intellectual property rights held by foreign companies; and
- (iv) suspension of Brazil's obligations under international trade agreements

The suspension of intellectual property rights, however, shall be applied only in **exceptional circumstances**, and exclusively when other measures provided for in the Law are deemed inadequate to reverse hostile actions, policies, or practices targeting Brazil. Such suspension must observe the following procedural stages:

- I – a public consultation process for stakeholder input;
- II – informed deadlines for technical analysis of the matter; and
- III – formulation of a proposal outlining the specific retaliatory measures.

<https://www.gov.br/mdic/pt-br/assuntos/noticias/2025/julho/decreto-regulamenta-reciprocidade-e-cria-comite-para-deliberar-sobre-contramedidas>

Comments:

This new legislation introduces, for the first time, a formal legal mechanism of economic reciprocity capable of encompassing restrictions on intellectual property rights. Companies may consider reviewing and enhancing provisions in cross-border agreements, such as intellectual property licenses, risk allocation clauses, and contractual remedies or penalties, to address scenarios in which rights or obligations may be suspended pursuant to Law No. 15,122/2025. In addition, the establishment of regulatory compliance programs and the implementation of ongoing due diligence processes are recommended to anticipate potential governmental notices of retaliatory measures and to develop appropriate mitigation or workaround strategies.